**BHARATHIDASAN UNIVERSITY MODEL COLLEGE,**

**THANDALACHERY, THIRUTHURAIPOONDI**

**CLASS: BBA III YEAR (16CCBB14)**

**SUBJECT: BUSINESS ENVIRONMENT**

**Dr. P. KUMARAVEL M.Com., M.Phil., MBA., Ph.D., SET.,**

**BHARATHIDASAN UNIVERSITY MODLE COLLEGE, THIRUTHURAIPOONDI**

**BUSINESS ENVIRONMENT**

 **B.B.A I YEAR - 2 MARKS QUESTION APRIL 2020**

1. **Define Business.**
2. **What is meant by social responsibility?**
3. **Define organic objective of business.**
4. **Define Economic objective of business.**
5. **Define Innovation.**
6. **What is Social objectives?**
7. **What is National objectives of business?**
8. **What is human objectives of business?**
9. **Define Business Environment.**
10. **Define Economic Environment.**
11. **Define Geographical Environment**
12. **Define Ecological Environment.**
13. **What is Air pollution?**
14. **What is Water pollution?**
15. **Define social and cultural Environment?**
16. **Define Political Environment.**
17. **What is Legal Environment?**
18. **What is Office Correspondence?**
19. **What is Technological Environment?**
20. **Define Fiscal Policy.**
21. **Define Foreign Trade policy.**
22. **Define Economic system.**
23. **What is Economic Planning?**
24. **What is Non-Economic Environment?**
25. **What is Sociological factors of non – Economic Environment?**
26. **What is Cultural factors?**
27. **Define Static Environment.**
28. **What is Dynamic Environment?**
29. **Define Micro Environment?**
30. **What is Macro Environment?**
31. **What is Market Environment?**
32. **What are Capitalism? Give features**
33. **What Socialism? Give features**
34. **Define Mixed Economy.**
35. **Define Financial Environment.**
36. **Define Financial system.**
37. **Define Commercial Banks and Functions.**
38. **Define IBRD.**
39. **Define Reserve Bank of India and function.**
40. **Define Credit control.**
41. **Define WTO.**
42. **Define IMF.**
43. **Define World Bank.**
44. **Define IFC.**
45. **Define Counter Trade**

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**BHARATHIDASAN UNIVERSITY MODEL COLLEGE,**

**THANDALACHERY**

**MODEL EXAMINATION- APRIL 2020**

# CLASS: BBA I Year BUSINESS ENVIRONMENT Sub Code: 16ACBB2

 **Max Marks:75**

**SECTION-A Answer all the questions: 10\*2=20**

1. What is business?

2. Define the concept of business environment

3. What is meant by privatization?

4. State the meaning of secularism

5. What is cultural adaptation?

6. Explain the term techno logical environment?

7. What is Global environment?

8. What are the functions of MNCs?

9. Cultural heritage- Explain

10. Define social responsibility.

# SECTION-B Answer all the questions: 5\*5=25

11.a)Distinguish between Micro environment and Macro environment or

 b) Explain in brief the basic characteristics of our Indian constitution

12.a) Explain the promotional role of the government. (or)

b) What is mixed economy? Explain with reference to India?

13.a) Analyse the factors determining political environment. (or)

b) Discuss the elements of culture

14.a) Describe the nature of social responsibility (or)

b) Examine the features of an economic systems.

15. What are the functions of Reserve Bank of India? (or)

b) What the importance of WTO?.

# SECTION-C Answer any three questions: 3\*10=30

16. Explain importance and characteristics of business

17.Describe the state intervention in economic affairs of Business Environment

18. Describe the social responsibility of business.

19. Explain the functions and importance of IMF?

20. Briefly explain the social and cultural Environment?

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**UNIT- V**

**Corporate social responsibility**

 Corporate social responsibility (CSR) is a type of international private business self-regulation that aims to contribute to societal goals of a philanthropic, activist, or charitable nature by engaging in or supporting volunteering or ethically-oriented practices. While once it was possible to describe CSR as an internal organisational policy or a corporate ethic strategy, that time has passed as various international laws have been developed and various organisations have used their authority to push it beyond individual or even industry-wide initiatives. While it has been considered a form of corporate self-regulation for some time, over the last decade or so it has moved considerably from voluntary decisions at the level of individual organisations, to mandatory schemes at regional, national and international levels.

 Considered at the organisational level, CSR is generally understood as a private firm policy. As such, it must align with and be integrated into a business model to be successful. With some models, a firm's implementation of CSR goes beyond compliance with regulatory requirements and engages in "actions that appear to further some social good, beyond the interests of the firm and that which is required by law". The choices of 'complying' with the law, failing to comply, and 'going beyond' are three distinct strategic organisational choices. While in many areas such as environmental or labor regulations, employers may choose to comply with the law, or go beyond the law, other organisations may choose to flout the law.

