

## Environment Factors

Basically there are two sets of factors which influences the business policy of an enterprise. These are external factors and internal factors. The term business environment, generally, refers to external factors ~~base~~ and includes factors which are outside the control of the enterprise.

Some of the external factors have a direct and intimate impact on the business enterprise. These are classified as micro environment. There are other external factors which affect an industry. They constitute what is called the Macro Environment.

MACRO BUSINESS ENVIRONMENT MODEL

