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PLANNING INFORMATION SYSTEM MODEL TO AGREE WITH COAL MINING COMPANIES OF VIET NAM NATIONAL COAL - MINERAL INDUSTRIES HOLDING CORPORATION LIMITED

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Abstract: *Planning is the first function of the business management process. It is the critical basis to deploy other activities and functions of planning. The vital mission of planning is supplying the information, attending to operate activities for a company (including manufacturing, and sales, etc.). From some research about the planning of coal mining companies, the authors realize that it is performed entirely and methodically by the companies. However, the authors also realize that the association between planning function and other functions of companies is lacking in discipline. Supplying timely and accurate information to support business managers is limited. Moreover, there is also limitation in providing data for building a planning system of the companies. Therefore, it is necessary that the companies need to consider and improve the basis of building a planning information system, attending to construct and provide information for management activities in business. This article uses several methods such as theoretical method, practical survey, and interviewing the specialists, to research and build a planning information system model in coal mining companies of Viet Nam National Coal-Mineral Industries Holding Corporation Limited (VINACOMIN).*

Keywords: *planning, information system, coal mining company, VINACOMIN.*

1. INTRODUCTION

Information Management System is known as the system which converts the data from the outside and inside environment of the organization to become information and passes the information in suitable forms to managers who are at all levels and functions at the same time. It ensures an effective and timely decision of managers in planning, organizing, directing and controlling.

The information is one of the primary resource in any organization. Therefore, the information management system plays an essential role in activities and development of an organization. Information Management

System is in the center of the organization, helps collecting, processing and supplying information from inside and outside of the organization, saving and providing information by a timely way for decision of managers. Information Management System is also a tool which associates pertinent independent parts of an organization to perform its mission.

Information Management System is a broad term that incorporates many specialized systems. The major types of Information Management System:

- Accounting Information System;
- Financial Information System;

- Sale Information System;
- Human Resources Information Management System;
- Material Management Information System;
- Inventory Management Information System;
- Planning Information System.

Planning is the first management function in the management process of an organization. The result of planning is the fundamental basis to develop the next functions, and also the basis to operate the business activities. Therefore, providing qualified information for planning and for the development of other management functions can effects on management results in companies. In other words, building planning information system is the critical mission of all organizations. In the framework of this article and basis of researching from producing features and business activities of coal mining companies in VINACOMIN, the authors build planning information system to improve the efficiency of these companies' activities.

2. THE CHARACTERS OF PLANNING TASK AFFECT TO BUILD INFORMATION MANAGEMENT SYSTEM MODEL OF COAL MINING COMPANIES IN VINACOMIN

2.1. The general planning task at coal mining companies in VINACOMIN

With the coal mining companies in general and the companies of VINACOMIN in particular, planning task is one of the necessary activities in a company. It is appreciated and performed methodically by managers.

a) A procedure of planning task

Coal mining companies of VINACOMIN perform management activities under the authorities of VINACOMIN. Specifically, the planning task of companies is performed according to the process of Fig 1.

At the beginning of the 2nd quarter every year, companies rely on policies of VINACOMIN, analyze the business activities in reports of the year, collect economic - technical norms and mobilize, etc to build the primary economic - technical norms of the companies (Ex: production, consumption, employee, salary, revenue, profit, etc.).

After being built, economic - technical norms are submitted for Corporation's approval. They will examine these norms. It can happen in two cases:

- Unqualified: The companies must correct the norms according to requests of the Corporation;

- Qualified (For the first time or after correcting): The Corporation and companies will sign in a combinative business contract and be the basis to deploy business activities of VINACOMIN and companies of the Corporation.

According to the economic - technical norms in the business combinative contract, the functional departments in the companies will build the functional plans. The department of planning will have a responsibility to collect and promulgate planning system every year of their company which is the basis to operate production in a year of the company.