 These organisations are taking on clear legal risks. The nature of the legal risk, however, changes when attention is paid to soft law. Soft law may incur legal liability particularly when businesses make misleading claims about their sustainability or other ethical credentials and practices. Overall, businesses may engage in CSR for strategic or ethical purposes. From a strategic perspective, the aim is to increase long-term profits and shareholder trust through positive public relations and high ethical standards to reduce business and legal risk by taking responsibility for corporate actions. CSR strategies encourage the company to make a positive impact on the environment and stakeholders including consumers, employees, investors, communities, and others.[ From an ethical perspective, some businesses will adopt CSR policies and practices because of ethical beliefs of senior management. For example, a CEO may believe that harming the environment is ethically objectionable.

 Proponents argue that corporations increase long-term profits by operating with a CSR perspective, while critics argue that CSR distracts from businesses' economic role. A 2000 study compared existing econometric studies of the relationship between social and financial performance, concluding that the contradictory results of previous studies reporting positive, negative, and neutral financial impact, were due to flawed empirical analysis and claimed when the study is properly specified, CSR has a neutral impact on financial outcomes. Critics questioned the "lofty" and sometimes "unrealistic expectations" in CSR. or that CSR is merely window-dressing, or an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations. In line with this critical perspective, political and sociological institutionalists became interested in CSR in the context of theories of globalization, neoliberalism and late capitalism. Some institutionalists viewed CSR as a form of capitalist legitimacy and in particular point out that what began as a social movement against uninhibited corporate power was transformed by corporations into a "business model" and a "risk management" device, often with questionable results.

 CSR is titled to aid an organization's mission as well as serve as a guide to what the company represents for its consumers. Business ethics is the part of applied ethics that examines ethical principles and moral or ethical problems that can arise in a business environment. ISO 26000 is the recognized international standard for CSR. Public sector organizations (the United Nations for example) adhere to the triple bottom line (TBL). It is widely accepted that CSR adheres to similar principles, but with no formal act of legislation.

**Definition of CSR**

 Since the 1960s, corporate social responsibility has attracted attention from a range of businesses and stakeholders. A wide variety of definitions have been developed but with little consensus. Part of the problem with definitions has arisen because of the different interests represented. A business person may define CSR as a business strategy, an NGO activist may see it as 'greenwash' while a government official may see it as voluntary regulation." In addition, disagreement about the definition will arise from the disciplinary approach." For example, while an economist might consider the director's discretion necessary for CSR to be implemented a risk of agency costs, a law academic may consider that discretion to be an appropriate expression of what the law demands from directors.

 Corporate social responsibility has been defined by Sheehy as "international private business self-regulation." Sheehy examined a range of different disciplinary approaches to defining CSR. The definitions reviewed included the economic definition of "sacrificing profits," a management definition of "beyond compliance", institutionalist views of CSR as a "socio-political movement" and law's own focus on directors' duties. Further, Sheehy considered Archie Carroll's description of CSR as a pyramid of responsibilities, namely, economic, legal, ethical, and philanthropic responsibilities. While Carroll was not defining CSR, but simply arguing for classification of activities,

Sheehy developed a definition differently following the philosophy of science—the branch of philosophy used for defining phenomena.

 Carroll extended corporate social responsibility from the traditional economic and legal responsibility to ethical and philanthropic responsibility in response to the rising concerns on ethical issues in businesses. This view is reflected in the Business Dictionary which defines CSR as "a company's sense of responsibility towards the community and environment (both ecological and social) in which it operates. Companies express this citizenship (1) through their waste and pollution reduction processes, (2) by contributing educational and social programs and (3) by earning adequate returns on the employed resources."

**Consumer perspectives**

 Businesses have changed when the public came to expect and require different behavior [...] I predict that in the future, just as in the past, changes in public attitudes will be essential for changes in businesses' environmental practices. — Jared Diamond, "Big businesses and the environment"

 Most consumers agree that while achieving business targets, companies should engage in CSR efforts at the same time. Most consumers believe companies doing charity work will receive a positive response.[26] Somerville also found that consumers are loyal and willing to spend more on retailers that support charity. Consumers also believe that retailers selling local products will gain loyalty. Smith (2013) shares the belief that marketing local products will gain consumer trust. However, environmental efforts are receiving negative views given the belief that this would affect customer service. Oppewal et al. (2006) found that not all CSR activities are attractive to consumers. They recommended that retailers focus on one activity. Becker-Olsen (2006) found that if the social initiative done by the company is not aligned with other company goals it will have a negative impact. Mohr et al. (2001) and Groza et al. (2011) also emphasise the importance of reaching the consumer.

