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"Planning, Business Plan, and Management Control in the Thermalism of Quality"

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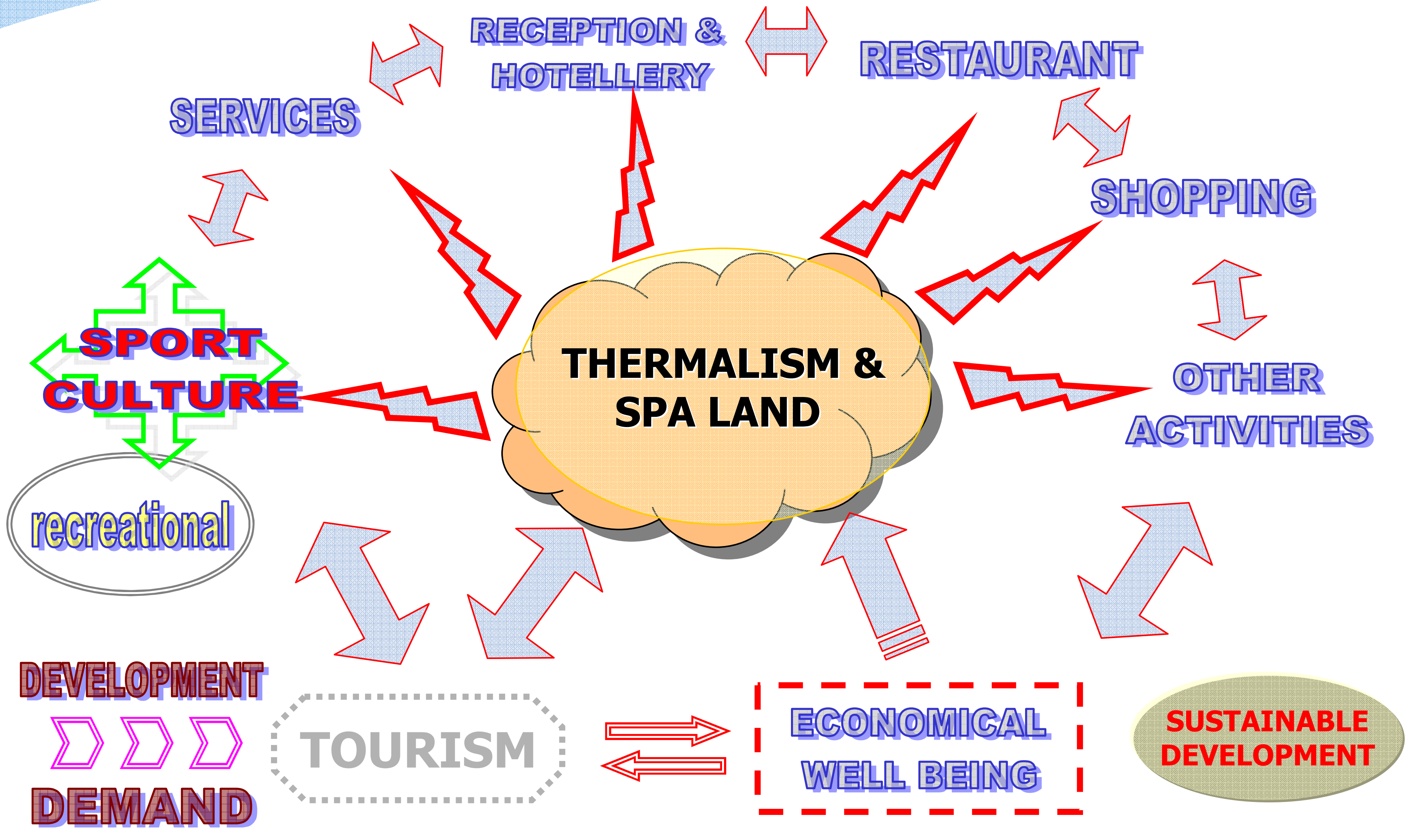
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The orientation of the corporate management to the future is a consequence of the difficulties of a company to manage the environmental turbulence.

