



RAMA UNIVERSITY

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FACULTY OF COMMERCE AND MANAGEMENT

COURSE: BBA & BCH

SUBJECT: BUSINESS ORGANIZATION

SUBJECT CODE:

BCH204

LECTURE: 2

NAME OF FACULTY: DR. HUMAIRA FATIMA

LECTURE-2



BUSINESS – DEFINITIONS

“Business may be defined as human activity directed towards or acquiring wealth through buying and selling of goods.” – Lewis H. Haney

“Business may be defined as an activity in which different persons exchange something of value, whether goods or services, for mutual gain or benefit” – Peterson and Plowman

“Business is an enterprise engaged in the production and distribution of goods for sale in the market or rendering service for a price.” – R. N. Owens

NATURE AND PURPOSE OF BUSINESS :

The nature of business is best understood on the basis of its characteristics or features which are as follows:

- Business is an economic activity
- It includes the activities of production or purchase and distribution.
- It deals in goods and services.
- It implies regularity of transactions.

- It aims at earning profits through the satisfaction of human wants.
- It involves risk; it is not certain that adequate profit will be earned.
- It creates utilities.
- It serves a social purpose by improving people's standard of living.