



# Business Policy and Strategic Management

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## **Introduction to Business Policy**

**Meaning and Definition** – Business Policy deals with the decision regarding taken at the top of an ongoing enterprise. These Policy decisions are taken at the top level only after in-depth and careful evaluation of the organizational strengths and weaknesses in relation to its environment. Once they are established, they shape the future of a company. In essence, business policy is choice of purposes, configuring the organizational identity and character .

# Definitions:

Business policies are the guidelines developed by an organization to govern its actions. They define the limits within which decisions must be made. Business policy also deals with acquisition of resources with which organizational goals can be achieved.

- ❖ Business Policy is an implied overall guide setting up boundaries that supply the general limits and direction, in which managerial action will take place. -**George terry**
- ❖ It represents the best thinking of the company management as to how the objectives may be achieved in the prevailing economic and social conditons.-**Newman W.H and Logan .J.P**

# **FEATURES OF BUSINESS POLICY**

- Objective Oriented
- Hierarchy studded
- Delimiting of Decision Area
- Both restrictive and Permissive
- Long lasting
- Key stone in Arc
- All pervasive
- A standard for Measurement

# IMPORTANCE, NEED AND OBJECTIVES OF BUSINESS POLICY

**Quick and Sound Decisions**

**Decent Decentralisation**

**Well Knit Coordination**

**Ease of Control**

**Executive development**

**Optimum utilisation**

**Hightened Employee Morale**

**Image Building**

***THANK YOU***