



JAGATPUR P.G COLLEGE

AFFILIATED MAHATMA GANDHI KASHI VIDYAPITH, VARANASI

M.COM 2nd SEMESTER

SUBJECT- COMMERCE

NAME OF PAPER- BUESSIN ENVIRONMENT

TOPIC- CONCEPT OF BUSINESS ENVIRONMENT

E-CONTENT

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CONCEPT OF BUSINESS ENVIRONMENT

After discussing the concepts of 'Environment' we will explain the concept of 'Business Environment'.

These factors collectively form business environment. Business environment, as such, is the total of all external forces, which affect the organization and operations of business.

Important definitions of the term Business Environment are as under.

"Business environment is the aggregate of all conditions, events and influences that surround and affect it".

-- Keith davis

"The term Business environment of a company is defined as the pattern of all external influences that affect its life and development."

--- Andrews

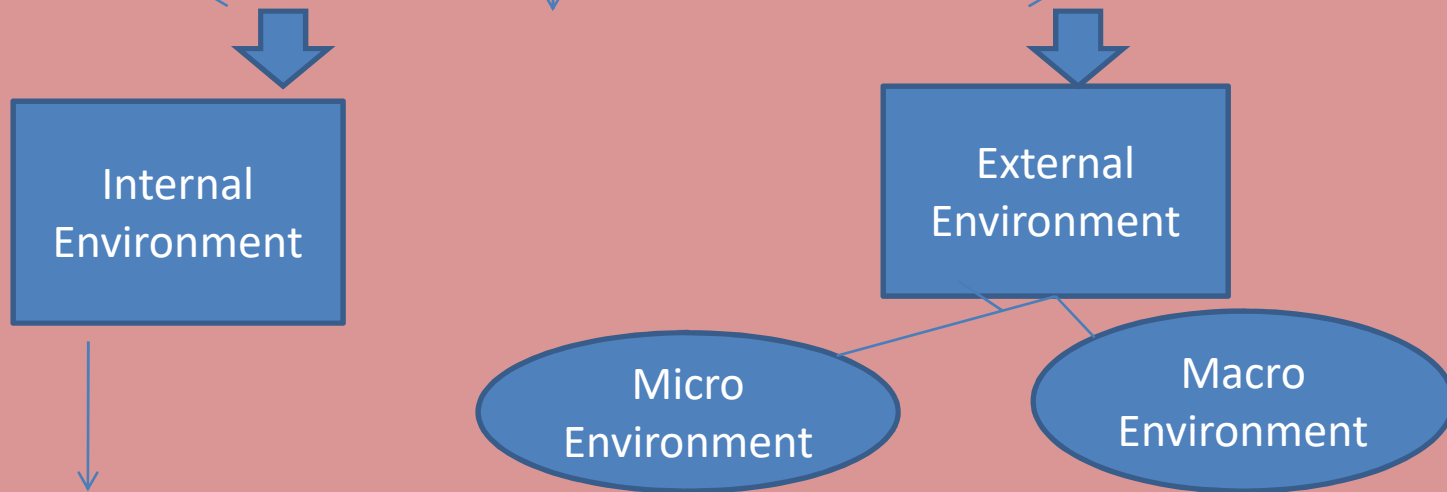
"Business environment consists of all external and internal factors that influence the complex interaction of the market, production and finance—the three basic components of the business world."

--- J.A.Kritz and C.T.Duggan

CHARACTERISTICS OR NATURE OF BUSINESS ENVIRONMENT

- 1. Surrounding Situation*
- 2. Business Environment is complex*
- 3. Environment is Dynamic*
- 4. Business Environment is Multifaceted*
- 5. Scope of Business*
- 6. For Reaching Impact*
- 7. Symbiotic Relationship*
- 8. Environmental Factors Differ From Country to country*
- 9. Internal and External Environment*
- 10. Totality of External Forces*
- 11. Uncertainty*

COMPONENTS OF BUSINESS ENVIRONMENT



- 1.Strategy
- 2.Structure
- 3.Personnel Capability
- 4.Financial Capability
- 5.Marketing Capability
- 6.Operating Capability
- 7.Technical Capability
- 8.Internal Powers and Relationship Cap.
- 9.The Values System of the Organization

- 1.Suppliers
2. Customers
- 3.Competitors
- 4.Market-intermediaries
- 5.Public

- 1.Economic Environment
- 2.Political and Legal Env.
- 3.Social and Cultural Env.
- 4.Technological Env.
5. Ecological ENV.
- 6.International Env.

REVIEW QUESTIONS

Long Answer Type Questions:

1. What do you understand by business environment?
Write the main components of Business Environment.

Short Answer Type Questions:

1. Define business environment.
2. What is internal environment of business?

REFERENCE

- *Dr. V. C. Sinha & Dr. Ritika Sinha*
- *PUBLICATION- SBPD PUBLICATIONS*

THANK YOU