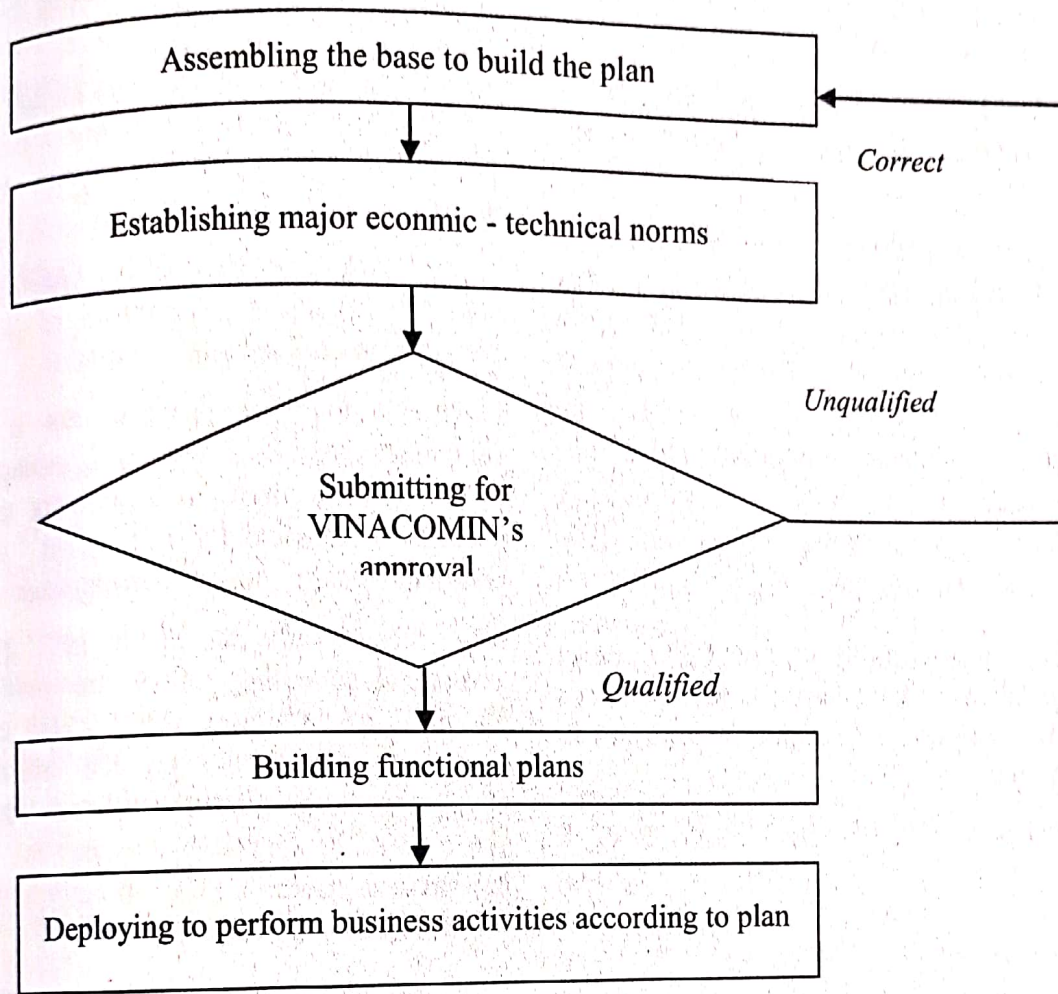


Fig 1. A procedure of planning task in companies

b) *The company parts to build a plan of the companies*

Planning task is the first significant role which affects all the functional activities of the companies. It is the vital basis to organize production activities of the companies. Building a plan will be the mission of all the managers (focusing on high - level and intermediate managers).

In the coal mining companies of VINACOMIN, Department of Planning and Cost Management is responsible for planning task. It has the mission which is collected the general information from the annual business plan of the companies. The functional offices (including the Department of Planning and Cost Management) will join to form an

annual business plan (the functions in the scope of the office). For example, the Department of Planning and Cost Management will estimate production expenses, and cost - price plans; the Department of Human Resource Management will form the employee - salary plan, the Department of Accounting will form the plans such as depreciation plan, the plan of national budget plan, etc.

c) *Planning form system of the companies*

The coal mining companies of VINACOMIN have completed planning form system relatively to attend to supply information in the crucial cases. Planning form system will be split into two types:

- Detailed forms: Serving for calculating when forming a plan;

- General forms: Collecting from specific forms, serving for reporting and providing information.

