Class - B. Com 1.

Subject: Business Economics and Environment

Paper : 1

unit : I

Topic : Duties of Business Economist Towards Society Nation

Lecture sequence No: 7.

Prepared by:

Dr. Roy Anita kumari Paramanand
Marwari College Darbhanga.
E. mail roy27583@gmail.com.

Business Economist
Duties towards Society and Nation

Economist is the person who analysis and understand the internal and external factor of the nation's business, uses economic concept and tools to plan future actions in order to make optimal results. Business economist applies economics in decision - making process, He use the tools of economics analysis in clarifying problem in organizing and evaluating information and in comparing alternative course of action. He is concerned with analytical tools that are useful that have proven themselves in practice or that promise to improve decision - making in the future. They often provide inputs to organization in reference to their business decision and these inputs are not only based on the success or failure of a business but also study the business structure community.

Adam Smith argues that it is the profit-driven market system also called price mehanism that drives business firm to promise welfare through they work for private gain.

(1) Make Reasonable Profit on Capital Employed.

As per Adam Smith, Every individual endeveaours to employ his capital so that its produce may be of greatest value. He generally neither intends to promote the public interest, nor knows how much he is promoting it. The main objective of any organisation to earn maximum profit of capital employed.

2. Successful Forecasting :

Business economist are responsibile of a accurate short-term and long-term forecasts are critical to almost every aspect of running a financially successful business. You need accurate forecasts for budgeting sales revenue estimate, production and inventory human resources demand planning and purchasing. In matter of accuracy, the ability to correctly model demand expectation and account both for random variations and unforeseen events, regardless of the time frame.

3. Co-ordination :

Co-ordination involves synchronisation of different action or efforts of the various units of an organisation, It ensures planned objectives are achived with minimum cost. Business economist ~~tres~~ tries to bridge the gap between policy determination and their implementation. And co-ordinate the decisions and policies with external environment so that govt. economic other policies are also reflected in Business.

4. SWOT Analysis :

Business economist has to analyse SWOT. This function helps the marketeer to identify

the need of the customers, market research becomes the basis of product development and to conduct market research the marketeer performs SWOT Analysis.
While gathering information from market they focuses on the opportunities and threats in the market and uses their strenght to capture and grab the opportunities and prepare policies and plans to overcome their weaknesses and threats.

5. **Environment Analysis:**
Business economist need to search the environment to determine which factors present threats to the company' present strategy and the accomplishment, of its objective. Many new things develop over time and the whole scenario can be alter.
The internal components indicate the strengths and weakness of the business entity whereas the external components represents the opportunities and threats outside the organisation

6. **Expert knowledge:**
.Business economist have both conceptual and well as practical knowledge. He must posses a good knowledge of the working of the individual firm as well as the industry as a whole and the behaviour of the market and business conditions and likely dynamic change that may take place in the economy.

7. Availability of Resources:

Resources availability is the genesis point of sorts for project planning, the findings of which becomes the backbone to project planning and scheduling. It is access to the right resources for a given project at a given time with the necessary skill sets (in case of people) or the necessary technology (in case of non human resources).

8. Cordial Relation:

A Business economist has to make efforts to maintain the cordiality (friendly). He is responsible for making harmonious relationship among various interacting groups in the market. Healthy relations among various interacting groups of business is the pre-requisite to success.

9. Contact with Sources and Specialists of Information:

Business economist must establish and maintain many contacts with individuals and data sources which would not be immediately available to the other members of the management. Extensive familiarity with reference sources and materials is essential, but it is still more impotant that he knows individual who are specialists in particular field having a bearing on his work.