**BUSINESS AND BUSINESS ENVIRONMENT**

**BUSINESS**

 The persons who supply raw material and required components to the company, must be reliable and business environment must have multiple suppliers i.e. they should not depend upon only one supplier. Customers are regarded as the king of the market. Success of every business depends upon the level of their customer‘s satisfaction. The customers are Wholesalers, Retailers, Industries, Government and Other Institutions, Foreigners Market Intermediaries etc.. Every move of the competitors affects the business. Business has to adjust itself according to the strategies of the Competitors.

 Any group who has actual interest in business enterprise is termed as public e.g. media and local public. They may be the users or non-users of the product. Macro/General Environment , includes factors that create opportunities and threats to business units . The elements of Macro Environment-- Economic Environment is very complex and dynamic in nature that keeps on changing with the change in policies or political situations. It has three elements , Economic Conditions of Pubic , Economic Policies of the country, Economic System . Other Economic Factors --Infrastructural Facilities , Banking , Insurance companies , money markets, capital markets etc. Non-Economic Environment include Political Environment- affects different business units extensively and components , Political Belief of Government , Political Strength of the Country, Relation with other countries , Defense and Military Policies , Centre State Relationship in the Country, thinking opposition parties towards business unit .

**Business Environment**

The business environment is business and environment- business in its economic sense means economic activities like production , purchase or sales of goods that are performed for earning profits . It consists of suppliers --, customers, market Intermediaries, competitors and public . Environment -internal & external includes five Ms i.e. man, material , money , machinery and management , usually within the control of business. Business make changes in these factors due to the change in the functioning of enterprise. The factors Government and Legal , Geo --Physical , Political , Socio-Cultural , Demo-Graphical , which are beyond the control of business enterprise , included in external environment . It is of two types- Micro/Operating Environment, the environment which is close to business and affects its capacity to work is known as Micro or Operating Environment . Macro/General Environment ,that is , International Environment : important for industries directly depending on import or exports and the factors that affect the business are : Globalization, Liberalization, Foreign business policies , Cultural exchange . Demographic Environment : perspective of population i.e. its size , standard of living , growth rate, age-sex composition , family size , income level (upper level , middle level and lower level) , education level etc. Natural Environment : includes natural resources , weather , climatic conditions, port facilities, topographical factors such as soil, sea, rivers, rainfall etc. Technological Environment: have scientific knowledge to practical world , changes in products, services, lifestyles and living conditions.

**Competitive Industry**

Competition with other firms is a key aspect of running a business of any size , from a brand new venture to a large corporation . In competitive markets, companies have to fight over the business of potential consumers , ideal competitive environment that exhibits certain key structural characteristics beneficial to consumers . The competitive industry is the presence of many different sellers of a particular good or service and many potential buyers. For example , the market for pizza restaurants in a certain large city might be highly competitive, since anyone can choose to open a new pizza shop , and existing owners can close their doors whenever they please . High costs , Government regulations and other factors restrict the ability of firms to leave or enter a certain industry and serve to limit competition . In a competitive industry, firms must offer products that are similar enough to one another to be considered interchangeable. For instance , a company that sells baseballs might not be in direct competition with a company that sells softballs, even though the balls are somewhat similar, because a baseball is not a substitute for a softball .The totality of economic factors, such as employment, income, inflation, interest rates, productivity, and wealth that influence the buying behavior of consumers and institutions. The benefits of environmental analysis are development of broad strategies and long-term policies of the firm , development of action plans to deal with technological advancements , to foresee the impact of socio-economic changes at the national and international levels .

**a. Business and Society**

 The corporate sector has found itself for environmentally problematic activities . Small and medium-sized enterprises are also under increasing pressure to adopt environment friendly practices . Companies play an important role in society, impacting on communities and regions as well as individual employees. The concept of corporate social responsibility recognizes that businesses often voluntarily integrate social and environmental concerns into their business models.Issues of corporate governance come into play particularly in cases of company restructuring . The Foundation monitors developments through its European Restructuring Monitor . Through their business operations, companies have an important impact on the natural environment .

**b. Social Responsibilities of Business**

Social responsibility is an ethical ideology or an entity. An organization or individual has an obligation to act to benefit the society. This responsibility can be passive , by avoiding engaging in socially harmful acts , or active by performing activities that directly advance social goals. A formal review of a

company's endeavor is in social responsibility . In the era of corporate social responsibility , where corporations are often expected not just to deliver value to consumers and shareholders but also to meet environmental and social standards desirable by some members of the public .

