Planning: Concept, Meaning, Process and Importance

**Concept:**

Planning is the process of thinking about the activities required to achieve a desired goal. It is the first and foremost activity to achieve desired results. It involves the creation and maintenance of a plan, such as psychological aspects that require conceptual skills. There are even a couple of tests to measure someone’s capability of planning well. As such, planning is a fundamental property of intelligent behavior. An important further meaning, often just called "planning" is the legal context of permitted building developments.

**Meaning:**

Planning is very important for successfulness and the effective performance of a programme not only for programme but also for individuals. It involves selecting missions and objectives and the actions to achieve them. Therefore every organisation gives a greater emphasis on planning.

Planning as a process involves the determination of future course of action, that is why an action, what action, how to take action, and
when to take action. These are related with different aspects of planning process.

Thus, Terry has defined planning in terms of future course of action i.e., “planning is the selection and relating of facts and making and using of assumptions regarding the future in the visualisation and formalisation of proposed activities believed necessary to achieve desired result.”

Mc Farland has defined Planning as “a concept of executive action that embodies the skills of anticipating, influencing and controlling the nature and direction of change.”

**Process of Planning:**

Planning involves setting the goals of the programme and then managing the resources to achieve such goals. As you can imagine it is a systematic process involving eight well thought out steps. Let us take a look at the planning process.
1. Recognizing Need for Action
2. Setting Objectives
3. Developing Premises
4. Identifying Alternatives
5. Formulating Supporting Plan
6. Implementation of the Plan

**Components of Planning:**

Planning consists of several individual plans or components of planning, which are usually bound together.

(i) Forecasting.       (ii) Objectives.
(iii) Policies.        (iv) Programmes.
(v) Strategies.       (vi) Schedules.
(vii) Procedures.      (viii) Rules, and
(ix) Budgets.

**Importance of Planning:**

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<th>Importance of Planning - Why Planning is Important?</th>
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<td>1. Increases Efficiency</td>
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Planning for Rural Development: Concept, Importance, functions and Need of Decentralized planning

Concept:

A plan is a blueprint for action. It points out a precise way to reach a pre-determined goal or a set of goals within a pre-determined period of time with the means, those are available with the planner and under the prevailing circumstances. Planning as a process, involves the application of a rational system of choices among feasible courses of investment and other development possibilities based on a consideration of economic and social costs and benefits. In contest of a quantitative planning model, planning may be defined as a process of determining an optimal mix of alternative investment activities so as to maximise the objective function under the given constraints. However, we define planning as an organised, conscious and continued effort to achieve specific goals in the future.

Importance:

1. To develop rural area as whole in terms of culture, society, economy, technology and health.
2. To develop living standards of rural mass.
3. To develop rural youths, children and women.
4. To develop and empower human resource of rural area in terms of their psychology, skill, knowledge, attitude and other abilities.
5. To solve the problems faced by the rural mass for their development
6. To develop infrastructure facility of rural area.
7. To provide minimum facility to rural mass in terms of drinking water, education, transport, electricity and communication.
8. To develop rural institutions like Panchayat, cooperatives, post, banking and credit.
9. To develop rural industries through the development of handicrafts, small scaled industries, village industries, rural crafts, cottage industries and other related economic operations in the rural sector.
10. To develop agriculture, animal husbandry and other agricultural related areas.
11. To restore uncultivated land, provide irrigation facilities and motivate farmers to adopt improved seed, fertilizers, package of practices of crop cultivation and soil conservation methods.
12. To develop entertainment and recreational facility for rural mass.
13. To develop leadership quality of rural area.
14. To improve rural marketing facility.
15. To minimize gap between the urban and rural in terms of facilities availed.
16. To improve rural people’s participation in the development of state and nation as whole.
17. To improve scopes of employment for rural mass.
18. For the sustainable development of rural area.
19. To eliminate rural poverty.
20. To empower them.

Functions:

- To Promote small scale industries
- To Finance the development of housing sectors
- To develop the large scale of industries
- To help in agriculture and rural development
• To Promote economic activities in backward areas
• To the provision of proper living conditions.
• To ensure social security.
• To ensure the level of protection of citizens' health. Education, professional competence, cultural development.
• To ensure the level of personal safety and legal protection.
• To ensure the environmental safety.

