

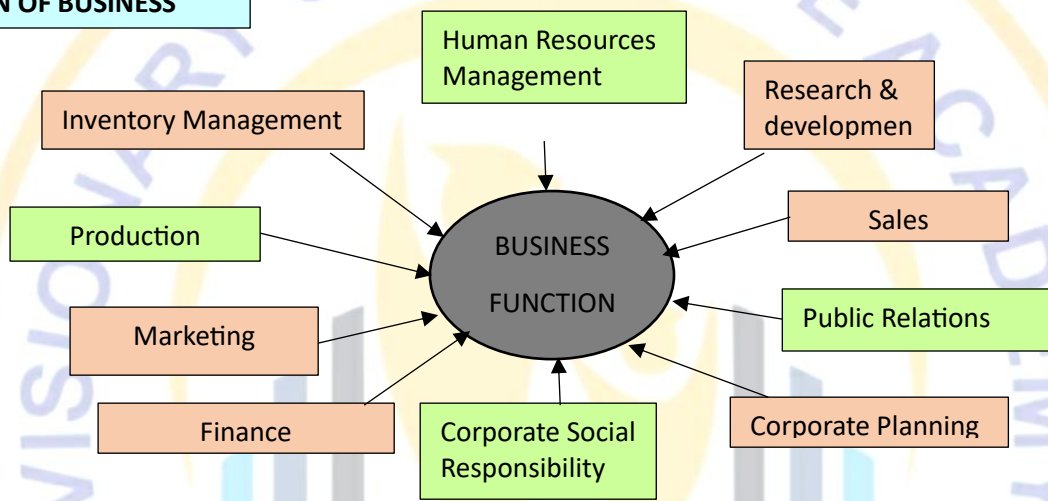


MODULE-1 BUSINESS

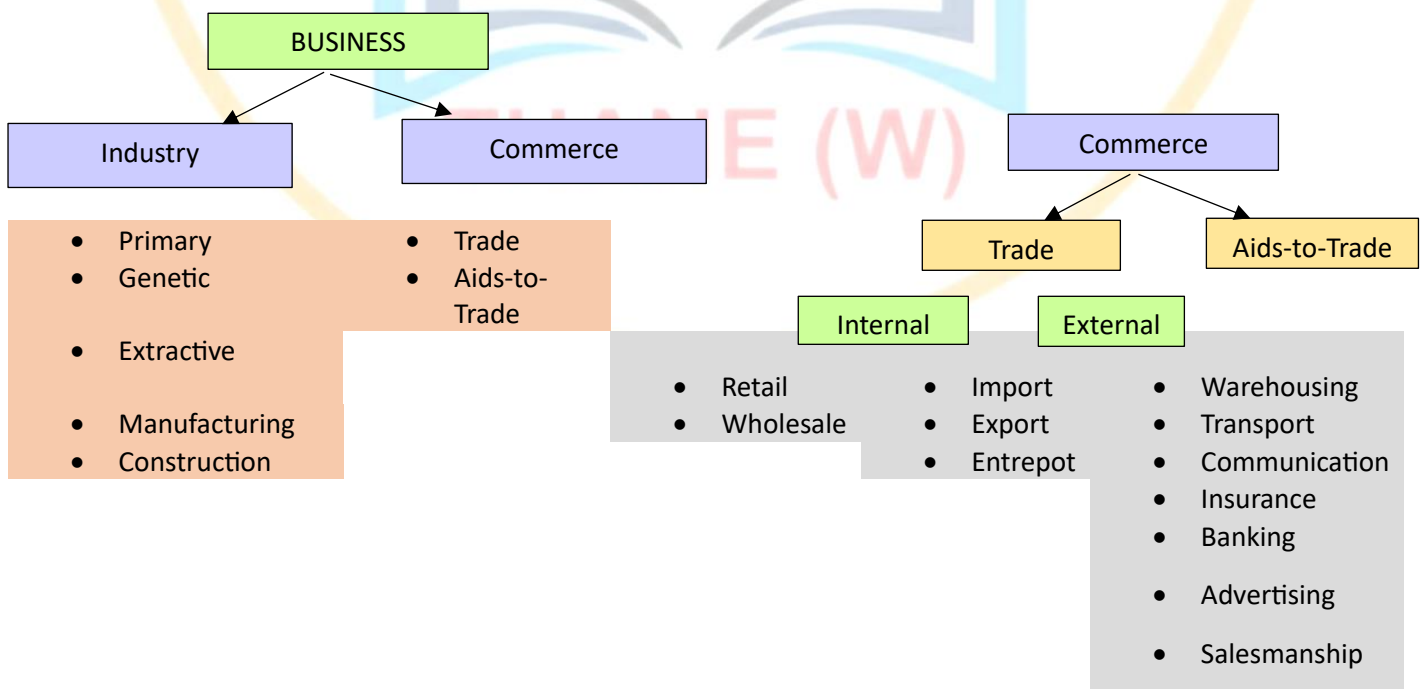
BUSINESS
 The Term “Business” refers to commercial activities relating to production and distribution of goods and services for economic gain i.e., profit. **The true business of every company is to make customers, keep customers and maximise value to the customers.**