**c. Social Audit**

Social audits are optional--companies can choose whether to perform them and whether to release the results publicly or only use them internally. A social audit looks at factors such as a company's record of charitable giving , volunteer activity , energy use , transparency , work environment and worker pay and benefits to evaluate what kind of social and environmental impact a company is having in the locations where it operates . Social audits can help companies create , improve and maintain a positive public relations image.

**d .Business Ethics:**

The study of proper business policies and practices regarding potentially controversial issues, such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility and fiduciary responsibilities, Business ethics are often guided by law, while other times provide a basic framework that businesses may choose to follow in order to gain public acceptance. Business ethics are implemented in order to ensure that a certain required level of trust exists between consumers and various forms of market participants with businesses. For example, a portfolio manager must give the same consideration to the portfolios of family members and small individual investors. Such practices ensure that the public is treated fairly.

e. Corporate Governance:

Corporate governance refers to the system by which corporations are directed and controlled. The governance structure specifies the distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders) and specifies the rules and procedures for making decisions in corporate affairs. Governance provides the structure through which corporations set and pursue their objectives, while reflecting the context of the social, regulatory and market environment . Governance is a mechanism for monitoring the actions, policies and decisions of corporations . Governance involves the alignment of interests among the stakeholders .The basic motive to maximize long erm share holders value. The main issues transparency key pillars of corporate governance due to accuracy ,adequate and timely disclosure, accountability creating shareholders value, independent decision makig through business prudence ,reporting –adequate, accurate and frequent report to shareholders , management to develop the business..

**IMPORTANT 2 MARK QUESTIONS WITH ANSWER**

 **1.What is meaning of business?**

Human beings are continuously engaged in some activity or other in order to satisfy their unlimited wants. Every day we come across the word 'business' or 'businessman' directly or indirectly. Business has become essential part of modern world.

**2.Definition of business:**

According to **Dicksee**, "Business refers to a form of activity conducted with an objective of earning profits for the benefit of those on whose behalf the activity is conducted.

**3.What is entrepreneur?**

There must be some one to take initiative for establishing a business.The person who recognized. The need for a product or service is known as entrepreneur. **4.What is production?**

Business always deals on production of goods and services. The object of business is to provide goods and services to society for the purpose of earning profit. The goods must be produced or manufactured.

**5.What is Meaning of business goals?**

Part of the planning process, business goals describe what a company expects to accomplish over a specific period of time. Businesses usually outline their goals and objectives in their business plans. Goals might pertain to the company as a whole, departments, employees, customers, or any other area of the business.

**6.What is Meaning of business environment?**

A business organization can not exist a vacuum. It needs living persons, natural resources and places and things to exist. The sum of all these factors and forces is called the business environment.

**7.Definition of business environment:**

‘‘Business environment is the aggregate of all conditions, events and influences that surround and affect it.”—**Keith Davis**

**8.What is system approach?**

In original, business is a system by which it produces goods and services for the satisfaction of wants, by using several inputs, such as, raw material, capital, labour etc. from the environment.

**9.What is Social Responsibility Approach?** 2 In this approach business should fulfill its responsibility towards several categories of the society such as consumers, stockholders, employees, government etc.

**10.What is Creative Approach?**

As per this approach, business gives shape to the environment by facing the challenges and availing the opportunities in time. The business brings about changes in the society by giving attention to the needs of the people.

**11.What are the objective of business environment?**

1) Knowledge of Information:

2) Basis of Decisions:

3) Helpful in making of Policies:

4) Technological Planning:

5) Survive in the Business:

**12.What is technological planning?**

Today, technology is changing very fastly. 3 years ago, I have to search software for downloading business software but today I can use all business software online free of cost. This has become possible due to changes of web technology. So, you have to study technological environment. With this, you can make better technological planning of your business.

**13.What is Micro environment / Internal Environment of Business ?**

If there is anything that is steadfast and unchanging, it is change itself. Change is inevitable, and organizations that don't accept change and that make adjustments to their business model based on changes are doomed to fail. There are events or situations that occur that affect the way a business operates, in a positive or negative way. These events or situations can have either a positive or a negative impact on a business and are called 'environmental factors.'

**14.What is Macro environment / External environment of Business?**

External environmental factors are events that take place outside of the organization and are harder to predict and control. External environmental factors can be more dangerous for an organization given the fact they are unpredictable, hard to prepare for, and often bewildering. 3

**15.Definition of economic environment:**

“The totality of economic factors, such as employment, income, inflation, interest rates, productivity, and wealth, that influence the buying behavior of consumers and institutions”.

