

BUSINESS ORGANISATION

This is any form of establishment that undertakes the production of goods or rendering of services demanded by the consumers. The primary objectives of any business organization is to make profit

Private enterprise is a business organization that are owned and managed by private individual whose primary objective is to make profit. Private enterprises include: sole proprietorship, partnership, joint stock company (limited liability company)

SOLE PROPRIETORSHIP

This is a business organization established, owned financed and controlled by one person with the sole aim of making profit. Sole proprietorship is the oldest form of business and it is also known as one man business individual proprietorship or sole trading.

ADVANTAGES OF SOLE PROPRIETORSHIP

1. He takes quick decision as he consult no one
2. He has personal relationship with his customers
3. It requires little capital to set up
4. He supervises his business personally
5. He enjoys privacy of business

DISADVANTAGES OF SOLE PROPRIETORSHIP

1. He bears the risk alone
2. Expansion is not easily achieve since he started with little capital
3. The death of a sole proprietor marks the end of the business
4. Absence of specialization

Assignment

1. What is partnership business?
2. Enumerate and explain the kind of partnership business