DEFINITION
 “Business is an institution organised and operated to provide goods and services to society under the incentive of private gain.” – **B. O. Wheeler.**

FUNCTION OF BUSINESS



SCOPE OF BUSINESS



- Mercantile Agents
- Trade Org.

DISTINGUISH BETWEEN TRADITIONAL CONCEPT & MODERN CONCEPT

TRADITIONAL CONCEPT	MODERN CONCEPT
It Places emphasis on profits. It is adopted by Traditional business terms.	It aims to achieve a balance between profits, customer satisfaction & societal interest. It is adopted by professional business firms.
This concept hardly places emphasis on R & D	This concept places Lots of emphasis on R & D
Short Term Time frame	Long Term Time frame
Cost Oriented Method	Market Oriented Method
This concept does not give Importance social responsibility of business.	This concept gives importance to social responsibility
Its Producer or seller Oriented Concepts. It considers interest of only the sellers	It's a customer and society Oriented Concept. It considers Interest of customers and society.

DISTINGUISH BETWEEN ECONOMICS AND SOCIAL OBJECTIVES

ECONOMICS	SOCIAL OBJECTIVES
Economics objectives relate to the economic or financial aspects of the firm	Social objectives relate to responsibilities of business towards the various stakeholders.
The purpose is to bring higher returns to the firm such as higher market share, higher profit etc..	The purpose is to fulfil social responsibility of the firm, thereby, earning goodwill.
Examples Profit maximisation, product innovation, etc..	Examples Supply of quality goods, payment of good wages etc..
Economic objective may not lead to expansion of the business	Social objectives develops corporate image and leads to expansion of business
They are universally accepted and followed by all business firms	They are adopted especially by large professional business firms.
The scope is Narrow. These achieved only by business firms.	The Scope is wide. They are achieved by business and non-business firms.

OBJECTIVES OF BUSINESS

STEPS

- Analysis of Environment
- Values of Top Management
- Setting of Objectives
- Implementation
- Review of Performance

CLASSIFICATION OF BUSINESS OBJECTIVES

BUSINESS OBJECTIVES				
Organic	Economic	Social	Human	National
Survival	Profit	Employees	Working Conditions	Self Sufficient
Growth	Innovation	Shareholders	Wages etc.	Employment
Prestige	Wealth, etc.	Customer etc.		Social Welfare

STEPS

- Turnaround Committee
- Causes of Losses
- Investigation
- Alternative Solutions
- Selection of Best Solution
- Implementation and review

GROWTH STRATEGY

A. Internal GS	B. External GS
• Intensification Strategy	• Collaborations
• Diversification Strategy	• To the foreign collaborator

MODULE- 2 BUSINESS ENVIRONMENT

IMPORTANCE OF BUSINESS ENVIRONMENT

Business environment consists of all the internal and external forces or factors that influence the working of a business firm.

Definition

“Environment of the business means the aggregate of all conditions, events and influences that surround and affect it.”- **Keith Davis**

1. Innovation
2. Corporate Image
3. Efficiency
4. Motivating Employees
5. Survival and growth
6. Controlling
7. Planning
8. Organizing Resources
9. Identification of Strength
10. Identification of weakness

EDUCATIONAL ENVIRONMENT AND ITS IMPACT ON BUSINESS

1. Professionalism
2. Quality Decision Making
3. Research and development
4. Leadership Quality
5. Innovation & Creativity
6. Higher Efficiency
7. Improvement in work culture

II. NEGATIVE IMPLICATIONS

1. Common External Barriers
2. Collective Bargaining by member Nations
3. Lack of Interest in Multilateralism
4. Trade Diversion Conclusion

FUNCTION/ OBJECTIVES OF WTO

FUNCTIONS

1. Trade related Intellectual property rights (TRIPs)
2. Trade Related Investment Measures (TRIMs)
3. General Agreement on trade in services (GATs)
4. Agreement on Agriculture (AOA) etc.