**16.What is meaning of economic environment?**

Those Economic factors which have their affect on the working of the business is known as economic environment. It includes system, policies and nature of an economy, trade cycles, economic resources, level of income, distribution of income and wealth etc. Economic environment is very dynamic and complex in nature. It does not remain the same. It keeps on changing from time to time with the changes in an economy like change in Govt. policies, political situations.

**17.What are the scope of environmental economics?**

1) Economy-environment analysis.

2) Eco-development.

3) Welfare approach.

4) Dynamic and stock-flow analysis.

5) Environmental values.

6) Clean Technology.

**18.What is Economy-environment analysis?**

Environmental economics is primarily concerned with the impact of economic activities on environment and its implications for the individual firm, industry and the economy as a whole. Economists have formulated economy-environment models to explain the various economic activities and their external effects.

**19.What is Eco-development?**

The main objective of environmental economics is to maintain a balance between economic development and environmental quality. In order to achieve it, environmental economists have to explore the various socio-economic possibilities to reduce pollution and uplift the standard of living of the people. This objective gained momentum after the publication of the Report on Limits to Growth.

**20.What is Environmental values?**

Environmental issues are about resources. The neo-classical economists have analysed the use of various resources like fisheries, forests, fossil fuels and water in a rational manner and with environmental values. In fact, environmental values are economic values. It is important for the society to conserve its limited resources in the interest of economic efficiency and welfare.

**21.What is Clean Technology?**

Presently environmental pollution is caused by misuse of existing technology and failure to develop better one. Environmental economists are in favour of appropriate and clean technologies which provide the most rational use of natural resources and energy and to protect the environment.

**22.What are the elements of economic environment?** 1. Economic systems :Free market economic ,Centrally planned economy , Mixed economy .

2. Economic policies :Monetary policy, Fiscal policy , Industrial policy .

3.Economic conditions:State of economic development , Income, Employment, Business cycle.

4. Regional economic groups .

**23.What is meaning of economic factors?**

The set of fundamental information that affects a business or an investment's value. Various economic factors need to be taken into account when determining the current and expected future value of a business or investment portfolio. For a business, key economic factors include labor costs, interest rates, government policy, taxes and management.

**24.Defintion of economic factors:**

“Economic development has much to do with human endowments, social attitudes, political conditions and historical accidents. Capital is a necessary but not a sufficient condition of progress.”- **Professor Nurkse**

**25.What are the factors that determine economic growth and development?**

1) Supply of Natural Resources;

2) Capital form action which depends upon the rate of domestic saving and investment and inflow of foreign capital;

3) Growth of population;

4) Technological Progress;

**26.What is meaning of economic system?**

An economic system is a system of production and exchange of goods and services as well as allocation of resources in a society. It includes the combination of the various institutions, agencies, entities (or even sectors as described by some authors) and consumers that comprise the economic structure of a given community. A related concept is the mode of production.

**27.Definition of economic system:**

An organized way in which a state or nation allocates its resources and apportions goods and services in the national community.

**28.What are the types of economic system ?**

1) Traditional economic system.

2) Market economic system.

3) Command economic system.

4) Mixed economic system.

**29.What is meaning of economic planning?**

The process by which key economic decisions are made or influenced by central governments. It contrasts with the laissez-faire approach that, in its purest form, eschews any attempt to guide the economy, relying instead on market forces to determine the speed, direction, and nature of economic evolution.

**30.What are the importance of economic planning?**

1) Increase in the Rate of Economic Development.

2) Diversification of Economy.

3) Price Stability.

4) Higher Standard of Living .

5) Improving Balance of Payments.

**31.What is meaning of privatization?**

Privatization is the process of transferring an enterprise or industry from the public sector to the private sector. The public sector is the part of the economic system that is run by government agencies. Privatization may involve either sale of government-held assets or removal of restrictions preventing private individuals and businesses from participating in a given industry.

**32.What is meaning of political environmental?**

Government actions which affects the operations of a company or business. these actions may be on local, regional, national or international level.Business owners and managers pay close attention to the political environment to gauge how government actions will affect their company.

**33.Definition of political environmental:**

It is the state, government and its institutions and legislations and the public and private stakeholders who operate and interact with or influence the system. The political atmosphere should be good and very stable for a firm to operate successfully.

**34.What is meaning of political system?**

Political system**,** the set of formal legal institutions that constitute a “government” or a “state.” the political system is seen as a set of “processes of interaction” or as a subsystem of the social system interacting with other nonpolitical subsystems, such as the economic system.

**35.Definition of political system:**

A complete set of institutions, political organizations, interest groups (such as political parties, trade unions, lobby groups), the relationships between those institutions and the political norms and rules that govern their functions (constitution, election law).