**Decentralized planning:**

Decentralised planning is very much important in a country like India, where majority of our population live in rural areas. Thus under the present economic scenario, the decentralised planning is considered as most important strategy in respect of planning for economic development.

Decentralised planning refers to the process of planning where some of planning functions and responsibilities of decision-making are delegated from the centre to the lower levels of administration. As a first step, planning process get decentralised from national level to state level planning, then state to regional level, from regional to district level, district level to sub-divisional level or block level and ultimately to village level. Decentralised planning may also be called as grass-root level planning or planning from below. Planning from the top or planning by direction is known as centralised planning or macro-level planning. In the case of macro planning, the planning is done for entire nation or country as a whole. Although planning at the top may be made more precise and coordinated and may take account of the overall requirements of the country, it may not pay equal attention to the needs of all regions. But planning by inducement or planning from below or
decentralised planning fixes its targets in lower level (below the national level) and is achieved by real beneficiaries who participate both in formulation and implementation of the plan. Thus, decentralisation provides an opportunity for involving the people in their planning process and thus demonstrate their capabilities.

**Need of Decentralised Planning:**

1. It is difficult for the macro level planning to cover effectively the resources of local level and of spatially dispersed economic activities pursued on small scale at household and village level.

2. Bringing the peripheral groups of the poor and the disadvantaged within the mainstream of economic processes needs programmes and organisational structure at the grass-roots for identification, delivery, initial support and guidance towards viability.

3. Given the likely slow and halting pace of rehabilitation of these groups and the frequent periods of stress and strain through which they pass, stable and dependable arrangements are required for provision of relief and supply of minimum needs to them on an adequate scale.

4. It is important to have participatory mechanisms in the planning of resources and needs with a view to promoting among the people motivation, habits of self-help, local level ownership and active role in strategic and planning decisions.

Decentralization to regional or local levels allows officials to disaggregate and tailor development plans and programmes to the needs of heterogeneous regions and groups, cuts through red tape, enables better information flow, facilitates integration and local elites with the national elites, leads to greater equity in allocation of
government resources, develops administrative capability for economic
development, institutionalises participation of citizens in planning
process and it creates an atmosphere of political stability and national
unity.
State and Civil Society Response to Development

State and Civil Society:

Generally, civil society has been referred to as a political association governing social conflict through the imposition of rules that restrain citizens from harming one another. In the classical period, the concept was used as a synonym for the good society, and seen as indistinguishable from the state. Civil society is a sphere apart from the state. It is a sphere in which individuals come together and form groups, pursue common enterprises, share interests, communicate over important and sometimes not so important matters.

Today almost everyone agrees that civil society refers to uncovered associational life distinct from the family and institutions of the state. Civil society is also often thought to be distinct from the economy. Where to draw the line, however, is a matter of some dispute. In what follows we take up six such relations in order to illustrate the range of contemporary debate surrounding civil society:

1. civil society apart from the state
2. civil society against the state
3. civil society in support of the state
Civil society in dialogue with the state
5. civil society in partnership with the state
6. civil society beyond the state.

Civil society organizations, also known as civic organizations, include among others:
- activist groups
- charities
- clubs (sports, social, etc.)
- community foundations
- community organizations
- consumer organizations
- cooperatives
- foundations
- non-governmental organizations (NGOs)
- non-profit organizations (NPOs)
- political parties
- private voluntary organizations (PVOs)
- professional associations
- religious organizations
- social enterprises
- social movement organizations
- support groups
- trade unions
- voluntary associations

The relationship between civil society and the state to emerge from this view is complex and often reflects a love/hate dynamic. On the one hand, liberals and conservatives alike have come to realize that the
viability of liberal democracy depends on reproducing the requisite democratic dispositions. Democracy without democrats is a precarious proposition. Contrary to what Kant thought, we cannot build a strong political community assuming a race of devils. Instead we need to be attentive to identity formation and the inculcation of values. From this point of view, civil society performs a function of underpinning and supporting the state. On the other hand, there is also a certain amount of hostility towards the state.
Planning Commission:

Planning Commission of India is an organization in the Government of India, which formulates India`s Five-Year Plans, among other functions. The planning commission was charged with the service of the opportunities to all for employment in the service of the community. The Planning Commission is reporting directly to the Prime Minister of India. It was established on **15 March 1950**, with Prime Minister Jawaharlal Nehru as the chairman. The Planning Commission does not derive its creation from either the Constitution or statute but is an arm of the Central/Union Government. The Planning Commission was set up by a Resolution of the Government of India in March 1950. The prime objectives of the Government were to propel a rapid increase in the living standard of Indians by the productive exploitation of the country’s resources, raising production and securing opportunities for everyone for employment in the service of society. The Planning Commission was assigned the responsibility of assessing all the resources of the country, enhancing scarce resources, drafting plans for the most productive and balanced usage of resources and ascertaining priorities. Pandit Nehru was the first Chairman of the Planning Commission.

