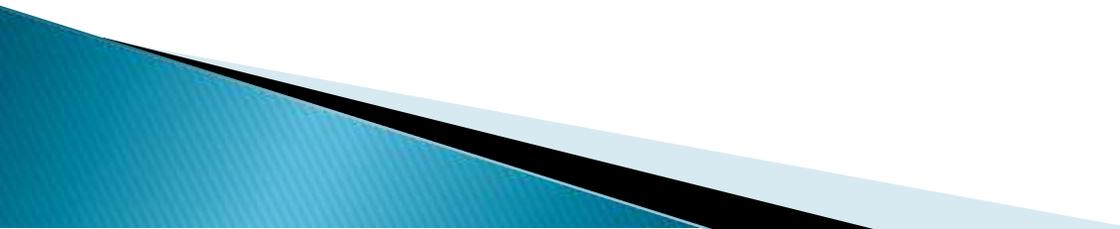
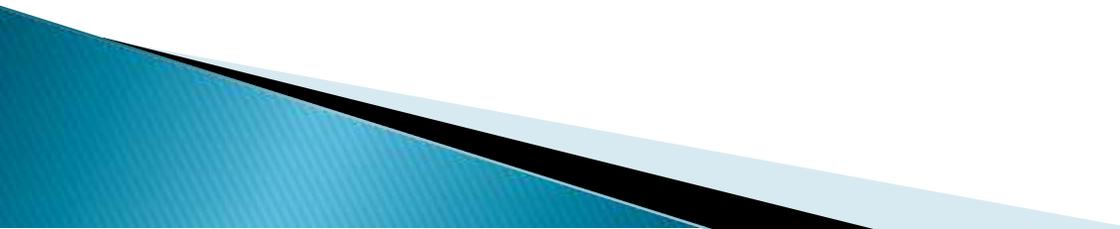


COMMERCE FOR COMPETITIVE EXAMINATIONS



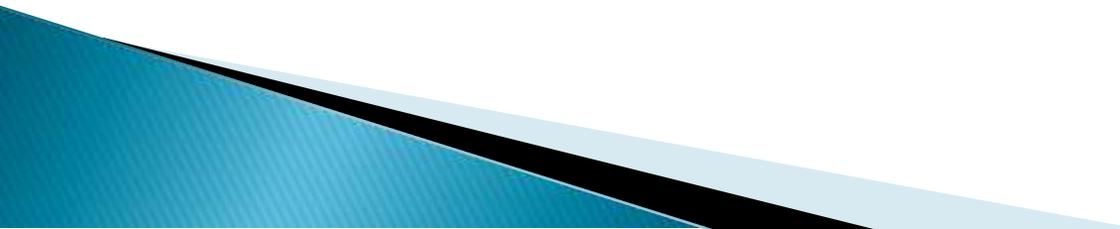
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**SUBJECT : COMMERCE FOR COMPETITIVE
EXAMINATION**

Course Code: 20UCO3GE1

**TOPIC : Comparisons of Business, Profession &
Employment**





An economic activity

Production or procurement of goods and services

Sale or exchange of goods and services for the satisfaction of human needs

Dealings in goods and services on a regular basis

Profit earning

Uncertainty of return

Element of risk

Business may be defined as an economic activity involving the purchase, production and sale of goods and services with a motive of earning profits by satisfying human needs in society

Business

- The term Business is derived from the word 'busy'. Thus, business means being busy.
- However, in specific sense, business refers to an occupation in which people regularly engage themselves with a view to earn profit.
- Business involves production or purchase or exchange of goods and services to satisfy the needs of people with aim to earn profit.
- The persons who are engaged in business are called **entrepreneurs**.

CHARACTERISTICS OF BUSINESS ACTIVITIES

1. An economic activity.
2. Production or procurement of goods and services.
3. Sale or exchange of goods and services for the satisfaction of human needs.
4. Dealing in goods and services on regular basis.
5. Profit earning.
6. Uncertainty of return.
7. Element of risk.

COMPARISON OF BUSINESS, PROFESSION AND EMPLOYMENT

1. Mode of establishment:

- ✓ Business is established when the entrepreneur decides.
- ✓ Profession is started after getting the certificate of practice from the professional body.
- ✓ Employment begins after getting the appointment letter from the employer.

2. Nature of work:

- ✓ Business includes buying and selling of goods and services.
- ✓ Profession involves rendering personalized services of expert nature.
- ✓ Employment includes performing the work as per the service contract.

3. Qualification:

- ✓ No minimum qualification is required for business.
- ✓ A professional degree in a specific field is required for profession.
- ✓ An employee needs the qualification and training as prescribed by the employer.

4. Return of reward:

- ✓ Business gets the return in the form of profit.
- ✓ Professionals charges fees for their services.
- ✓ Employees get the salary or wages in return for their work.

5. Capital investment:

- ✓ Business needs investment as per its size and nature.
- ✓ Only initial investment is required in case of profession.
- ✓ No capital investment is needed for employment.

6. Risk:

- ✓ In business, profits are uncertain and irregular; so risk is present.
- ✓ Professionals face less risk ; as the fee charged is generally regular and certain.
- ✓ No risk is there in employment; as they get a fixed and regular pay.

7. Code of conduct

- ✓ No code of conduct is prescribed in business.
- ✓ Professional code of conduct is to be followed.
- ✓ Norms of behavior laid down by the employer are to be followed.

THANK YOU