**36.What are the types of political systems?**

Democracy

Republic

Monarchy

Communism

Dictatorship

**37.What is Democracy?**

Many scholars point to Athens as an example of direct democracy. Technically, every citizen has an equal say in the workings of government. (The qualifications for being considered a citizen are completely different.) Citizens could show up at a meeting, and then directly participate in the governing process, and the process of making laws.

**38.What is Communism?**

Communist states are often dominated by a single party, or a group of people. A planned economy is often part of the governing class, and in many cases resources are taken and then redistributed to others, at the top of the system. Sometimes communists call themselves “workers’ states” or “socialist,” but there are very real differences in their operation. Communism is often considered an authoritarian political system.

**39.What is meaning of political institutions?**

Political institutions are organizations which create, enforce, and apply laws; that mediate conflict; make (governmental) policy on the economy and social systems; and otherwise provide representation for the populous. The term 'Political Institutions' may also refer to the recognized structure of rules and principles within which the above organizations operate, including such concepts as the right to vote, responsible government, and accountability.

**40.What are the types of political institutions?**

1) Legislature.

2) Executives.

3) Judiciary.

**41.What is meaning of legislature?**

The term ‘legislature’ is a generic term meaning a body which legislates. The term ‘ Legg means law and “lature’ the place and etymologically Legislature means a place for law-making. Another term, which is used as a synonym of Legislature, is ‘Parliament.’ This word stands derived from the French word ‘Parley’ which means to ‘talk’ or to discuss and deliberate.

**42.What is meaning of executives?**

The Prime Minister of India, as addressed to in the Constitution of India, is the chief of government, chief adviser to the President of India, head of the Council of Ministers and the leader of the majority party in the parliament. The prime minister leads the executive branch of the Government of India.

**43.What is meaning of judiciary?**

The judiciary (also known as the judicial system or court system) is the system of courts that interprets and applies the law in the name of the state. The judiciary also provides a mechanism for the resolution of disputes.

**44.What is judicial activism?**

As to its meaning, Judicial Activism is not a distinctly separate concept from usual judicial activities. The word ‘activism’ means “being active”, ‘doing things with decision’ and activist is the ‘one’ who favours intensified activities. Justice Krishna Iyer observed ‘every judge is an activist either on the forward gear or on the reverse’.

**45.What is role of government in business?**

1.Permission,2.Contract Enforcement, 3.Consumer Protection, 4.Employee Protection, 5.Environmental Protection, 6.Taxation, 7.Investor Protection.

**46.What is participatory development?**

Participatory development employed in particular initiatives often involves the process of content creation. This process facilitates engagement with information and communication technology (ICT) with the goal of strengthening individual and social development. This participatory content creation is an important tool for poverty reduction strategies and creating a digitally inclusive knowledge society.

**47.What is forms of participatory development?**

1.Passive participation, 2. Participation by consultation, 3. Participation by collaboration, 4. Empowerment participation.

**48.What is participatory governance?**

“Participatory governance focuses on deepening democratic engagement through the participation of citizens in the processes of governance with the state. The idea is that citizens should play a more direct roles in public decision-making or at least engage more deeply with political issues.

**49.What is meaning of social environment?**

The **social environment**, **social** context, sociocultural context or milieu refers to the immediate physical and **social** setting in which people live or in which something happens or develops. It includes the culture that the individual was educated or lives in, and the people and institutions with whom they interact.

**50. What is social environment affect a business?**

1.Teamwork.

2.Job Satisfaction.

3.Customers.

4.Leadership.

**51.What is job satisfaction?**

The social environment of the workplace can also have an effect on an employee's job satisfaction. In businesses where employees experience a positive social environment, they are more likely to have a greater sense of job satisfaction and enjoyment. In a job environment where negativity is the norm and employees are constantly in conflict with one another, workers are more likely to dread work and not have a positive assessment of their employer.

**52.What is Leadership?**

A positive and nurturing social environment for workers is one that can engender positive change within the workplace. It can also lead to the creation of leaders within the business itself. Businesses that constantly emphasize positive reinforcement, self-improvement and education of employees are likely to cultivate leaders from within the organization.

**53.What is mean by Legal Environment?**

Legal environment constitutes the laws and various legislations passed in the parliament. The businessman cannot overlook the legislations because he has to perform his business transactions within the framework of legal environment.

**54.What is mean by cultural environment?**

To understand the customers of a particular region, studying their social and cultural environment is very important. The environment shapes the values, behaviors, attitudes and aspirations of people. The study of social hierarchy, social norms and customs, regional/ religion based groups and their behavior helps us to understand the cultural environment of a place. This helps a marketer to position the products appropriately.

**55.What are the elements of socio-cultural environment of business?** 1.Social institutions and systems:

2.Social values and moves:

3.Education and cultural:

4.The social responsibility of the government:

5.Social groups and social movements:

6.Social problems and prospects:

**56.What are the effects of socio-culture on business?**

1.Changing Preferences.