The first Five-year Plan was launched in 1951 and subsequent Five-year plans were formulated till 1965, when a gap occurred due to the war with Pakistan. 2 consecutive years of drought, rupee devaluation, a general hike in prices and depletion of resources derailed
the planning process and after Annual Plans from 1966 to 1969, the 4th Five-year plan was started in 1969.

The 8th Plan could not be launched in 1990 due to political situations altering and instabilities at the Centre and the years 1990-91 and 1991-92 received Annual Plans. The 8th Plan was finally kicked off in 1992 after the economic liberalization policies were started by the government. For the first 8 Plans, the focus was on an expanding public sector with massive investments in the heavy and basic industrial sector, but after the launch of the 9th Plan in 1997, the emphasis has shifted from heavy industries and moved on to the thinking that planning should largely be indicative in nature.

**Functions:**

- To formulate a plan for the most effective and balanced utilization of country's resources.
- To define the stages, on the basis of priority, in which the plan should be carried out and propose the allocation of resources for the due completion of each stage.
- To indicate the factors that tend to retard economic development.
- To determine the conditions which need to be established for the successful execution of the plan within the incumbent socio-political situation of the country.
- To determine the nature of the machinery required for securing the successful implementation of each stage of the plan in all its aspects.
- To appraise from time to time the progress achieved in the execution of each stage of the plan and also recommend the
adjustments of policy and measures which are deemed important for successful implementation of the plan.

➢ To make necessary recommendations from time to time regarding those things which are deemed necessary for facilitating the execution of these functions. Such recommendations can be related to the prevailing economic conditions, current policies, measures or development programs. They can even be given out in response to some specific problems referred to the commission by the central or the state governments.

Sectors of Planning Commission:
➢ Agricultural
➢ Communication
➢ Information and Information Technology
➢ Division Educational
➢ Employment
➢ Environment & Forests
➢ Health
➢ Industry
➢ Minerals
➢ Infrastructure
➢ Power and Energy
➢ Rural Development
➢ Science & Technology
➢ Social Justice
➢ Urban Affairs
➢ Women Empowerment
➢ Water Resources
Structure of Planning Commission:

**Chairperson**
Hon’ble Prime Minister

**Vice Chairman**
Hon’ble Minister for Planning

**Member Secretary**
Secretary, Planning Division

- **Member, Programming Division**
- **Member, General Economics Division**
- **Member, Socio-Economic Infrastructure Division**
- **Member, Agriculture, Water Resources and Rural Institution Division**
- **Member, Industries and Energy Division**
- **Member, Physical Infrastructure Division**

**Extended Planning Commission:** It includes Finance Secretary, ERD Secretary and IMED Secretary.
NITI Aayog:
The NITI Aayog was formed on January 1, 2015. In Sanskrit, the word “NITI” means morality, behavior, guidance, etc. But, in the present context, it means policy and the NITI stands for “National Institution for Transforming India”. It is the country’s premier policy-making institution which is expected to bolster the economic growth of the country. It aims to construct a strong state that will help to create a dynamic and strong nation. This helps India to emerge as a major economy in the world. The NITI Aayog’s creation has two hubs called “Team India Hub” and “Knowledge and Innovation Hub”.

1. The Team India: It leads the participation of Indian states with the central government.
2. The Knowledge and Innovation Hub: it builds institution’s think tank capabilities.

NITI Aayog is additionally creating itself as a State of the Art Resource Center, with the essential resources, knowledge, and skills that will empower it to act with speed, advance research and innovation, bestow crucial policy vision to the government and manage unforeseen issues. The reason for setting up the NITI Aayog is that people had expectations for growth and development in the administration through their participation. This required institutional changes in administration and active strategy shifts that could seed and foster substantial scale change.

Objectives:

➢ To evolve a shared vision of national development priorities, sectors and strategies with the active involvement of States.
➢ To foster cooperative federalism through structured support initiatives and mechanisms with the States on a continuous basis, recognizing that strong States make a strong nation.

