

## Chapter 1 : Impact of Natural Environment on Business Homework Help in Business Environment - Homev

*You may do business across the entire country, or just in the town where you live and grew up. In either case, your business is shaped in many ways by the local environment everywhere you operate.*

The impact of natural environment of business may be described under the following heads:

**Source of Raw Materials:** Natural and physical environment provides the raw materials required for the functioning of industries. For example, iron and steel industry cannot function without ore and other necessary minerals. In fact, the mines, flora, fauna, land mass, nature of soil, etc. People and business both require several types of agricultural items for their survival and growth. Agriculture largely depends on nature. Cultivation of crops and raising of livestock are directly dependent on soil. The types of crops that can be grown in an area depend upon climate and soil. Heavy industry has to be located near the source of raw materials. Extractive industries such as mining, oil drilling, stone quarrying, etc. Industrialists don not like to set up factories in areas which are climate affect the location of certain industries like cotton textiles and watch manufacturing. Existence of minerals and other natural resources alone does not guarantee economic prosperity of people. Proper exploration and utilisation is necessary. Exploitation and utilization of natural resources provides jobs to millions. A country can export its surplus natural resources like minerals and oils and thereby earn valuable foreign exchange. Arabian countries have become affluent by exploiting their oil resources gifted by nature. In fact the genesis of international trade lies in the natural environment. Trade between nation is the outcome of geographical differences. Due to natural factors some regions are more suitable for production of certain goods, e.

**Basis of Transportation and Communication:** Business depends upon transportation and communication facilities which in turn are largely dependent on geographical factors. Uneven land surface, deserts, oceans and forests are barriers in transportation and communication, Though modern technology has enabled man to overcome these barriers, the costs increase tremendously. Even today business activities do not flourish in areas which by nature lack efficient transportation and communication systems.

**Key to Human Life:** Business can prosper only when people are healthy and happy. Nature serves not only as a store house of raw materials, it also provides the physical and biological conditions within which people can live in a healthy and happy manner. Almost every commodity which we consume and produce has existed originally in the natural environment. Nature is also the source of almost all the energy used in production and distribution. Nature has is a symbiotic link between man and nature. In fact, earth is so crucial to mankind that out Vedas and seers suggest worship to the Mother Earth. Demand pattern depends upon topographical and weather conditions. For example, jeeps may be in greater demand than cars in hilly areas with a difficult terrain. Similarly, woollens are in demand in cool areas while coolers and air conditioners are more in demand in high temperature regions. Natural environment may also call for modifications in product mix, packaging and storage systems.

**Chapter 2 : Oxford Handbook of Business and the Natural Environment - Oxford Handbooks**

*Concurrent with this evolution in corporate practice has been the emergence of academic research focused on business decision-making, firm behaviour, and the protection of the natural environment.*