2.Demographics.

3.Advertising Techniques.

4.Internal Environment.

**57.What is advertising techniques?**

Advertising is perhaps the area of business most closely in touch with socio-cultural changes. Advertising often seeks to be hip and trendsetting, and to do this, advertising agencies and departments cannot lose track of the pulse of the societies in which they engage in business. Changes in morals, values and fashions must all be considered when creating outward facing advertising.

**58.What is internal environment?**

In addition to a company's interactions with the market and its customers, socio-cultural factors also impact a company's internal decision-making process. For example, changing gender roles and increasing emphasis on family life have led to increased respect for maternity and even paternity leave with organizations. Additionally, attitudes towards racial discrimination and sexual harassment have changed drastically over the years as a result of socio-cultural change.

**59.What is business culture?**

Model or style of business operations within a company. The business culture determines how different levels of staff communicate with one another as well as how employees deal with clients and customers.

**60.What is meaning of social responsibility?**

Corporate social responsibility (CSR, also called corporate responsibility, corporate citizenship, and responsible business) is a concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities

**61.Definition of social responsibility:**

'Social Responsibility' The idea that companies should embrace its social responsibilities and not be solely focused on maximizing profits. Social responsibility entails developing businesses with a positive relationship to the society which they operate in.

**62. What are the social responsibility of business?**

The social responsibility of business means various obligations or responsibilities or duties that a business-organization has towards the society within which it exists and operates from.

**63. What is social institutions and systems?**

Examples include the caste system, the joint family system, child marriage, the patriarchal family and the like that have evolved over time through history, cultural and heritage.

**64.What is education and cultural?**

Attitudes towards educations; need for business educations; role of business schools; spread of business education, and their impact on business ethics, business morality and organizational cultural, are again major elements of socio-cultural environment of business.

**65. What is the social responsibility of the government?**

Growing levels of achievement and aspiration have to be bridged through a continuous and relentless social effort, keeping in view the social welfare and social constraints. This is where the role of the government comes in. The government has to make sure that the social progress is not handicapped by the tyranny of the majority; otherwise, social tensions will mount affecting business unfavorably.

**66. What is social problems and prospects?**

These are often offshoots of a changing socio-economic order. As society mover from “pre-industrial” to “post-industrial” stage of development, poor housing and sanitation, urban congestion, population and increasing incidence of antisocial activities. What is, therefore, need is a social cost-benefit analysis of industrial development.

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**67.What is social responsibility of business towards in society?**

1. Shareholders or investors.

2. Personnel.

3. Consumers or customers.

4. Government.

5. Local community.

6. Environment.

7. Public.

**68.What is business and society?**

Business in society has evolved to include the description, analysis and evaluation of business’ complex societal and ecological relations. These relations and impacts, and the management thereof are popularly referred to as the field of corporate citizenship.The nature and extent of this involvement, however, varies depending on company size, industry or business scope.

**69.What is importance of business in modern society**?

1. Supply of Goods and Services:

2. Capital and other Resources in Production

3. Self-employment and Provision of Employment:

4. Development and Innovation:

5. Income Generation:

6. Development of International Relations

**70.What is meaning of technological environment?**

Outside influences that can impact a business. Various external factors can impact the ability of a business or investment to achieve its strategic goals and objectives. These external factors might include competition; social, legal and technological changes, and the economic and political environment.

**71.What is technology development process?**

1.Requirements. 2.Research. 3.Design. 4.Testing .5.Standardization .6.Implement and Operationalize. 7.Review.

**72.What is technology and society?**

Science, technology and society (STS), also referred to as science and technology studies, is a branch or offspring of science studies. It considers how social, political, and cultural values affect scientific research and technological innovation, and how these, in turn, affect society, politics and culture.

**73.What is technology management?**

Technology management is set of management disciplines that allows organizations to manage their technological fundamentals to create competitive advantage. Typical concepts used in technology management are:

 technology strategy

 technology forecasting

 technology roadmap

 technology project portfolio and technology portfolio.

**74.What are the functions of management technology?**

 Communication.

 Planning.

 Monitoring.

 Control.

**75.What is mean by technology transfer?**

Technology transfer, also called transfer of technology (TOT), is the process of transferring skills, knowledge, technologies, methods of manufacturing, samples of manufacturing and facilities among governments or universities and other institutions to ensure that scientific and technological developments are accessible to a wider range of users who can then further develop and exploit the technology into new products, processes, applications, materials or services.

