

Ans Strategy formulation is an analytical process of selection of the best suitable course of action to meet the organizational objectives and vision. It is one of the steps of the strategic management process. The strategic plan allows an organization to examine its resources, provides a financial plan and establishes the most appropriate action plan for increasing profits. It is examined through SWOT analysis. SWOT is an acronym for strength, weakness, Opportunity and threat. The strategic plan should be informed to all the employees so that they know the Company's objectives, mission and vision. It provides direction and focus to the employees.

• Steps of Strategy Formulation are :-

- 1) Establishing Organizational objectives.
- 2) Analysis of Organizational Environment.
- 3) Forming quantitative goals.
- 4) Objectives in Context with the divisional plans.
- 5) Performance Analysis.
- 6) Selection of Strategy.