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## NET, IAS, State-SET (KSET, WBSET, MPSET, etc.), GATE, CUET, Olympiads etc. Definition of Business

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Business means all economic activities which is done for the motive of earning. In these activities, we can include production, manufacturing, purchasing and selling and other market promotion activities. Commerce, trade and aids to trades and enterprise are also included in business. 2 truthful facts about business:

1. Richest person of the world = Bill Gates, Net worth in USD = \$ 40.0 billion and Business = Microsoft
2. Oldest company is Kongo Gumi of Japan in the world and its business is construction. This company started his business in 578 in company form.

## Concepts of Business Environment

There two concept of business:

### 1<sup>st</sup> Economic Concept of Business

This is oldest concept of business and according to this concept; main aim of business is to earn profit and never to do any other work. Under this concept, every legal and illegal and scams and fraud are the necessary for doing highest profit from business. Because in old time, there is no competition and trend to earn money is by any way. But now this concept is totally failed and bear a new concept which is successful in world business market.

### 2<sup>nd</sup> Social Concept of Business

According to this concept, business's all activities are done for making stable customers and make them satisfied. Now, all business organization is understood this point and making social networking for promoting business. Even all big business organization is communicating with general public by the way of twitter and face book and linkedin (35 million registered business profiles) .

## Objective of Business

There are also two main objectives

### 1<sup>st</sup> objective

1. to earn profit

2. to growth
3. to innovation

## 2<sup>nd</sup> Objective of Business

1. to satisfaction of employees: Employees are main asset of business and it is the main object of business to satisfy its employee by providing them fair salary and other incentives because, without this business can not operate well and from time to time development of employee of business is the main need of business.
2. to satisfaction of customers: It is also aim or objective of business to satisfy its customers and it should do the work for their welfare. This welfare may be possible by providing product at low cost and high quality. A stable customer can provide stable amount of sale and contribute in the stable growth rate of business.
3. to satisfaction of investors: Investors are those persons who invest their money in business and it is the main aim of business to provide them high rate of return and make them satisfied because, if there are satisfied, they will not sell company's share at low price and financial crisis will not be faced by businessman.
4. other social responsibility: To obey all other responsibility of society is also main objective of business and in this responsibility we can include protection of environment. We are seeing that business are becoming restriction in the way of environment protection but, because of business also dependent on environment and all raw material comes from environment, then it is the duty of businessman to protect environment by growing plantation in their business plants and also starting new programme for protection of environment.

## What is Business Environment?

### Definition of Business Environment

Business Environment may be define as all external and internal factors which affects the activities of business. In these factors we can include customers, suppliers, and employees, Govt. Economy and Competitors.

### Explanation of Business Environment

One can explain business environment with physical environment of nature. When we see nature, we find many things air, water, sun, moon and so many other things. They create environment. Nature is effected from these factors from time to time and shows his presentation in the form of raining, season and other variations. Same thing happens in business. Business is also affected from its environment. Suppose, If Govt. Increases service tax rate or VAT rate. At this time, business has also to increase the price of his products. There is not just a single factor are affecting business but large number of factors affect business.