



[Glossary]
[Internal Environment Analysis]

Subject:	Business Economics
Course:	B.A., 6 th Semester, Undergraduate
Paper No. & Title:	Paper – 602 Business Strategy & Ethics
Unit No. & Title:	Unit - 2 Environmental Analysis
Lecture No. & Title:	3: Internal Environment Analysis

Glossary:

- **Value chain**

A model for analysis of how supply chain activities can add value to products and services delivered to the customer.

- **Resources**

- Are the sources of a firm's capabilities.
- Are broad in scope.
- Cover a spectrum of individual, social and organizational phenomena.
- Alone, do not yield a competitive advantage.

- **Operations**

These activities are necessary to convert the inputs provided by inbound logistics into final product form. Machining, packaging, assembly, and equipment maintenance are examples of operations activities.

- **Procurement**

Activities completed to purchase the inputs needed to produce a firm's products. Purchased inputs include items fully consumed during the manufacture of products (e.g., raw materials and supplies, as well as fixed assets—machinery, laboratory equipment, office equipment, and buildings).

- **Human Resource Management**

Activities involved with recruiting, hiring, training, developing, and compensating all personnel.

Firm Infrastructure

Firm infrastructure includes activities such as general management, planning, finance, accounting, legal support, and governmental relations that are required to support the work of the entire value chain.

Outsourcing

Outsourcing is the purchase of some or all of a value-creating activity from an external supplier. Usually this is because the specialty supplier can provide these functions more efficiently.

- **Company Profile**

A company profile is essentially a resume for company that company use to establish its credibility with the market it serves.