We explain below all these factors determining external macro-environment: Economic environment includes the type of economic system that exists in the economy, the nature and structure of the economy, the phase of the business cycle for example, the conditions of boom or recession, the fiscal, monetary and financial policies of the Government, foreign trade and foreign investment policies of the government. These economic policies of the government present both the opportunities as well as the threats. Many industries were reserved exclusively for investment and production by the public sector. Private sector operations were limited mainly to the consumer goods industries. Even in these goods the private sector production and operation was controlled by industrial licensing system, Monopolistic and Restrictive Trade Practices MRTP Commission. The private sector was also subjected to various export and import-restrictions. High tariffs were imposed to protect domestic industries and to pursue import substitution strategy of industrial growth. Now, there have been significant changes in the economic policies since which have changed the macroeconomic environment for private sector firms. Far-reaching structural economic reforms were carried out by Dr. Industrial licensing has been abolished and private sector can now invest and produce many industrial products without getting license from the government. Many industries, except only a few industries of strategic importance, which were earlier reserved for the public sector have been thrown open for the private sector. Import duties have been greatly reduced due to which domestic industries face competition from the imported products. Incentives have been given to boost exports. Rupee has been made convertible into foreign currencies on current account. It is thus evident that new economic reforms carried out since has significantly changed the business environment. Social and Cultural Environment: Members of a society wield important influence over business firms. People these days do not accept the activities of business firms without question. Activities of business firms may harm the physical environment and impose heavy social costs. Besides, business practices may violate cultural ethos of a society. For example, advertisement by business firms may be nasty and hurt the ethical sentiments of the people. Businesses should consider the social implications of their decisions. This means that companies must seriously consider the impact of its actions on the society. When a business firm in their decision making take care of social interests, it is said to be socially responsible. Social responsibility is the felt obligation or self-enforced duty of business firms to serve or protect social interests. By doing so they promote social well-being. Good corporate governance should be judged not only by the productivity and profits earned by a business firm but also by its social-welfare promoting activities. It is worth noting that in modern management science a new concept of social responsiveness has been developed. It may be noted that social responsibility or social responsiveness is related to ethics. The discipline of ethics deals with what is good and bad, or right and wrong or with moral duty and obligation. Further, even if managers enjoy full freedom to adopt actions and policies in accordance with the conceived notion of social responsibility, they may not do so if standards applied to evaluate their performance are quite different. Every manager would like its performance to be positively appraised. Therefore, if the performance of managers of business firms are judged by the amount of profits. Political and Legal Environment: Businesses are closely related to the government. The political philosophy of the government wields a great influence over business policies. Besides, it required that working of the private sector were to be controlled by a suitable industrial policy of the government. In this political framework provide business firms worked under various types of regulatory policies which sought to influence the directions in which private business enterprises had to function. Besides, role of foreign direct investment was restricted to only few spheres. However, since several structural economic reforms have been undertaken following a change in political philosophy in favour of a free market economy. To encourage the growth of the private sector in India, licensing has now been abolished, role of public sector greatly reduced and foreign capital, both direct and portfolio, is being encouraged to raise the rate of capital formation in the Indian economy. The nature of technology used for production of goods and

services is an important factor responsible for the success of a business firm. Technology consists of the type of machines and processes available for use by a firm and the way of doing things. The use of a superior technology by a firm gives it a competitive advantage over its rival firms. The use of a particular technology by a firm for its transformation process determines its competitive strength. The firms which use outdated technologies cannot compete globally. Therefore, technological development plays a vital role in enhancing the competitive strength of business firms. It has been generally observed that the competition between firms in the domestic economy and in international markets ensures that the firms will try to improve the technology they use because failure to do so would pose a threat to their survival. This is quite evident from the experience of automobile industry in India. The users had no choice and Ambassador and Fiat cars survived for decades in the protected environment. It is when Maruti Udyog Ltd. With liberalisation of the Indian economy new car manufacturing firms have entered the industry and are producing different varieties and models of cars with improved technology. Besides, the cotton textile industry is another important example of an industry which due to protection provided to it by imposing high tariffs on imports of cotton textiles became sick. Technological environment affects the success of firms and the need for technological advancement cannot be ignored. Demographic environment includes the size and growth of population, life expectancy of the people, rural-urban distribution of population, the technological skills and educational levels of labour force. All these demographic features have an important bearing on the functioning of business firms. Since new workers are recruited from outside the firm, demographic factors are considered as parts of external environment. The labour force in a country is always changing. This will cause changes in the work force of a firm. The business firms have to adjust to the requirements of their employees. They have also to adapt themselves to their child care services, labour welfare programmes etc. The demographic environment affects both the supply and demand sides of business organisations. Firms obtain their working force from the outside labour force. The technical and education skills of the workers of a firm are determined mostly by human resources available in the economy which are a part of demographic environment. On the other hand, the size of population and its rural-urban distribution determine the demand for the products of industrial firms. For example, when there is good monsoon in India causing increase in incomes of rural population dependent on agriculture, demand for industrial products greatly increases. They were told that million Indian people could afford to buy the industrial products and this constituted quite a large market which could be profitably exploited. Besides, the growth rate of population and age composition of population determine the demand pattern of goods. When the population of a country is growing at a high rate, its child population will be relatively large. This means demand for products such as baby food which cater to the needs of children will be relatively high. This means different demand pattern of goods. Thus business firms have to consider all these demographic factors in their planning for production of goods and services and formulation of marketing strategies for sale of their products. Demographic environment is also important for business firms as it determines the choice of technology by them. Other things being equal, if labour is abundant and relatively cheaper than capital, business firms will prefer relatively labour-intensive techniques for production of goods. However, for various reasons such as rigid labour laws and low productivity of labour, various tax concessions on investment in capital equipment and machinery, business firms in India are generally seem to be using capital-intensive technologies imported from abroad. This has resulted in the increase in unemployment of labour, especially among the young workers. Therefore, social and government pressure is increasing on the business firms to create more employment opportunities for labour so as to render help in solving the problem of unemployment. It is quite interesting to note here that to take advantages of relatively cheap labour in India and China that foreign MNCs are setting up manufacturing plants in these countries. Natural environment is the ultimate source of many inputs such as raw materials, energy which business firms use in their productive activity. In fact, availability of natural resources in a region or country is a basic factor in determining business activity in it. Natural environment which includes geographical and ecological factors such as minerals and oil reserves, water and forest resources, weather and climatic conditions, port facilities are all highly significant for various business activities. For example, the availability of minerals such as iron, coal etc. Thus, the industries with high material contents tend to be located near the raw material sources. For example, steel

