

Q5

Strategy Formulation:

Strategy formulation is the process of determining and establishing the goals, mission and objectives of an organisation, and identifying the appropriate and best courses or plans of action among all available alternative strategies to achieve them.

* Steps for an effective strategy formulation:-

(1) Define the organization and its environment.

(a) Target market.

(b) Customers.

(c) Offerings.

(d) Adaptation to changes and challenges.

(2) Define the strategic mission:-

(a) An indication of a long-range perspective.

(b) Core values of the organization.

(c) Nature of the business.

(d) Vision of the organization.

(3) Define and set the strategic objectives.

(4) Define the competitive strategy.

(5) Implementation of strategies.

(6) Evaluate progress and effectiveness.