

1a) **Business policy:**

This can be defined as the study of the roles and responsibilities of top-level management, the significant issues affecting organizational success and the decisions affecting the organization in the long run.

Business policies are the guidelines developed by an organization to govern its actions.

A business policy is a set of rules defined by the owner or leadership of the company. Some policies are defined by regulations, such as federal privacy laws, while others are designed by corporate leadership to make sure that things are done by certain standards. Business policies are generally found in the operations manual or in the employee handbook. Although different businesses may have different policies, any business policy has the same seven features. A business policy must

be specific, clear, uniform, appropriate, simple, inclusive and stable.

1b) **Major difference between a policy and strategy**

- Policy and strategy are both methods organizations use in decision-making.

- Policies are formal, fairly inflexible, and guide employees regarding known problems. Strategies are relatively informal and inflexible, and help employees handle uncertain situations.

- Once written, policies are meant to be used by everyone in an organization. Strategies are hard to delegate to another employee because they require reacting instantly to new information.

2a) **Business policy is a capstone, integrative course.**
Explain?

Business Policy is the capstone, integrative course for graduating Business Administration students. This is an exciting, challenging course that focuses on how firms formulate, implement and evaluate strategies. Strategic management concepts and techniques are studied. Students use all the knowledge acquired from prior business courses, coupled with new strategic-management techniques learned, to chart the future direction of different organizations. The major responsibility of students in this course is to make strategic decisions and to justify them through oral and written communication.

b) **In which direction is strategic management likely to move in the future**

1. Refinement of general principles underlying strategic thinking.
2. Continual review of the model

of strategic management

3. Emergence of a comprehensive approach to strategic management.

4. Development of several courses in the repertoire of specialization in business policy.

5. Growth of research methodologies aimed at synthesis.

3a) What is the relationship between Objectives, Policies and strategy

A Strategy is a special plan made to achieve a market position and to reach the organizational goals and objectives, Policy refers to a set of rules made by the organization for rational decision making to meet the organizational objectives

3b) Uses Of policies and explain them

1. Policies are used in preventing deviation from planned course of action by providing definite guide

to follow. They provide the communication channels between organisational units thus facilitating the delegation process.

2. Policies provide a conceptual framework within which other plans can be established to form a balanced and coordinated structure of plans

Since they serve as guide to further action, the existing policies relieve managers of the necessity to ask superiors for permission to do or not to do certain things. As long as managers are conforming to the organisation's policies, they can safely proceed and use their own initiatives.

3. Through policies, closer coordination and cooperation can be promoted among the organisation elements. Closer coordination and easier delegation will permit a greater degree of decentralization within the organisation.

4. Employees are more likely to take action and voluntarily assume greater responsibility when they are aware of organisational policies. If the personnel are confident that their actions are consistent with organisational policies, they are more likely to take actions than do nothing.

5. Definiteness and flexibility are both desirable to goals attainment, but calculating the trade-off lies the problem. In certain cases, decisions are too trivial to require policy and at the other extreme, decisions may be too important to rule; hence, in between these extremes, there is need for policies to save time and increase the speed of decision making.

The concept of workers participation in management policy formulation has always been controversial. The principal perspectives in which workers participation in management

policy may be seen as:

(i) Workers participation is viewed as a means of advancing the interest of workers;

(ii) Workers participation is a way of distributing power within the enterprise more equally and in handling conflicts of interest by democratic procedure otherwise known as industrial democracy.

(iii) By involving workers in policy formulation, this will bring about effective utilization of the human resources of the enterprise.