Hence the need for management to predict the future trends with a certain advance with respect to the administrative detections of the company according to a logic of *feedforward*.

It is the task of guiding and orienting the management, capable of ensuring that the resources are used effectively and efficiently, in relation to the economic and social goals prefixed.

''To check'' means influencing and directing behaviour through the setting of objectives and standards of performance of an organziation.

PROGRAMMING AND MANAGEMENT CONTROL - WHY?

- **Does my organization produce good results (compared to competitors)? Are the results improving? Am I achieving my goals?**

- **How do you bring the entire organization to work together for the objectives that I have in mind? How do you make people able to fend to perform their tasks without having to be always there to guard? How do you get things a little more "on their behalf? "**

- **How can I make it clear to my employees where I want to go? How do I transfer the objectives of the organization to them?**

- **Is there a better way to assess people? Do people have to be judged for what they actually do? How can people's remuneration be tied to what they do?**

- **How do you make people more aware of the results?**

Summarizing THE MANAGEMENT CONTROL is the activity of leading performed by managers to ensure the acquisition and the use of resources in an effective and efficient way in order to achieve the economic objectives established

TRADITIONAL and ADVANCED SYSTEMS OF PLANNING AND CONTROL - 1

Traditional systems (budgeting and cost accounting)

- **Mainly use quantitative and accounting information**

- **Are oriented towards drafting a budget with attention to deviations between programmed and actual values**

- **Are rigid systems**

TRADITIONAL and ADVANCED SYSTEMS OF PLANNING AND CONTROL - 2

Advanced systems (ABC analysis, BSC, EVA, Benchmarking)

- **Are also based on qualitative and flexible aspects**
- **From economic and financial concepts to «value» concept**
- **Develop control of strategies, processes, and comparisons with the external environment**