producing industrial units are set up near coal mines to save cost of transporting coal to distant locations. Besides, certain weather and climatic conditions also affect the location of certain business units. For example, in India the firms producing cotton textiles are mostly located in Bombay, Madras, and West Bengal where weather and climatic conditions are conducive to the production of cotton textiles. Natural environment also affects the demand for goods. For example, in regions where there is high temperature in summer there is a good deal of demand for dessert coolers, air conditioners, business firms set up industrial units producing these products. Furthermore, weather and climatic conditions require changes in design of products, the type of packaging and storage facilities. It may however be noted that resource availability is not a sufficient condition for the growth of production and business activities. Thus, it is not the availability of natural resources alone but also the technology and ability to bring them into use that determines the growth of business and the economy. Ecological Effects of Business: Driven purely by the motive of maximizing profits, they cause irreparable damage to the exhaustible natural resources, especially minerals and forests. By their careless attitude they caused pollution of environment, especially air and water which posed health hazards for the people. By creating external detrimental diseconomies they imposed heavy costs on the society. Thanks to the efforts by environmentalists and international organisations such as World Bank, the people and the governments have now become conscious of the adverse effects of depletion of exhaustible natural resources and pollution of environment by business activity. Accordingly, laws have been passed for conservation of natural resources and prevention of environment pollution. These laws have imposed additional responsibilities and costs for business firms.

*Business cannot operate without the essential inputs and essential ecosystem services that are provided by the natural environment, and so its treatment of the natural environment is one of the two keys to the sustainability of business.*