**76.What is technology transfer process?**

1.Discovery 2.Disclosure 3.Evaluation 4.Intellectual Property Protection 5.Marketing 6.Licensing 7.Product Development 8.Public Use and Financial Returns.

**77.What is mean by globalization?**

By the term globalisation we mean opening up of the economy for world market by attaining international competitiveness. Thus the globalisation of the economy simply indicates interaction of the country relating to production, trading and financial transactions with the developed industrialized countries of the world.

**78.What is mean by global environment?**

Global environment is international business environment can be defined as the environment in different sovereign countries, with factors exogenous to the home environment of the organization, influencing decision-making on resource use and capabilities. The political environment in a country influences the legislation and government rules and regulations under which a foreign firm operates.

**79.What is mean by international business meaning?** International Business conducts business transactions all over the world. These transactions include the transfer of goods, services, technology, managerial knowledge, and capital to other countries. International business involves exports and imports.

International Business is also known, called or referred as a Global Business or an International Marketing.

**80.What is features of international business?**

1.Large scale operations **:**2.Intergration of economies **:** 3.Dominated by developed countries and MNCs **:** 4.Benefits to participating countries **:** 5.Special role of science and technology .

**81.What is meaning of multinational corporation ?– MNC**

A multinational corporation/company is an organisation doing business in more than one country. 'In other words it is an organisation or enterprise carrying on business in not only the country where it is registered but also in several other countries. It may also be termed as international corporation, global giant and transnational corporation.

**82.Definition of multinational corporation– MNC**

A corporation that has its facilities and other assets in at least one country other than its home country. Such companies have offices and/or factories in different countries and usually have a centralized head office where they co-ordinate global management. Very large multinationals have budgets that exceed those of many small countries.

83. **The Reserve Bank of India (RBI)**

**What Is the Reserve Bank of India (RBI)?**

The Reserve Bank of India (RBI) is the central bank of India, which was established on Apr. 1, 1935, under the Reserve Bank of India Act. The Reserve Bank of India uses monetary policy to create financial stability in India, and it is charged with regulating the country’s currency and credit systems.

**84.What Is a Commercial Bank?**

A commercial bank is a type of financial institution that accepts deposits, offers checking account services, makes various loans, and offers basic financial products like certificates of deposit (CDs) and savings accounts to individuals and small businesses. A commercial bank is where most people do their banking, as opposed to an investment bank.

Commercial banks make money by providing loans and earning interest income from those loans. The types of loans a commercial bank can issue vary and may include mortgages, auto loans, business loans, and personal loans. A commercial bank may specialize in just one or a few types of loans.

**85.What is GATT**

The General Agreement on Tariffs and Trade (GATT) is neither an organisation nor a court of justice. It is simply a multinational treaty which now covers eighty per cent of the world trade. It is a decision making body with a code of rules for the conduct of international trade and a mechanism for trade liberalisation. It is a forum where the contracting parties meet from time to time to discuss and solve their trade problems, and also negotiate to enlarge their trade. The GATT rules provide for the settlement of trade disputes, call for consultations, waive trade obligations, and even authorize retaliatory measures.

**86. WORLD TRADE ORGANISATION (WTO)**

The WTO was established on January 1, 1995. It is the embodiment of the Uruguay Round results and the successor to GATT. 76 Governments became members of WTO on its first day. It has now 146 members, India being one of the founder members. It has a legal status and enjoys privileges and immunities on the same footing as the IMF and the World Bank. It is composed of the Ministerial Conference and the General Council. The Ministerial Conference (MC) is the highest body. It is composed of the representatives of all the Members. The Ministerial Conference is the executive of the WTO and responsible for carrying out the functions of the WTO. The MC meets at least once every two years.

**87. The Origins of the IMF**

The IMF was conceived in July 1944 at an international conference held at Bretton Woods, New Hampshire, U.S.A. Delegates from 44 governments agreed on a framework for economic cooperation partly designed to avoid a repetition of the disastrous economic policies that had contributed to the Great Depression of the 1930s. During that decade, as economic activity in the major industrial countries weakened, countries attempted to defend

their economies by increasing restrictions on imports; but this just worsened the downward spiral in world

The World Bank or the International Bank for Reconstruction and Development (IBRD) was established in 1945 under the Bretton Woods Agreement of 1944. An International Monetary and Financial Conference was held at Bretton Woods, New Hampshire during July 1-22, 1944. The main purpose of the conference was finalisation of the Articles of Association of IMF and establishment of an institution for the reconstruction of the war shattered world economies. Thus, the conference has given birth to World Bank or International Bank for Reconstruction and Development (IBRD). World Bank was established to provide long-term assistance for the reconstruction and development of the economies of the member countries while IMF was established to provide shortterm assistance to correct the balance of payment disequilibrium.