In general, planning task in the companies is methodically performed relatively. They have the parts which are responsible for collecting business plans, and functional parts execute plans they create. However, the association between functional plans and other functions is not close. Providing information for operating business activities is not timely in some cases.

2.2. The characters of planning task affect to building Information Management System Model of coal mining companies in VINACOMIN

This article proposes building Information Management System Model of the coal mining companies. Therefore, the characteristics of the planning task in the coal mining companies of VINACOMIN affect to build this model.

a) The characteristics of the planning task

- The business plan of the companies is built by the basis of analyzing business environment (including outside features such as economic environment and inside features such as the strategic target of the companies, resources of the companies can mobilize, economic - technical level system, etc.). Analysis of business environment can bring significant input of the Information Management System of the companies.

- Planning task will provide the vital information to attend to organize business activities of the companies. The information provided from functional plans will be used in all activities of the companies, from operating production to using them as

standards to check and assess business activities at its true worth.

- Planning task is the first activity in the management process. Therefore, the effects of the planning task affect business activities in general.

b) The characters of the planning task are ruled by the characters of business activities in coal mining companies

Every field of business has its own characters that affect directly to management activities in general and planning task in particular. Especially in coal mining companies, some major characters are:

- The result of exploratory drilling, geological surveying affects the quality and effect of the planning task in coal mining companies. They also provide information about mineral resources which can mobilize and collect the technology to use, etc. These information contents affect directly to form a business plan of the companies.

- Besides, in Holding company - Subsidiary company Model like VINACOMIN, many activities of their subsidiaries (including the coal mining companies) from production to consumption are under regulations of the holding company. Therefore, planning task of the coal mining companies depends on the orientation and instruction of VINACOMIN.

These characters will affect directly to build a planning information system model of the coal mining companies of VINACOMIN.

3. PLANNING INFORMATION SYSTEM MODEL TO THE COAL MINING COMPANIES OF VINACOMIN

From the analysis, as stated above, this article proposes an Information Management System Model of the coal mining companies in VINACOMIN, using planning task following Fig 2.