OBJECTIVES

1. Increasing world Trade and development
2. Optimum use of world resources
3. Employment generation in member nations
4. Raising standard of living of people of member nations, etc.

INTERNAL BUSINESS ENVIRONMENT

1. Mission and objectives
2. Plans and policies
3. Human resources
4. Physical resources
5. Finance resources
6. Corporate image
7. Others

IMPACT OF TRADING BLOCS

I. POSITIVE IMPLICATIONS

1. Trade Creation
2. Competition
3. Economic of Large Scale
4. Economic Growth
5. Employment
6. Efficiency
7. Investment

CONCEPT OF BUSINESS ENVIRONMENT

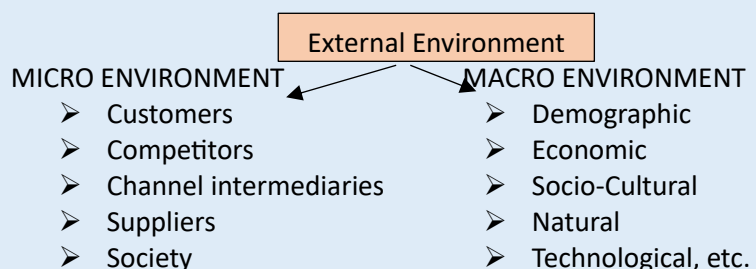
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1. Dynamic in nature
2. Direct and Indirect Impact
3. Internal and External Factors
4. Complex in nature
5. Create Opportunities
6. Regulates scope of business
7. Environment Analysis and Planning

EXTERNAL ENVIRONMENT



MODULE- 3 PROJECT PLANNING

BUSINESS PLANNING PROCESS

Business planning refers to a process of deciding in advance in respect of business activities.

STEPS IN BUSINESS PLANNING PROCESS

1. Analysis of internal Environment
2. Analysis the external Environment
3. Setting of corporate objectives
4. Formulation of strategies
5. Analysis of strategies/ plan
6. Select of best Strategy
7. Arrangement of resources
8. Allocation of resources
9. Implementation
10. Review

FILING RETURNS AND OTHRE DOCUMENTS

1. Filing Annual Return
2. Filing of forms
3. Filing of Annual Accounts
4. Filing of Corporate Tax Return
5. Filing Return of Allotment
6. Filing of Statutory report
7. Filing of MOA and AOA

IMPORTANCE OF PROJECT REPORT

1. Importance of the Entrepreneur
2. Importance to Financing agencies
3. Importance of Government Authorities
4. Importance to suppliers of Equipment

DISTINGUISH BETWEEN PROJECT REPORT AND FEASIBILITY REPORT

PROJECT REPORTS	FEASIBILITY REPORT
It is a written report containing complete information about the proposed project in a summary form.	It is a written document containing in detail the findings of feasibility study in respect of marketing, finance, etc.
It is prepared by the promoters with the help of experts	It is prepared by promoters or by lending institutions.
It is prepared in the initial stage of project formulation.	It is prepared after conducting a feasibility study.
It is prepared on the basis of project plan	Feasibility Report is prepared on the basis of feasibility study.
Project report is prepared in the case of medium as well as large size projects.	Feasibility reports is prepared in the case of large size projects involving huge funds.
It is required for Govt. Clearances such as clearance from pollution control Board.	Feasibility report is not required for Govt. Clearances.
It gives detailed information on promoters/ investors, capital assets, marketing plans, etc.	It is a brief report which states whether or not it is worth undertaking a project or not.

FACTORS DETERMINING LOCATION

1. Law and Order Situation
2. Infrastructure Facilities
3. Industrial Relations
4. Skilled workforce
5. Social Infrastructure
6. Investor- friendly Attitude
7. Safety Requirements
8. Proximity to Market
9. Proximity to source to raw material
10. Supporting Industries and services
11. Other Factors

STAGE OF BUSINESS UNIT PROMOTION

1. Identification of business Opportunity
2. Evaluation of Business Opportunities
3. Selection of the Best Opportunity
4. Decision on location
5. Develop a business plan
6. Determine the resources Required
7. Arrangement of resources
8. Allocation of Resources
9. Implementation
10. Periodic Review

MODULE- 4 ENTREPRENEURSHIP

CONCEPT/ FEATURES OF ENTREPRENEURSHIP

Robert Hisrich States 'entrepreneurship is the process of creating something new and assuming the risks and rewards.'

