

## Answer No-10 Difference between Policy & Strategy

The term "Policy" should not be considered as synonymous to the term "Strategy". The difference between policy and strategy can be summarized as follows:-)

- (1) Policy is a blueprint of the organizational activities which are repetitive/routine in nature, while Strategy is concerned with those organizational decisions which have not been dealt/faced before in some form.
- (2) Policy is concerned with both thought and action, while Strategy is concerned mostly with action.
- (3) A policy is what is, or what is not done, while a strategy is the methodology used to achieve a target as prescribed by a policy.
- (4) Policy formulation is responsibility of top level management, while Strategy formulation is basically done by middle level management.

## Nature of Strategies and Policies

Strategies and policies are closely related. Both give direction, both are in the framework of plans, both are the basis of operational plans, and both affect all areas of managing. The term Strategy has been used in different way. Authors differ in at least one major aspect about strategies - Some writers focus on both the end points (purpose, mission, goals, and objective) and the means of achieving them (Policies and Plan), Other Emphasize the means to the ends in the strategic process rather than the ends per se.