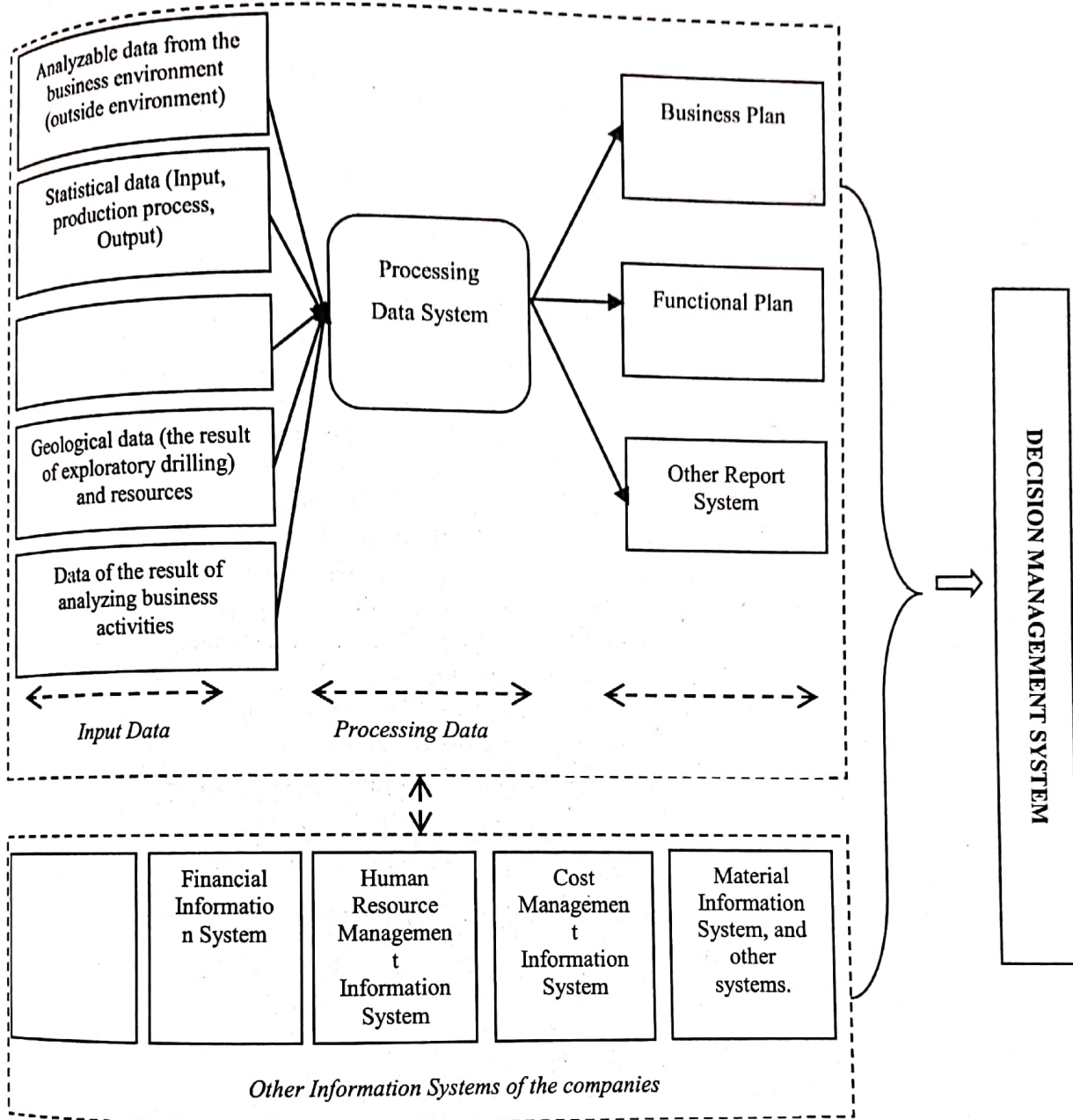


Fig 2. Planning Information System Model of the coal mining companies in VINACOMIN (Proposal of the article)

All the information systems need to have input data and provide information in the output. Planning task will provide information for managers who decide to organize and operate the business activities. Building a plan also claims the input data. Therefore, Planning Information System of the coal mining companies of VINACOMIN,

which this article proposes, has three main parts:

- The basis of input data attends to build the plans. With the coal mining companies of VINACOMIN, input data of planning task include many other data such as data of analyzing business environment (analyzing outside environment); data of analyzing

business activities (individual analysis); statistical data, economic - technical norm data, geological data, data about the resource from the companies.

- Processing data: Combining human and processing data devices (for example: using computer), processing input data to become necessary information.

- Planning and report systems of the companies include business plans and functional plans such as mobilizing mineral resources plan, mobilizing devices plan, expense and cost - price plan, materials plan, and employee - salary plan, etc. From the planning information system, planning systems can be formed in long, mid and short - term.

Planning Information System is a part of the Information Management System of the companies. It was closed and two - way relationship (the other information systems provide input data for planning information system. At the same time, the planning information system also provides a planning system to be input data for the other information systems). These information systems combine providing information to attend to arrive at management decisions, organizing and operating business activities of the companies.

Regarding building this information system, there should be some issues that are worth noting, such as:

- The data is built, summarized and saved according to the timeline to have essential data for processing and to provide information to arrive at management decisions.

- The companies need applying the process of Information Technology such as

using specialized software, and management software, etc. with modern technologic and network infrastructure, rendering the data, providing the timely information conveniently to gain necessary data.

4. CONCLUSION

According to the article, researching group surveyed, found out about a theory of information management system, real planning task in the coal mining companies then proposing Planning Information System Model suitable for the characteristics of business activities in the coal mining companies of VINACOMIN. To deploy the model in reality of the companies, it claims to have more detailed researches in collecting and saving the data such as necessary infrastructure for processing the data to supply information for managers to arrive at a decision.

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