

(viii) Risk :- risk is involved in both (ie) business or profession but earning profit for a business is not certain, but the fee for a professional is more or less certain. But risk factor is basically nil in the case of employment, the wages or the salary is fixed.

(ix) Transfer of interest :- In the case of business the owner can transfer his ownership to any other person.

A professional can not transfer his ownership to any one due to the professional degree and membership enrollment.

An employee also can not transfer his duty to another person, his employer will decide it.

The above description shows us that there are major differences in business, profession and employment, but ~~losing~~ they are very closely inter connected with each other for example a business man gives employment and side by side he also appoints various professionals for his help in business.

(v) Motive :- Motive of a businessman is to earn profit by supplying goods & services.

A professional should emphasize the service motive and sense of mission greater extent than a businessman, and he must follow the code of conduct prescribed for his profession.

In employment there is no sense of motive as employee has to work according to his employer or the terms of the contract.

(vi) Investment :- In business the size of business setup is the decider of the amount of investment.

A professional investment is limited as the capital is of basic office setup.

In case of employment there is no need for capital investment.

(vii) Reward :- The term reward in the case of businessman is the profit he earns.

Professional receives his professional fee in the nature of reward.

An employee gets salary, bonus and incentive in the terms of reward.

(ii) Qualification :- In business no minimal educational qualification is required. A professional as the name suggest he must be qualified according to his profession. In employment some cases may require certain qualification and education, ~~but~~

(iii) Membership :- Now days business often have an association of their own but being a ~~rob~~ member is not mandatory. A professional must be a member of their association or member body which exercise

statutory control over his profession.  
(2-32) In case of employment membership of any association is not essential.

(iv) Nature of work :- A business man supplies goods and services to satisfy human wants. A professional renders service of a specialised nature to his clients according to their needs.

An employee performs the work assigned to him by his employer, ~~under~~ according to the contract.

doctors and nurses, enterprises appoints employees. etc.

### \*) Distinguish between Business, Profession and Employment :- (Comparison)

Business is different from profession and employment in the following ways :-

(i) formation :- A business is established by an entrepreneur, who takes the decision on every aspects such as production or exchange of goods and services in order to earn profit. He has to complete all the legal formalities.

A professional firm comes into existence when a professional who holds the membership and the certificate of practice of the professional body, takes a decision to practice the profession.

In case of employment, the person enters into a written or oral contract of service with a business firm. It does not require registration or certificate of practice.