The connection between protecting the natural environment and safeguarding human health has been recognized for some time. In recent decades the focus of research and legislation has been identifying and regulating environmental toxics to reduce harmful human exposures. The effect of various environmental exposures, such as toxic chemicals, air pollution, and biological agents on the human body, is commonly perceived as the central problem in environmental health. However, maintaining a healthy environment extends beyond controlling these hazards. Preserving the variety of life on earth is also essential to human health. The natural world continually offers compounds that are useful to the pharmacopoeia. Animal and plant products are vital for research and diagnostic tools, and they can be used as indicators of pollution-related disease. Research suggests that biodiversity may hold a key to the prevention and treatment of many diseases Lovejoy, An even more direct connection between the environment and health is the potential enhancement of our physical, mental, and social well-being through our daily exposure to the natural environment. Page 23 Share Cite Suggested Citation: Health and the Environment in the Southeastern United States: The National Academies Press. Recent research has confirmed this link. For example, hospitalized post-surgical patients Ulrich, , employees Kaplan, , and prisoners Moore, have been shown to gain health benefits from exposure to views of nature. Health benefits have also been reported from viewing plants in gardens, interacting with animals including pets , and participating in wilderness experiences Frumkin, This evidence of health benefits from contact with the natural world suggests a broader paradigm of environmental health that includes health-giving environmental exposures Frumkin, A panel of speakers and respondents discussed strategies for ensuring human health through the maintenance of a healthy natural environment. John Sibley, the Georgia Conservancy, noted that in environmental circles the three-legged stool is often used as a metaphor for sustainability. Sustainability requires that all three areas be taken into account. Representatives from the three areas must engage in conversation and form partnerships with each other. Sibley noted that the metaphor fails to reflect one essential part of sustainabilityâ€”the connection between the environment and health. Representatives of the natural environment, the built environment, and the social environment must also work with, and form partnerships with, representatives from the health services community. Sibley invited participants to explore these connections and to consider what new metaphor may be needed to go forward. For example, we view clean air and clean waterways as free; even domestic water is so cheap that market forces rarely influence demand. By taking this perspective, however, we fail to appreciate the true costs of these resources. As the human population continues to burgeon and our demands on the environment skyrocket, this assumption will no longer be valid, concluded Odum. It is important that we understand the actual costs of the goods and services that nature provides. For example, household water bills cover only the expense of pumping, filtering, and delivering water. About a third of the solar energy that reaches our planet is used to conduct the water cycle. The sun evaporates water from the seas, desalinates it in the process, and delivers it via rain clouds to where people need it. If we had to duplicate these services by replacing them with human-made systems, the expense would be extraordinary. Only when a natural resource is scarce, as is water in the southwestern United States, is it regarded as having significant value. The same analysis extends beyond water and air to resources that grow on the land and lie within the earth. Although we pay for goods that grow e. As long as natural resources are not regulated by market forces, it is likely that they will not be properly valued. We must find a better way to merge economics and ecology. Is it time to consider the application of market principles as an alternative to environmental regulations? Can we protect the environment in this way? We are used to regulations and have often used them to good effect, but people dislike being regulated, and insufficient attention is paid to 90 percent of existing regulations. Odum suggested that perhaps market incentives for promoting environmental health and reducing pollution should be considered. Tax relief and other incentives could be used effectively to reward industry for being guardians of

