



Process of Policy formulation

- Defining policy area –
The areas for which a policy is to be framed should be defined. The objectives and needs of the organization should be kept in mind while specifying the policy area.



Considerations in Policy formulation

- Proper organization –
Policies should be framed by the participation of person at various levels of management.





Formulation of Policies

- Important Considerations which should be followed in formulating the various policies:-
 1. Policies should be based on facts not on intuition.
 2. Joint Participation in policy making should be encouraged
 3. Policies should be broad, general, and basic, not specific because they are guide to thinking and action.
 4. Policies must reflect the internal and external business environment
 5. Rigidities should be avoided to make policies more realistic.
 6. Policies should be in writing and the language of the policies should be intelligible to those who are supposed to implement them.
 7. Different policies in an organization should support one another.
 8. They must not be detrimental to the interest of society.
 9. Policies should be understood by the organizational members.

TYPES OF POLICIES

- Internal policy
- Appealed policy
- External policy
- General policy
- Specific policy
- Written policy
- Implicit policy

