

UNIVERSITY OF COLOMBO, SRI LANKA
FACULTY OF ARTS
SECOND YEAR EXAMINATION IN ARTS (ECONOMICS) – 2017
End of First Semester
ECN 2122/ ENH 2109 :BUSINESS ENVIRONMENT
Time: Two (02) Hours
Answer Four (04) questions only.

- 1.)
- I. Sketch the main components and factors of Business Environment. (8 Marks)
 - II. "A successful business requires a constant awareness of the nature both internal & external." Explain this statement. (17 Marks)
- 2.) "Technological changes have largely generated business opportunities rather than present threats to businesses." Discuss this statement with examples. (25 Marks)
- 3.) What is Demographic environment of a business? Explain its importance for strategic business decisions? (25 Marks)
- 4.) Identify the importance of following economic factors on strategic decision making by business organizations.
- i.) Exchange Rate
 - ii.) Unemployment
 - iii.) Interest Rate
 - iv.) Government taxes and Tariffs
- (25 Marks)
- 5.)
- I. What is 'Environmental Scanning'? State its importance to a business organization? (8 Marks)
 - II. "SWOT analysis, used in studying the business environment is an important technique in Management." Examine this statement. (17 Marks)
- 6.) "The economic policies and activities of the government have a vast impact on business activities." Explain this statement. (25 Marks)

7.) Write short notes on any of the four (04) of following topics.

- I. Sri Lankan government's incentives for businesses
- II. Role of WTO in Business Environment.
- III. 'Corporate Culture' of a business organization
- IV. Protection of Intellectual Property
- V. Main characteristics of Business Environment.
- VI. Contribution of the business community towards achieving the aims of the government.
- VII. Importance of 'Natural Environment' for a Business Organizations

(6.25 Marks per each)