the environment. For example, it is expensive for a power company to be a good steward because antipollution equipment is costly to install and operate. One alternative is to give the company tax relief until the equipment has been paid off. Once all power plants have antipollution equipment, the environment and our health will benefit, and market forces can again take effect. Extending market forces to environmental resources poses the potential risk of making basic human needs unaffordable for some and thereby increasing social inequity. Although certain changes may raise the price of the basic necessities of life such as water and power, these costs need not be passed on to the poor. The tax system is currently a vehicle for addressing the problems of social inequity, and it could be extended to environmental issues. Page 25 Share Cite Suggested Citation: As a result, marshes are now considered more valuable left in their natural state than filled in and developed. Odum suggested that a spirited debate about the costs and benefits of extending market principles to environmental health is warranted. Industrial by-products are often difficult to manage in large quantities, and solutions for eliminating waste have often been prohibitively expensive to implement. In contrast to industrial systems, natural ecosystems are very efficient. Waste is virtually eliminated because it is reused in some productive manner. Source reduction, evident in natural ecosystems, is the ultimate solution to pollution. Mimicking the workings of natural ecosystems in our industrial complexes would cause raw materials to be used more effectively and waste to be reduced or eliminated. When such technology is applied correctly, profits improve, stated Robert Kerr, Georgia Department of Natural Resources. The current regulatory process generally takes a single-medium view and considers various aspects of pollution and waste control in isolation. Companies may have several environmental permits—an air permit, a wastewater quality discharge permit, and a solid waste permit—but in many cases they have no relationship to each other. Sometimes, for example, companies take the pollutants out of the air and create solid waste, which then must be disposed in a landfill. In some cases, several facilities could work together in a cooperative effort. Such a solution could also potentially transform government regulatory agencies into partners prepared to assist industry in reducing the environmental impact of waste in a cost-effective manner. This approach has been taken by the Blue Circle Cement Company in Atlanta, which worked with the Pollution Prevention Assistance Division of the Georgia Department of Natural Resources to identify potentially useful waste by-products from other industrial companies in the region. These waste by-products are now used by Blue Circle as raw material or as fuel for making cement. Also, Blue Circle now has the capacity to burn a million used tires as fuel each year, which benefits the environment by reducing air emissions. The company is also looking into using industrial carpet scraps as an additional fuel source—waste that was previously destined for landfills. This effort is only one part of a regional carpet-recycling system being developed by the Department of Natural Resources in concert with Georgia Institute of Technology and the Carpet and Rug Institute. Synergistic methods of waste reduction are also being identified among other industries and organizations. Working with Georgia Institute of Technology, the Department of Natural Resources has established 18 regional environmental networks throughout the state. The networks hold quarterly meetings in which representatives of various organizations learn from each other and develop relationships so that they can share their waste by-products as raw materials, said Kerr. This effort has extended beyond the manufacturing community to include state prisons, military bases, colleges, and state parks. Lessons learned from examining the dynamics of natural and industrial ecosystems will better equip environmental agencies to work with industries, businesses, and institutions to reduce their impact on the environment and simultaneously increase profits. The ultimate result will be to minimize public health risks through cost-effective preventive solutions to current waste-generation practices, concluded Kerr. This view is in many ways no longer practical because most ecosystems today are impacted in some way by human behavior, stated Matthew Kales, Upper Chattahoochee Riverkeeper. Virtually every stream in the world is affected by atmospheric deposition.

*One could easily argue that this has been a highly successful approach to growing the business & natural environment field (becoming internally "sustainable" as the authors point out), while achieving considerable impact among broader management scholars.*

Madan Mohit The relationship between business and society. Business defined Business today is arguably the most dominant institution in the world. The most common forms of business ownership are: Corporations can be either state-owned or owned by individuals and may operate either for profit or for non-profit. A corporation is owned by its investors and shareholders, who elect a board of directors for policy orientation and hire managerial team and workers for execution of its vision and mission. A corporation can be either privately held by a small group of individuals, or publicly held, with publicly traded shares listed on a stock exchange. Business, therefore, is an ongoing activity. For example, businesses recruit workers, buy supplies, and borrow money; they also sell products, and pay taxes. Business and society are highly interdependent. Business activities impact upon other activities in society, and actions by various social actors continuously affect business. Society defined Society, on the other hand, is a network of individuals, groups and organizations. Society, in its broadest sense, refers to human beings and to the social structures they collectively create. In a more specific sense, the term is used to refer to segments of humankind, such as members of a particular community, nation, or interest group. As a set of organizations created by humans, business is clearly a part of society. Business, therefore, is inextricable linked to society. The dynamic environment of business One core argument is that the external environment of business is dynamic and ever changing. Businesses and their stakeholders do not interact in a vacuum. On the contrary, most companies operate in a swirl of social, ethical, global, political, ecological, and technological change that produces both opportunities and threats. People increasingly expect business to be more responsible, believing companies should pay close attention to social issues and act as good citizens in society. New public issues constantly arise that require action. Increasingly, business is faced with the daunting task of balancing its social, legal, and economic obligations, seeking to meet its commitments to multiple stakeholders. Growing emphasis on ethics The public also expects business to be ethical and wants corporate managers to apply ethical principles or valuesâ€”in other words, guidelines about what is right and wrong, fair and unfair, and morally correctâ€”when they make business decisions. Fair employment practices, concern for consumer safety, contribution to the welfare of the community, and human rights protection around the world have become more prominent and important. Business has created ethics programs to help ensure that employees are aware of these issues and act in accordance with ethical standards. Globalization People live in an increasingly integrated world economy, characterized by the unceasing movement of goods, services, and capital across national boundaries. Large transnational corporations do business in hundreds of countries. Today, economic forces truly play out on a global stage. A financial crisis on Wall Street can quickly impact economies around the world. Environmental issues, such as ozone depletion and species extinction, affect all communities. Globalization challenges make it an imperative necessity for businesses to integrate their financial, social, and environmental strategies for the best competitive edges. Creating value in a dynamic environment These powerful and dynamic forcesâ€”fast-paced changes in societal and ethical expectations, the global economy, government policies, the natural environment, and new technologyâ€”establish the context in which businesses interact with their many market and nonmarket stakeholders. This means that the relationship between business and society is continuously changing in new and often unpredictable ways. Environments, people, and organizations change; inevitably, new issues will arise and challenge managers to develop new solutions. To be effective, corporations must meet the reasonable expectations of stakeholders and society in general. A successful business must meet all of its economic, social, and environmental objectives. Business and society, thus, form an interactive social system. Each needs the other, and each influences the other. They are entwined so completely that any action taken by one will surely affect the other. They are both separate and connected. Business is part of society, and society penetrates far and often into business decisions. In a

