

## **SHORT QUESTION**

### **❖ What do you mean by business?**

Ans: A Business is any activity that provides goods or services to consumer for the purpose of making profit.

### **❖ Distribution between home and foreign trade?**

Home Trade: When buying and selling occurs inside of the country then it's called home trade.

Foreign Trade: When buying and selling occurs outside of the country then it's called foreign trade.

### **❖ Define exporting?**

Ans: Exporting is the selling domestic made goods in another country.

Who is consumer?

Ans: A person who purchases a good or service for the personal use is called consumer.

### **❖ What is profit?**

Ans: The difference between what it costs to make and sell a product and what a customer pays for it.

### **❖ Why business should be ethical?**

Ans: A business should be ethical in order to attract top talent and unify employees under one purpose; it will attract customer, partners, and investors, and also offer the basis for a corporate culture. Customer chose business based on reputation. Working for an ethical business makes employees proud.

### **❖ Name the two industries with example?**

- 1) Genetic industry for example NURSERY, DAIRY.
- 2) Construction industry for example BUILDIN ROADS BRIDGES

❖ **Distribution between consumer and customer?**

Ans: Consumer is the final buyer, Consumer buys something to consume that product but customer is not the final buyer or may not consume the product.

❖ **Define capitalism?**

Ans: Free Enterprise – individuals own and operate majority of businesses providing goods and services. There are two type of capitalism those are pure capitalism and mixed capitalism.

❖ **What are the major elements of production?**

- 1) Land
- 2) Labor
- 3) Capital
- 4) Organization

❖ **What is business ethics?**

Ans: Business ethics is the evaluation of business activities and behavior as right or wrong. Business ethics can be also defined as business morality.

**Industry:** Industry basically cover the production side. Simply industry is a processing zone that is engaged in manufacturing or creating utility.

**Commerce:** Commerce basically covers distribution side. It is concerned with distribution and exchange of commodities.

**Trade:** Trade is the final stage of business activity. It facilitates the transfer goods from the seller to the buyer.

### ❖ **Why should we study business? Explain**

Ans: Business includes commerce and trade, industry and direct service. Business helps us from various aspects. Business is actually driving force of modern economy. Business forms concrete economic structure of a country. In a word business is the most essential aspect of global economy and modern economic system. So we need to acquire vast knowledge about business. We need study business because :

- a) We have become so interdependent on other, both individually and as nationally.
- b) Increasing globalization of business will bring many opportunities.
- c) We strive to maintain and improve our standard of living.
- d) Coping with unforeseen events will be easier less traumatic.

### ❖ **What do you mean by economic system? Explain the three basic type of economic system.**

Ans: Economic system is the manner of the accepted process by which labor, capital and natural resources are organized and used to produce and distribute goods and services in a society.

**Socialism:** System in which the government owns and operates basic industries but individuals own most businesses.

- **Sweden**
- **India**
- **Israel**

**Capitalism:** Free Enterprise – individuals own and operate majority of businesses providing goods and services

- **United States**
- **Japan**
- **Australia**
- **Canada**

**Communism:** A society in which the people without regard to class, own all the nation's resources.

- **China**
- **North Korea**
- **Cuba**

❖ **Who is entrepreneur? What does an entrepreneur do? Explain characteristics of an entrepreneur.**

Ans: An entrepreneur is an individual who creates a new business, bearing most of the risks and enjoying most of the rewards.

One who starts his or her own new and small business.

Entrepreneurs develop, design, produce, market, and eventually sell businesses with the end goal of financial profit. They own and operate everything from small shoe stores to tech startups. There are entrepreneurs behind every business in the country, no matter what the size and scope (think Coca Cola, Microsoft, Facebook, Amazon, McDonald's etc.).

Entrepreneur basically do those thing are billow

- Risk Taking:** Risk taking tendency is vital thing for entrepreneurs. They accept risk and find it motivating.
- Need for Achievement:** Entrepreneur has a high need for achievement. Need for achievement embraces a strong desire to succeed, to achieve to grow to accomplish challenging tasks. They want to establish their own goals and use their own style and want to become independence.

- c) **Low need to Conform:** Entrepreneurs listen but they are able to ignore other advice, whether they consider best they try to implement that seriously.
- d) **Persistence:** Entrepreneur are persistence, doggedly doing what is best for the business to succeed. They work hard on the details and relentlessly attempt to find way to become more profitable.
- e) **High energy level:**