THE PROGRAMMING CYCLE

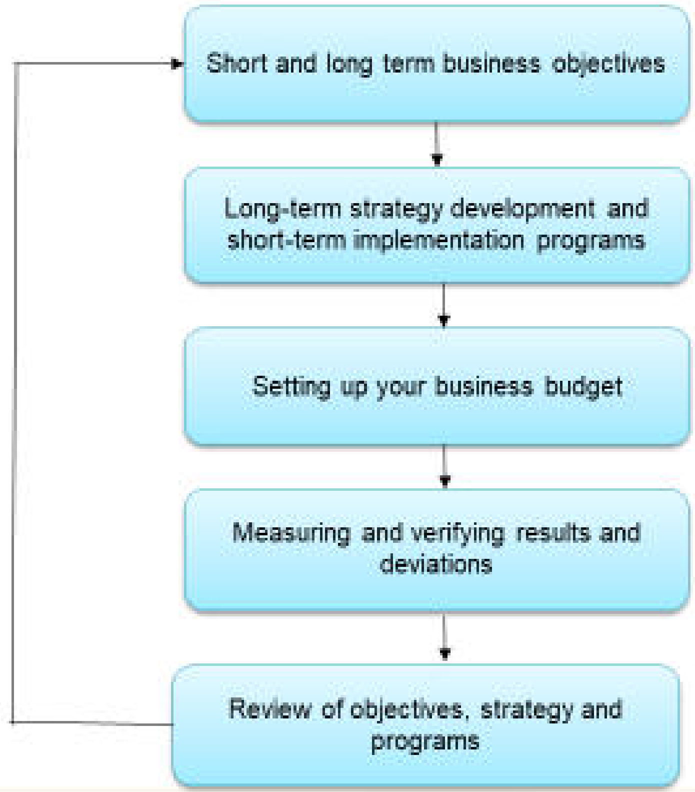
STRATEGIC PLAN: FIRST STEP

ANNUAL OPERATING PLAN (AOP): BUDGET

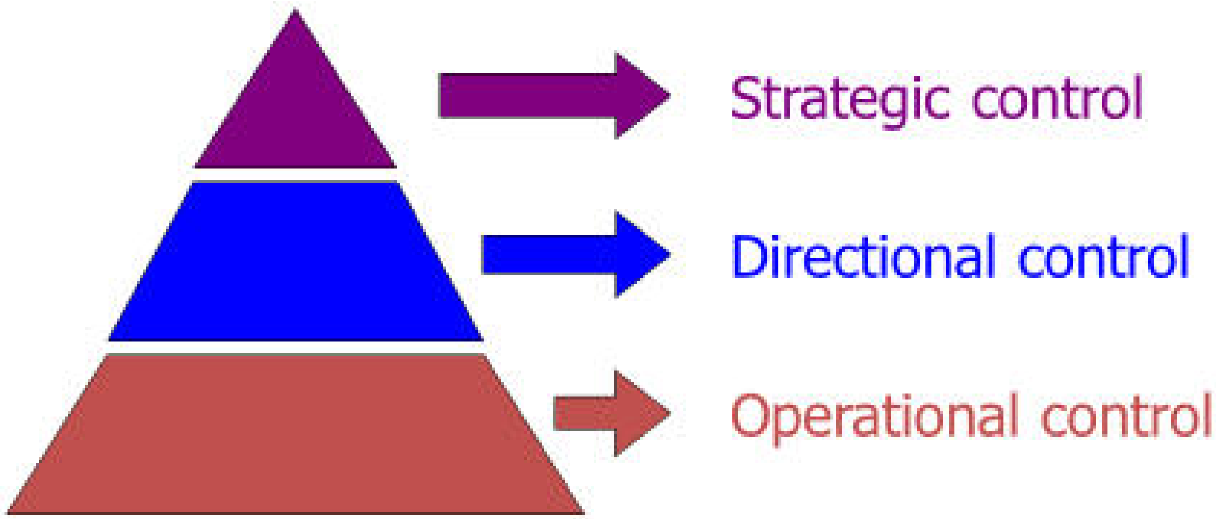
UPDATED PLAN: TAKE INTO ACCOUNT