

Q2

Explain Micro environment and Macro environment? Explain Social responsibilities of Business in Business environment.

Ans

Every Business environment is a part of the business environment within which it operates. No entity can function in isolation because there are closely or distantly surrounds the business. It's broadly classified into two categories, i.e. microenvironment and macroenvironment.

The former affects the working of a particular business only, to which they relate to.

While microenvironment has a direct impact on business activities, the macro environment is a general business environment which influences all business groups at large. It is important to learn the business environment so as to learn the effect of various forces on business.

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Social responsibilities of business in business environment:
Social responsibilities means that business, in addition to maximise shareholder value, should act in a manner the benefits ~~to~~ society. Socially responsible companies should adopt policies that promote the well-being of society and the environment while lessening negative impacts on them.