

Abdelhafid Boussouf University Center – Mila

Faculty of Economics, Commercial & Management Sciences

Departement Of Economics

Lectures On : Business Environment

Addressed To 3rd Year Students – 1st Semester

By Teacher: Mekhtout Oumaima

Academic Year 2024-2025

Business Environment:

Introduction

The business environment refers to the combination of internal and external factors that influence how a company operates. These factors include economic, social, technological, political, and legal elements, as well as internal dynamics like organizational culture and management structure. Understanding the business environment is essential for organizations to make strategic decisions, adapt to changes, and remain competitive.

Key Aspects of the Business Environment

1. Definition of Business Environment

The business environment encompasses all the external and internal forces that affect a business's operations. These forces can either provide opportunities or pose threats to a business.

- ***Internal Environment*** (*البيئة الداخلية*): Factors within the company that can be controlled, such as employees, corporate culture, and resources.
 - ***External Environment*** (*البيئة الخارجية*): Factors outside the company's control, including market trends, competition, and regulations.
-

2. Types of Business Environment

1. Internal Environment (البيئة الداخلية):

- Includes elements within the company, such as:
 - ***Employees*** (*الموظفون*): Skills, motivation, and relationships within the team.
 - ***Corporate Culture*** (*الثقافة المؤسسية*): Values, norms, and practices that shape the organization's identity.
 - ***Resources*** (*الموارد*): Financial, technological, and human resources available to the business.

- **Example:** A company with innovative employees and a supportive culture is better equipped to adapt to market changes.

2. **External Environment (البيئة الخارجية):**

- Divided into two categories:

a. **Micro Environment (البيئة الدقيقة):**

- Directly impacts the business and includes:
 - **Customers (العملاء):** The target audience for the company's products or services.
 - **Suppliers (الموردون):** Provide the raw materials and goods needed for production.
 - **Competitors (المنافسون):** Businesses offering similar products or services.
 - **Intermediaries (الوسطاء):** Agents or distributors who help deliver products to customers.
- **Example:** A retail store relying on a single supplier faces risks if the supplier fails to deliver.

b. **Macro Environment (البيئة الكلية):**

- Broader factors that affect all businesses, such as:
 - **Economic Factors (العوامل الاقتصادية):** Inflation, interest rates, and economic growth.
 - **Political and Legal Factors (العوامل السياسية والقانونية):** Government policies, regulations, and political stability.
 - **Social Factors (العوامل الاجتماعية):** Demographics, cultural trends, and customer behavior.
 - **Technological Factors (العوامل التكنولوجية):** Advances in technology that impact production and communication.
 - **Environmental Factors (العوامل البيئية):** Sustainability and ecological concerns.
- **Example:** A global pandemic (macro factor) disrupting supply chains and demand.

3. Importance of Understanding the Business Environment

1. **Strategic Planning (التخطيط الاستراتيجي):**
 - Identifying opportunities and threats in the external environment helps businesses plan effectively.
2. **Adapting to Change (التكيف مع التغيير):**
 - Understanding the environment allows businesses to respond to market trends and technological advancements.
3. **Risk Management (إدارة المخاطر):**
 - Businesses can anticipate challenges and develop strategies to mitigate them.
4. **Enhancing Competitiveness (تعزيز القدرة التنافسية):**
 - By analyzing competitors and market trends, companies can gain a competitive edge.
5. **Sustainability (الاستدامة):**
 - Adapting to environmental regulations and customer demand for sustainable practices ensures long-term growth.

4. Tools for Analyzing the Business Environment

1. **PESTLE Analysis (تحليل بيستل):**
 - A framework for analyzing macro-environmental factors:
 - Political (السياسية)
 - Economic (الاقتصادية)
 - Social (الاجتماعية)
 - Technological (التكنولوجية)
 - Legal (القانونية)
 - Environmental (البيئية)
 - **Example:** A tech company using PESTLE analysis to assess market expansion into a new country.
2. **SWOT Analysis (تحليل سوات):**
 - A tool to evaluate:

- Strengths (نقاط القوة)
- Weaknesses (نقاط الضعف)
- Opportunities (الفرص)
- Threats (التهديدات)

- **Example:** A business identifying internal strengths like skilled employees and external threats like emerging competitors.

3. *Porter's Five Forces* (القوى الخمس لبورتر):

- Analyzes industry competition through:
 - Rivalry among competitors (المنافسة بين الشركات)
 - Threat of new entrants (تهديد دخول منافسين جدد)
 - Bargaining power of suppliers (قوة الموردين التفاوضية)
 - Bargaining power of buyers (قوة المشترين التفاوضية)
 - Threat of substitute products (تهديد المنتجات البديلة)

Terminology

<i>English Term</i>	<i>Arabic Term</i>
Business Environment	البيئة التجارية / بيئة الأعمال
Internal Environment	البيئة الداخلية
External Environment	البيئة الخارجية
Micro Environment	البيئة الدقيقة
Macro Environment	البيئة الكلية
Customers	العملاء
Suppliers	الموردون
Competitors	المنافسون
Intermediaries	الوسطاء
Economic Factors	العوامل الاقتصادية
Political Factors	العوامل السياسية
Legal Factors	العوامل القانونية
Social Factors	العوامل الاجتماعية
Technological Factors	العوامل التكنولوجية
Environmental Factors	العوامل البيئية
PESTLE Analysis	تحليل بيستل
SWOT Analysis	تحليل سوات
Porter's Five Forces	القوى الخمس لبورتر