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**BUS 312**

**BUSINESS POLICIES AND STRATEGY ASSIGNMENT**

**Assignment Questions**

1. **(a) In your own words, explain the concept ‘Business Policy’.**

**(b) State the major difference between a Policy and a Strategy.**

1. **(a) Business Policy is a Capstone integrative course. Explain.**

**(b) In what direction is Strategic Management likely to move in the future?**

1. **(a) What is the relationship between Objectives, Policies and Strategies?**

**(b) State the uses of Policies and explain them.**

**1**

WHAT IS BUSINESS POLICY?

A business is defined as an organization or enterprising entity engaged in commercial industrial or professional activities.

A policy is a course or principle of action adopted or proposed by an organization or individual.

Business policies are sets of rules defined by the leadership of the company. They define the limits within which decisions must be made.

Every business has a way which it operates and does things. Businesses and company leaders without clear business policies often have subordinates making decisions that don’t operate with what leadership really wants to see. Clear, concise and written business policy plans help any business maintain consistency in operations and relieve leadership from the need to micromanage.

What is the major difference between a policy and a strategy?

Simply put, a strategy is a roadmap or a vision to attain a certain goal (or set of goals) while a policy is a prepared document and tool to reach a certain goal.

**2**

*Business Policy is a capstone, integrative course.*

In case of strategic management and business policy, a student needs to have a fair background of marketing, HR, information technology, operations, finance etc. Thus it can only be delivered once understanding of various other subjects has been obtained by the studentso it is appropriately referred to as a capstone course.

These kind of courses try to merge the understanding of these different courses into one. Business Policy is therefore an integrative course, as it attempts to bring together the understanding of the functional areas of management, combining and assimilating them into one. Think of it this way, a strategy is made for the organization to prosper(growth, strong financial performance etc.) in the ever changing business world with the least compromises possible. The organization establishes its core principles and rules which all stakeholders adhere to(the policies) . The policies are given according to each functional area i.e marketing policies, finance and accounting policies, personnel policies etc., and are in line with the objectives of the firm.

In essence business policy and strategy as a course is indispensable to top level management as they are the ones who create policies and as such are required to have an understanding of the mechanics of each area so as to be able to formulate policies that would not negatively affect the stability of the business as a whole.

In What Direction is Strategic Management Likely to move in the future?

…

**3**

Strategies are usually long term plans which will contain short or long term objectives. Policies are usually formed to ensure that the strategy is implemented effectively and efficiently.

Uses of Policies

1. Ensure workplace safety
2. They set expectations
3. They keep management accountable
4. To prevent internal conflict
5. Increase success level
6. Ensure workplace safety: Strong policies and procedures related to worker safety helps prevent injuries and minimizes your company’s exposure to lawsuits. By stating expectations for legal and ethical behaviour, you dissuade employees from behaving in ways that would violate standards you have established.
7. They set expectations: Policies and procedures allow an employer to commit to writing the company’s values and mission. They also set standards of behaviour, conduct and performance for employees.
8. Keep management accountable: in addition to setting standards for employees, policies and procedures also set standards for managers as a business.
9. To prevent internal conflict: Another purpose of policies is to create some level of uniformity in employee rights and responsibilities. Without a clear policy direction, employees tend to have different personal standards that can lead to conflict.
10. Increase success level: A workplace policy can also help you recognize what decisions and actions produce the best results for your business. Some policies simply direct employees to act in line with what benefits their department or the organization. Proper adherence to these guidelines can result in increased levels of success.

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