THE DEVIATIONS BETWEEN THE REAL AND THE SCHEDULED PERFORMANCE

FORECASTS: INFORMAL PROJECTIONS MADE DURING THE YEAR

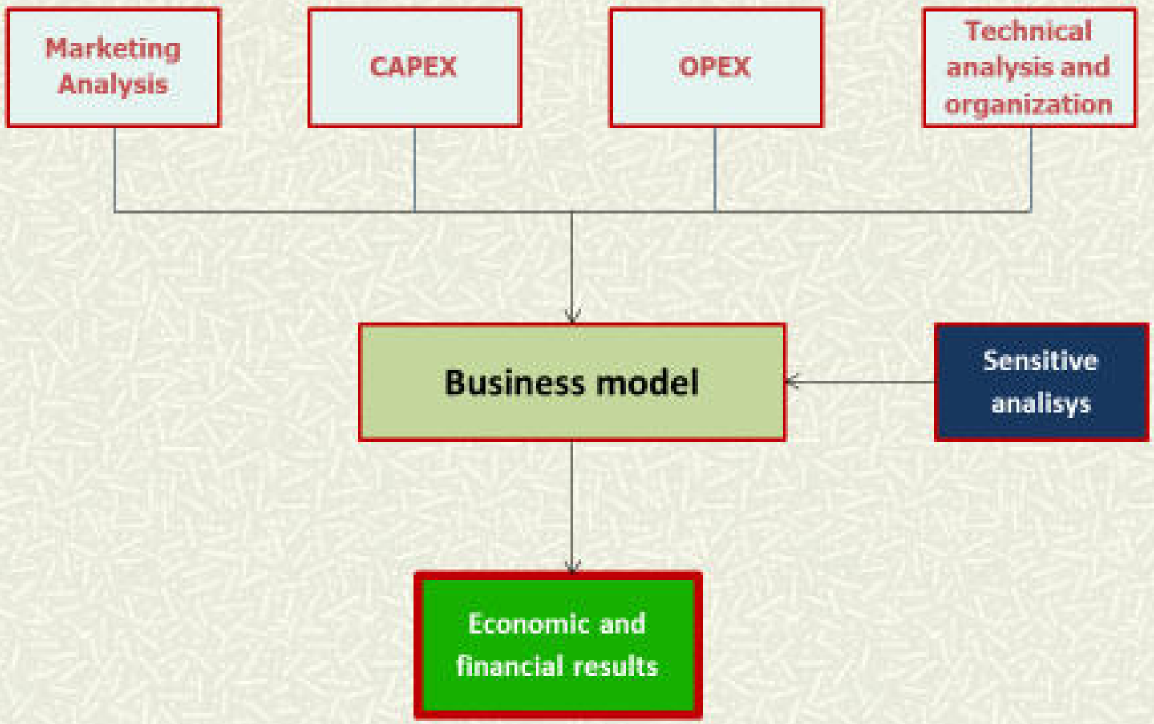
THE PROGRAMMING CYCLE: THE FEEDBACK SYSTEM



