

**VPM's  
DR VN BRIMS, Thane  
Programme: MMS (2022-24)  
Second Semester Regular Examination September 2023**

<b>Course Name:</b>	Business Environment	<b>Course Code</b>	C-208
<b>Roll No.</b>		<b>Marks</b>	60
<b>Total No. of Questions</b>	6	<b>Duration</b>	3 Hours
<b>Total No. of printed pages</b>	3	<b>Date</b>	14.09.2023

**Course Outcome Statements:**

**CO1.** Recall the key concepts of the Business Environment.

**CO2.** Explain the Political, Economic, Sociological, and Legal Environmental scope of an organization.

**CO3.** Make Use of contemporary examples to explain the impact of the macro-environment on business operations.

**CO4.** Analyze issues and factors responsible for the internal and external business environment.

**CO5.** Determine the internal strengths and weaknesses of specific businesses and their interrelationship with external macro factors.

<b>Instructions: -</b>			<b>Marks</b>	<b>BL</b>	<b>CO</b>
<b>Q. No 1 (All Questions are Compulsory)</b>					
<b>Q. No.</b>		<b>Questions</b>			
<b>Q. 1</b>		<b>Case-let</b>			
		<p>The business environment consists of the factors that affect the operations of a business. These factors are identified through the environmental analysis, which is conducted either in the form of the SWOT or the PEST (EL) analyses (Powell, 863). Resources and capabilities are used by the business to gain the competitive advantage.</p> <p>These are the inputs available to a business that makes it operate successfully, and these may either be tangible or intangible (Warf and Stutz 113). The coordination of resources is the key to the success of a business.</p> <p>On the other hand, capabilities refer to the capacity of a business to either coordinate or deploy the resources within an organization, and are developed progressively. In the case study, Amazon, the leading online retailer, and supercentre, can outdo the competition by the adoption of new IT procedures to enter into the bookselling industry.</p> <p>This acts as turnaround in the aforementioned sector.</p> <p>One of the key environmental factors for Amazon is the competition within the industry due to the emergence of many publishers, and also due to the existence of other bookselling stores such as B &amp; M stores and Barnes and Noble.</p> <p>Owing to the first mover advantage and development of new IT marketing policies, such as the use of the internet for selling books, Amazon had a large clientele base and it was difficult for its competitors to attract customers the way it did (Hill and Jones 272). Another key factor is the customers (consumers).</p> <p>The company's mission emphasizes on the goal of Amazon to be the most custom-centered company in the globe. After the enrollment or signing up to its website, it was difficult to get the</p>			

		<p>customer sign into other firms' websites due to the loyalty attached to the Amazon products (Hill and Jones 272).</p> <p>Finally, the industry itself was another key factor. After taking the first mover advantage, Amazon turned around the bookselling industry by offering fresh competition to bookselling giants such as the Borders (Hill and Jones 272).</p> <p>Amazon possesses key internal resources and capabilities. To begin with, the incorporation of a first mover advantage through the use of patented customer-oriented software would be of a great value to Amazon. Moreover, adopting exceptional IT policies would help in reducing the competition.</p> <p>Furthermore, shifting focus to the web-based approach of buying and selling books online would enhance its performance. As it is an online-based company, that offers its customers immediate and instant access to its books in print form, it helps to boost its sales.</p> <p>Finally, embracing the formation of strategic alliances with the largest book publishers would ensure that Amazon's customers get products without any delays in the distribution.</p> <p>The key strategic choices undertaken by Amazon are outlined above, including formation mergers with the well-established firms in the IT industry. This has helped it to increase the profit margin significantly.</p> <p>Amazon has also acquired other websites such as 'Exchange.com,' 'Jungle.com, and 'Planetall.com' as a way of developing new and superior website techniques in order to enhance efficiency and retain the clientele base.</p> <p>Amazon launched the digital bookstores, video and music, and also the Amazon's 'Kindle Reader' in order to give its customers varied options. Finally, Amazon's movement into the 'cloud' computing and leveraging of its key competencies helped it to realize the value of its assets, vital for global expansion the drawbacks notwithstanding.</p> <p>The successful implementation of Amazon's roadmaps enabled it gain the advantage over its competitors. Consequently, it realized record profits in the year 2011.</p>			
	a.	<b>Examine</b> the role of technology in success of a business organization like Amazon.	6	Level 4	CO4
	b.	<b>Evaluate</b> the potential of key internal resources in setting up an innovative business model like Amazon.	6	Level 5	CO5
Q. 2		Answer <b>Any one</b> from the following.			
	a.	<b>Evaluate</b> the factors those strongly recommend privatisation of business sectors for enhancing quality of service by tertiary sector.	6	Level 5	CO5
	b.	<b>Interpret</b> the aims and objectives of setting National Budget by Finance Ministry of a nation on annual basis.	6	Level 5	CO5
Q. 3		Answer <b>Any one</b> from the following.			
	a.	<b>Examine</b> the considerations those drive the Indian business scenario towards globalization in today's era.	6	Level 4	CO4
	b.	<b>Analyze</b> the political ideals such as liberty, equality, fraternity, and tolerance in terms of development of sustainable businesses in our country.	6	Level 4	CO4

<b>Q. 4</b>		Answer <b>Any two</b> from the following.			
	<b>a.</b>	Patanjali has been observed to be emphasizing a lot on use of Ayurveda in the domestically developed products it is offering to Indian customers. <b>Identify</b> the SWOT factors for Patanjali Cow Ghee.	<b>6</b>	<b>Level 3</b>	<b>CO3</b>
	<b>b.</b>	<b>Identify</b> the merits and demerits of 'Make in India' model canvassed by Indian government in this decade.	<b>6</b>	<b>Level 3</b>	<b>CO3</b>
	<b>c.</b>	<b>Choose</b> the policy framework that RBI needs to adopt for governing the economic health of Indian banks.	<b>6</b>	<b>Level 3</b>	<b>CO3</b>
<b>Q. 5</b>		Answer <b>Any two</b> from the following.			
	<b>a.</b>	<b>Compare</b> the contributions of primary, secondary and tertiary sectors of economy in terms of development of India's national economy.	<b>6</b>	<b>Level 2</b>	<b>CO2</b>
	<b>b.</b>	<b>Explain</b> role of legality and ethics in establishing industrial standards.	<b>6</b>	<b>Level 2</b>	<b>CO2</b>
	<b>c.</b>	<b>Relate</b> the political factors those influence the success or failure of a business.	<b>6</b>	<b>Level 2</b>	<b>CO2</b>
<b>Q. 6</b>		Answer <b>Any two</b> from the following.			
	<b>a.</b>	<b>Spell</b> out the significant macro-economic variables those influence the national economy.	<b>6</b>	<b>Level 1</b>	<b>CO1</b>
	<b>b.</b>	<b>Show</b> the benefits a nation derives by being member of an International Trade Block.	<b>6</b>	<b>Level 1</b>	<b>CO1</b>
	<b>c.</b>	<b>Relate</b> the role of goals and objectives of a business organization is realizing vision of the business organization.	<b>6</b>	<b>Level 1</b>	<b>CO1</b>