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शक्ति उत्थान आश्रम लखीसराय बिहार

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Case Studies In Business Studies(BUSINESS ENVIRONMENT)

Question 6:

After completing her MBA, Beni took up a job with a multinational company named Fortio. The company paid good salaries and perks to its employees. The wages were within the paying capacity of the company that provided the employees with a reasonable standard of living. The company also had a good work-culture and the behaviour of superiors was very good towards their subordinates. Beni was very happy in this organisation but due to long working hours, she did not have time to cook her meals. She had to depend upon outside food which was deteriorating her health.

She observed that this problem was faced by many of her colleagues, not only in her company but also in many other companies. This was because of increase in the number of working women and non-availability of hygienic home-cooked food. She identified this as a great opportunity and decided to give up her job to supply packaged home-cooked food to office-goers at a reasonable price. At the end of the day, she also distributed the leftover food to the nearby night-shelters.

1. State the dimension of business environment being discussed above.
2. State the principle of management being followed by Fortio.
3. Identify any two values being communicated by the company to society in above case.

Answer:

1. The dimension of business environment being discussed above is Social.
Social Environment includes the social forces like customs and traditions, values, social trends, society's expectations from business, etc.
2. The principle of management being followed by Fortio is 'Remuneration of employees'.
Remuneration of employees: The overall pay and compensation should be fair to both employees and the organization. The employees should be paid fair wages, which should give them at least a reasonable standard of living. At the same time it should be within the paying capacity of the company i.e. remuneration should be just and equitable.
3. The values being communicated by the company to the society are:
 - o Justice
 - o Ethical Behaviour

Question 7:

After completing his MBA from the USA, Mr. Ajay came to India to start a new business under the banner Ecom Creations Ltd. He launched a new product in e-learning for senior secondary school students in the commerce stream which already had an established market in the UK and the USA but not in India. His business started flourishing in India. As a result, more Indian companies entered into the market with other subjects also.

Identify and quote the lines from the above paragraph which highlight the significance of understanding business environment.

Answer:

1. The understanding of business environment helps in assisting in planning and policy formulation as its understanding and analysis can be the basis for deciding the future course of action or decision making.
It enables the firm to identify opportunities and getting the first mover advantage instead of losing them to its competitors.
" After completing his MBA from USA, Mr. Ajay came to India .to start a new business under the banner Ecom Creations Ltd. He launched a new product in e-learning for senior secondary school students in the commerce stream which already had an established market in UK and the USA but not in India."
2. It helps in improving performance of an enterprise through continuous monitoring of the environment and adopting suitable business practices which help to improve both their present and future performance.
"His business started flourishing in India."
3. It helps the firm to identify threats and early warning signals that is likely to hinder a firm's performance and take timely actions.
"As a result, more Indian companies entered into the market with other subjects."

Question 8:

As per the directions issued by the Supreme Court, the government passed an order to ban the sale of tobacco products within the area of 200 meters of all educational institutions as:

1. Its consumption is injurious to health.
2. People are becoming more conscious about health and fitness. This indicates the government's attitude towards this business.

Identify the business environment under three different dimensions by quoting from above paragraph.

Answer:

The various dimensions of business environment being referred to the in the above case are as follows:

1. Legal Environment: "As per the directions issued by the Supreme Court.'

2. Political Environment: "The government passed an order to ban the sale of tobacco products within the area of 200 meters of all educational institutions."
3. Social Environment: "Its consumption is injurious to health and people are becoming more conscious about health and fitness."

Question 9:

The court passed an order to ban polythene bags as:

1. These bags create many environmental problems which affect the life of people.
2. Society at large is more concerned about the quality of life.

The government decided to give a subsidy to the jute industry in order to promote this business. As a result,—

- o Innovative techniques are being developed to manufacture jute bags at low rates.
- o Incomes are rising and people can afford to buy these bags.

Identify the different dimensions of business environment by quoting lines from the above particulars.

Answer:

The various dimensions of business environment being referred to in the above case are as follows:

1. Legal Environment: "The court passed an order to ban polythene bags."
2. Social Environment: "The bags create many environmental problems which affect the life of people and society at large is more concerned about the „quality of life."
3. Political Environment: "The government decided to give a subsidy to the jute industry in order to promote this business."
4. Technological environment: "Innovative techniques are being developed to manufacture jute bags at low rate."
5. Economic Environment: "Incomes are rising and people can afford to buy these bags."

Question 10:

The court passed an order that all schools must have water purifiers for the school children as:

1. Society in general is more concerned about the quality of life. .
2. Innovative techniques are being developed to manufacture water purifiers at competitive rates.
3. Incomes are rising and children are drinking purified water at their homes as well.
4. The Government is also showing a positive attitude towards the business of water purification.

Identify the different dimensions of business environment by quoting from the above details.

Answer:

The various dimensions of business environment being referred to the in the above case are as follows:

1. Legal Environment: "The court passed an order that all schools must have water purifiers for the school children."
2. Social Environment: "Society in general is more concerned about the quality of life."
3. Political Environment: "The government is also showing a positive attitude towards the business of water purifiers."
4. Technological environment: "Innovative techniques are being developed to manufacture water purifiers at competitive rate."
5. Economic Environment: "Incomes are rising and children are drinking purified water at their homes as well."