



RAMA UNIVERSITY

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FACULTY OF COMMERCE AND MANAGEMENT

COURSE: BBA & BCH

SUBJECT: BUSINESS ORGANIZATION

SUBJECT CODE:

BCH204

LECTURE: 3

NAME OF FACULTY: DR. HUMAIRA FATIMA

LECTURE-3



CONCEPT OF BUSINESS

Literally speaking, the term 'business' means to be 'busy' or 'occupied'. In practice, business includes certain economic activities in which people are busy or engaged. Such activities relate to production, distribution, trading or exchange of goods and services to satisfy the needs of people so as to earn income or profit.

Business refers to all those activities which are concerned with the production and/ or purchase and sale of goods or services with the purpose of selling them at a profit. It includes activities concerned with manufacturing, trading, transportation, insurance, warehousing, banking and finance, etc.

BUSINESS IS BASICALLY AN ECONOMIC ACTIVITY:

According to L.R. Dicksee, “Business is a form of activity pursued primarily with the object of earning profit for the benefit of those on whose behalf the activity is conducted.” Business involves production and/or exchange of goods and services to earn profit, or to earn a living. However, profit is not the sole objective of the business. It may have other objectives like promotion of welfare of the workers and the general public.