1. Process
2. Purposeful Activity
3. Proactiveness
4. Professionalism
5. Individual or Group Activity
6. Innovation and Creativity
7. Risks and Rewards
8. Organizing abilities
9. Social and economic Development

IMPORTANCE OF ENTREPRENEURSHIP

1. Economic Development
2. Social Development
3. Regional Development
4. Capital Formation
5. Consumer Welfare
6. Facilities Competition
7. Employment
8. Efficiency
9. Foreign Exchange
10. Standard of living

FACTORS CONTRIBUTING TO THE GROWTH OF ENTREPRENEURSHIP

I. ECONOMIC FOACTORS

- Bank Credit
- Competition
- Increase in Demand
- Economic Infrastructure
- Government Incentives

II. NON- ECONOMIC FACTORS

- Professional in Business
- Personal Factors
- Quality Consciousness of costumers
- Social support for new ventures
- Socio- cultural factors

TYPES OF ENTREPRENEURS

1. The Visionary Entrepreneur
2. The Adventurer
3. The Opportunities
4. The Assets Allocator
5. The Systemizer
6. The Specialist
7. The small Business Person
8. The free time Entrepreneur
9. The Cash- flow Entrepreneur
10. Social Entrepreneur
 - a. Mr. Vinoba Bhave
 - b. Ms. Florance Nightingale
 - c. Dr. Muhammad yumus

DISTINGUISH BETWEEN ENTREPRENEUR AND INTRAPRENEUR

Entrepreneur	Intrapreneur
Entrepreneur is a person who undertakes business venture and assumes risks and rewards	Intrapreneur is a person who acts like an entrepreneur within an existing organisation
An entrepreneur makes his own decisions. No need for approval from others.	An intrapreneur may have to take approval for major decision from top management.
Entrepreneurship is a popular concept in business world.	Intrapreneurship is a modern concept, mostly adopted in large MNCs.
Normally Entrepreneurs do not get the support of mentors.	An Intrapreneur may require the support of a mentor or sponsor.
An entrepreneur males use of his own resources, whether owned or borrowed.	An Intrapreneur may have to take approval for major decisions from top management.
Entrepreneur gets directly involved in the business activity. Major areas are looked after by the entrepreneur himself.	For an Intrapreneur, there is direct involvement in the project, and there is less of delegation.

ENTREPRENEUR AND MANAGER

Entrepreneur	Traditional Manger
Entrepreneur gets directly involved in the business activity. Major areas of the venture are looked after by the entrepreneur himself.	A manager may delegate and supervise the activities of his subordinates there may less direct involvement in the activities of the organization.
An entrepreneur is not concerned about status symbols in his organisation. He may not be influenced by titles or position symbols in the organisation	A manager is concerned about status symbols or titles in the organisation. The titles/ symbols fulfil ego needs of a manager
The Primary motives of an entrepreneur are Independence, Innovation and to get rewarded for performance by operating a business venture	The primary motives of a manager are to seek promotion and other traditional corporate rewards such as bonuses and perks.
Entrepreneur undertakes risky activities. He accepts responsibility for failures.	A manager is cautious in his approach and therefore he tries to avoid mistake and surprises
An entrepreneur makes his own decisions no need for approval from others	A manager at lower and middle level has to obtain approval for decision making from higher authorities

COMPETENCE OF ENTREPRENEUR

1. Innovator
2. Decision making Skills
3. Open mindedness
4. Locus of control
5. Organizer
6. Personality
7. Risk Taker
8. Technical Knowledge
9. Patience
10. Desire to Achieve goals
11. Human Relations
12. Communications Skills
13. Other Qualities Include

PROBLEMS OF WOMEN ENTREPRENEUR

- | | |
|---|---|
| <p>I. Business Related problem</p> <ul style="list-style-type: none"> • Problem of finance • Marketing Problem • Problem of raw Material • Problem of technology • Problem of infrastructure • Poor Quality Control | <p>II. Gender Related Problem</p> <ul style="list-style-type: none"> • Problem of dual responsibility • Limited Mobility • Problem of Education • Male-dominated business Community • Low risk Bearing Ability • Problem of managing male workers |
|---|---|

PROMOTION OF WOMEN ENTREPRENEURS

1. Entrepreneurship Development programmes
2. Special Awards
3. Women Cell
4. Schemes by SIDBI
 - a. Mahila Udyam Nidhi
 - b. Mahila Vikas Nidhi
5. Income Generating Scheme
6. Scheme of Bank of India
7. Scheme of State bank of India
8. District Industrial centres
9. Production Grant
10. Schemes of KVIC
11. Woman Industrial Fund