world where global communication is rapidly expanding, the connections are closer than ever before.

## Chapter 5 : Environmental Issues That Affect Business | [blog.quintoapp.com](http://blog.quintoapp.com)

*As a result, understanding the intersection of business activity and environmental protection has become increasingly complex, and there has emerged a focus in academic research on business decision-making, firm behavior, and the protection of the natural environment.*

Competitive Strategy, Michael V. Russo and Amy Minto 3. Policy and Non-Market Strategies 6. Prado and Jorge Rivera 7. Environmental Governance, David P. Baron and Tom P. Organizational Theory and Behavior 9. Cognitive Barriers to Environmental Action: Problems and Solutions, Lisa L. Shu and Max H. Institutional Pressures and Organizational Characteristics: Implications for Environmental Strategy, Magali A. Delmas and Michael W. Operations and Technology Klassen and Stephan Vachon Information Systems, Business, and the Natural Environment: Accounting and Finance The Struggle for Accountability? Environmental Management, Measurement and Accounting: Information for Decision and Control? Environmental Risks and Financial Markets: Emergent and Associated Perspectives Business, Society and the Environment, James E. Forbes and John M. Levy and Benyamin B. Beyond the Brave New World: Business for Sustainability, John R. Looking Back, Thinking Forward: Aesthetics of Sustainability, Paul Shrivastava She also held the title of Faculty Scholar from , awarded by the University of Western Ontario. Her first co-edited book with Elizabeth Howard, Business and the Natural Environment, took a disciplinary perspective. She has sat on six different editorial boards and is presently an Associate Editor for the Academy of Management Journal. She has also been awarded 13 research grants. Tima has been researching social and environmental issues since she completed her doctorate in at the University of Oxford. He also serves as Director of the Frederick A. He has written, edited, or contributed to ten books and over ninety articles and book chapters on these issues. Shu, Harvard University Max H. Soderstrom, Northwestern University Robert D. Abbey, Pennsylvania State University V. Post, Boston University Linda C. Levy, University of Massachusetts Benyamin B. Lichtenstein, University of Massachusetts John R.

## Chapter 6 : Business and Environment - Faculty & Research - Harvard Business School

*In business, when we use these natural resources without any limit, natural environment changes. Global warming, floods, famines, tsunami and earth quake are its result. So, now it is the duty of business to protect this natural environment.*

## Chapter 7 : Business and the Natural Environment - A book review

*introduction to business and the natural environment. 3. Theoretically, scholars have approached these issues through the lenses of existing business disciplines regarding organizations, corporate strategy.*

## Chapter 8 : Business and the Natural Environment - A book review

*Impact of natural environment on business are based on source of raw materials, mainstay of agriculture, location of industry, employment generation, foreign exchange earner, key to human life, demand pattern and more.*

## Chapter 9 : Natural Environment of Business

*Business and Environment is a featured research topic and an initiative at Harvard Business School. The vital connection between the natural environment and the.*