LEVELS OF MANAGEMENT CONTROL



The programming and business models



The BUSINESS PLAN is a means of presentation, analysis and learning that allows the company to plan its activities and to verify their feasibility

THE OBJECTIVES OF THE BUSINESS PLAN - 1

1. To provide basic information to start the business (which and how many economic, financial and human resources are needed, product and market activities, who are the competitors and the typical customers)

2. To allow the investor to have a global view of the factors that characterize the business, providing a basis on which to plan strategies and actions

3. To emphasize the originality of the management idea

THE OBJECTIVES OF THE BUSINESS PLAN - 2

4. **To verify the consistency between the individual actions indicated, and in particular between the description of the activity and the related revenues and costs;**

5. **To define the legal form in relation to the characteristics of the future activity to be exercised;**

6. **To formulate reliable predictions simulating the various development hypotheses of the activities;**

7. **To serve as a business card for presenting the business outside (potential partners, backers, banks, customers and suppliers). It is compulsory to take advantage of soft loans.**

In summary, it is possible to identify two specific functions of the Business Plan:

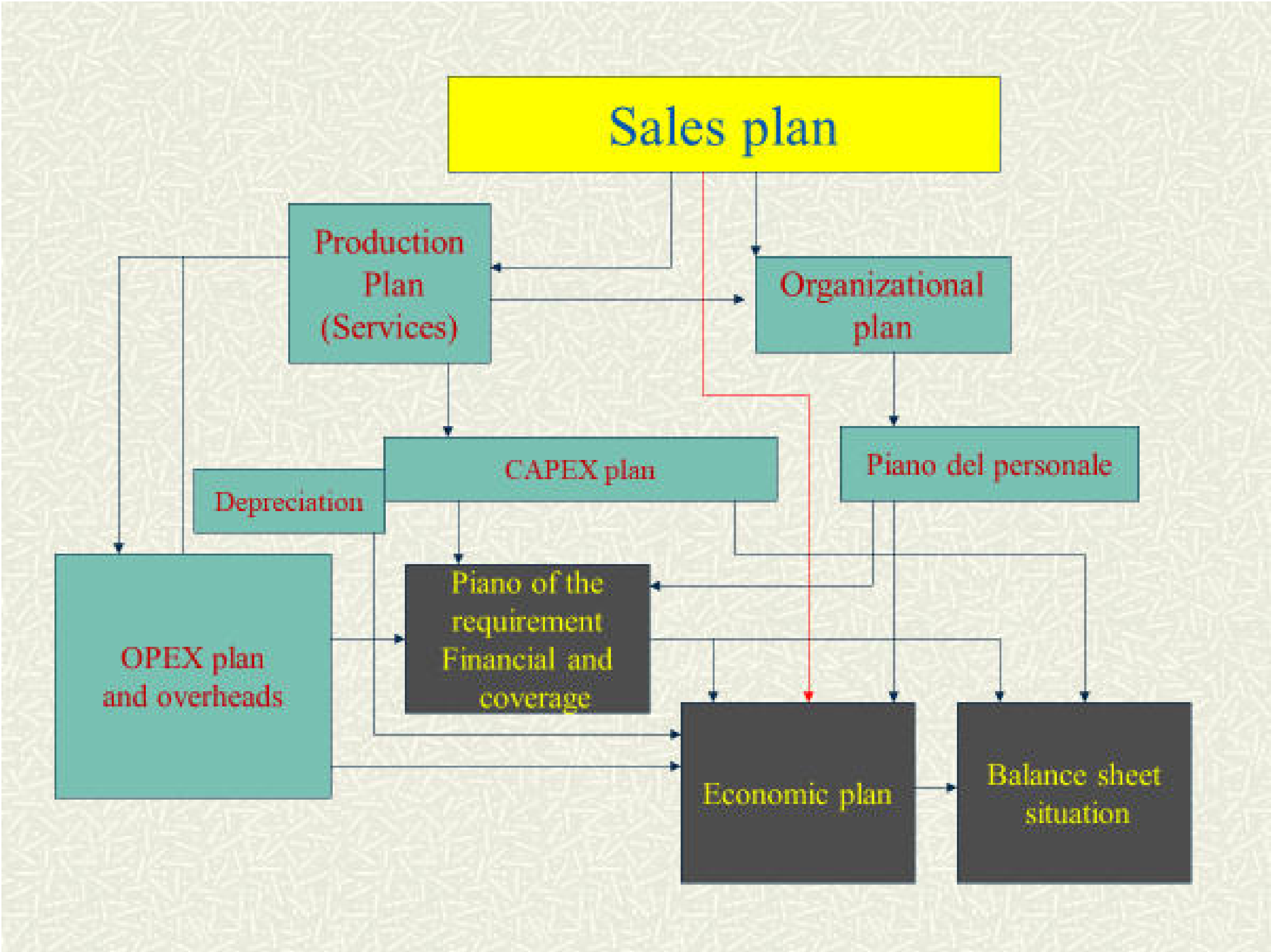
a.An internal analysis and planning that clarify the ideas of a future entrepreneur or allow him to learn by building a project

b.An external communication to future backers (partners, banks, public institutions..)

Generally the Business Plan consists of three parts:

1. An introductory part describing the entrepreneurial IDEA, the genesis of the idea and the PROMOTERS of the initiative;
2. A technical-operational part that analyzes the feasibility of the business idea on the MARKET and the ORGANIZATION of the business;
3. A quantitative and monetary part that develops the ECONOMIC AND FINANCIAL FORECASTS of the initiative.

ARTICULATION OF THE BUSINESS PLAN



THE FINANCIAL OPPORTUNITY: THE FINANCIAL DIMENSION OF THE DECISION

It means the influence that the same operation exerts on incoming and outgoing flows. There can be an investment that gives good economic margins, but it is incompatible with the liquidity situation, because - for example - it produces so much revenue over time that causes difficulties in subsequent years.

PROFILE RATING:

- financial

- bankability

To analyze the financial aspect of convenience - with the same technique as the financial statements - it is necessary to build financial budgets on which the future business dynamics are for the next years, and to see how to enter a possible operation in terms of resources that requires and produces, both in circulation and in cash.

Bankability assessment is carried out through the analysis of parameters that show that the enterprise is able to generate cash flow appropriately to repay the borrowed amounts.
There will be a case history concerning a multifunctional structure consisting of swimming pools, gyms, wellness center, sports medicine and rehabilitation, catering and some commercial activities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Thank You !