➢ To develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels of government.

➢ To ensure, on areas that are specifically referred to it, that the interests of national security are incorporated in economic strategy and policy.

➢ To pay special attention to the sections of our society that may be at risk of not benefiting adequately from economic progress.

➢ To design strategic and long term policy and programme frameworks and initiatives, and monitor their progress and their efficacy. The lessons learnt through monitoring and feedback will be used for making innovative improvements, including necessary mid-course corrections.

➢ To provide advice and encourage partnerships between key stakeholders and national and international like-minded Think tanks, as well as educational and policy research institutions.

➢ To create a knowledge, innovation and entrepreneurial support system through a collaborative community of national and international experts, practitioners and other partners.

➢ To offer a platform for resolution of inter-sectoral and interdepartmental issues in order to accelerate the implementation of the development agenda.

➢ To maintain a state-of-the-art Resource Centre, be a repository of research on good governance and best practices in sustainable
and equitable development as well as help their dissemination to stake-holders.

- To actively monitor and evaluate the implementation of programmes and initiatives, including the identification of the needed resources so as to strengthen the probability of success and scope of delivery.
- To focus on technology upgradation and capacity building for implementation of programmes and initiatives.
- To undertake other activities as may be necessary in order to further the execution of the national development agenda, and the objectives mentioned above.

7 pillars of effective governance envisaged by NITI Aayog

The NITI Aayog is based on the **7 pillars of effective Governance.** They are:

1. Pro-people: it fulfills the aspirations of society as well as individuals
2. Pro-activity: in anticipation of and response to citizen needs
3. Participation: involvement of citizenry
4. Empowering: Empowering, especially women in all aspects
5. Inclusion of all: inclusion of all people irrespective of caste, creed, and gender
6. Equality: Providing equal opportunity to all especially for youth
7. Transparency: Making the government visible and responsive
Present Composition of NITI Ayog:

Chairperson:
1. Shri Narendra Modi, Hon’ble Prime Minister

Vice Chairperson:
1. Dr. Rajiv Kumar

Full-Time Members:
1. Shri V.K. Saraswat
2. Prof. Ramesh Chand
3. Dr. V. K. Paul

Ex-officio Members:
1. Shri Raj Nath Singh, Minister of Defence
2. Shri Amit Shah, Minister of Home Affairs
3. Smt. Nirmala Sitharaman, Minister of Finance and Minister of Corporate Affairs
4. Shri Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare; Minister of Rural Development; Minister of Panchayati Raj.

Special Invitees:
1. Shri Nitin Jairam Gadkari, Minister of Road Transport and Highways; Minister of Micro, Small and Medium Enterprises
2. Shri Thaawar Chand Gehlot, Minister of Social Justice and Empowerment.
3. Shri Piyush Goyal, Minister of Railways; and Minister of Commerce and Industry.
4. Shri Rao Inderjit Singh, Minister of State (Independent Charge) of the Ministry of Statistics and Programme Implementation and Minister of State (Independent Charge) of Ministry of Planning.
Chief Executive Officer:
1. Shri Amitabh Kant

Functions:

NITI Aayog is developing itself as a State-of-the-art Resource Centre, with the necessary resources, knowledge and skills, that will enable it to act with speed, promote research and innovation, provide strategic policy vision for the government, and deal with contingent issues.

NITI Aayog’s entire gamut of activities can be divided into four main heads:
1. Design Policy & Programme Framework
2. Foster Cooperative Federalism
3. Monitoring & Evaluation
4. Think Tank and Knowledge & Innovation Hub

The different verticals of NITI provide the requisite coordination and support framework for NITI to carry out its mandate. The list of verticals is as below:
- Agriculture
- Health
- Women & Child Development
- Governance & Research
- HRD
- Skill Development & Employment
- Rural Development
- Sustainable Development Goals
- Energy
- Managing Urbanization
- Industry
- Infrastructure
- Financial Resources
- Natural Resources & Environment
- Science & Tech
- State Coordination & Decentralized Planning (SC&DP)
- Social Justice & Empowerment
- Land & Water Resources
- Data management & Analysis
- Public-Private Partnerships
- Project Appraisal and Management Division (PAMD)
- Development Monitoring and Evaluation Office
- National Institute of Labour Economics Research and Development (NILERD)