



Planning a new venture – Preparing the strategy

Defining policy

What will be the policies of your enterprise? What general rules, or guidelines will you set for yourself? For example, will you have money policies (e.g. to be risk-averse, to extend no credit, to carry 90 days' stock, to borrow only against the assets of the business, to lease equipment rather than purchase it outright)?

Will you have *management* policies (e.g. to employ only young/experienced/part-time staff, to pay salespeople commission only)?

Will you have *marketing* policies (e.g. not to quote on the basis of price alone, or never be knowingly underbid, to maintain a specific product mix, to spend a fixed percentage of sales revenue on advertising)?

Use this worksheet to define your policies:

TYPE OF POLICY	<i>POLICIES</i>
Financial policies	1. 2. 3.etc.
Management policies	1. 2. 3. etc.
Marketing policies	1. 2. 3. etc.