

**THE UNIVERSITY OF ALABAMA IN SYSTEMS**  
**INTEGRATED BUSINESS PROGRAM**

- 2008-2009 -

**1. Write an essay about what business is and how it works. (100 words)**

**Answer:**

Business is the exchange of goods and services between individuals and organizations. It is the process of creating value for customers and generating profit for the business.

**Question:**

What is the primary purpose of a business? (100 words)

**Answer:**

The primary purpose of a business is to create value for its customers and generate profit for the business. This is done by providing products and services that meet the needs of the market.

**Question:**

What are the main components of a business plan? (100 words)

**Answer:**

The main components of a business plan are: Executive Summary, Company Description, Market Analysis, Organization and Management, Products and Services, Marketing and Sales Strategy, Financial Projections, and Appendix.

**Question:**

What is the difference between a business and a company? (100 words)

**Answer:**

A business is a general term that refers to any activity that involves the exchange of goods and services. A company is a specific type of business that is organized as a legal entity.

**Question:**

What are the main types of business organizations? (100 words)

**Answer:**

The main types of business organizations are: Sole Proprietorship, Partnership, Corporation, and Limited Liability Company (LLC).

**Question:**

What are the main factors that influence a business's success? (100 words)

**Answer:**

The main factors that influence a business's success are: Market Demand, Competition, Management, Financial Resources, and Marketing Strategy.

**Question:**

What are the main challenges that a business faces? (100 words)

**Answer:**

The main challenges that a business faces are: Market Saturation, Competition, Financial Constraints, and Management Issues.

**Question:**

What are the main benefits of a business? (100 words)

**Answer:**

The main benefits of a business are: Job Creation, Economic Growth, Innovation, and Customer Satisfaction.

**Question:**

What are the main risks of a business? (100 words)

**Answer:**

The main risks of a business are: Market Volatility, Competition, Financial Instability, and Management Errors.