

Glossary

Chapter 4

action plan	The specific steps necessary to achieve a goal or an objective.
contingency plan	An alternative plan to be used if the original plan cannot be implemented or a crisis develops.
management by objectives (MBO)	A systematic application of goal setting and planning to help individuals and firms be more productive.
mission	The firm's purpose and where it fits into the world.
operating plans	The means through which strategic plans alter the destiny of the firm.
operational planning	Planning that requires specific procedures and actions at lower levels in an organization.
policies	General guidelines to follow in making decisions and taking action.
procedures	A customary method for handling an activity. It guides action rather than thinking.
rule	A specific course of action or conduct that must be followed. It is the simplest type of plan.
strategic planning	A firm's overall master plan that shapes its destiny.
strategy	The organization's plan, or comprehensive program, for achieving its vision, mission, and goals in its environment.
SWOT analysis	A method of considering the strengths, weaknesses, opportunities, and threats in a given situation.
tactical planning	Planning that translates a firm's strategic plans into specific goals by organizational unit.
vision	An idealized picture of the future of an organization.