

Political and Technological Environmental Management

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Abstract

The political environment of business are the political factors that can affect the way in which businesses operate, the businesses that are present, the obstacles that a business may face, and the likelihood of success of different types of businesses. According to the Business Dictionary the political environment is the government actions which affect the operations of a company or business. These actions can be present on several different levels including the local, state, regional, national, and international level. Those who own businesses often pay close attention to these factors to deduce the way in which government actions will affect their business.

Keywords

Political, Technological, political environment.

1. Background of the Study

The political environment of business is often a significant issue when discussing international businesses. The political environment of business often affects the choice of foreign market that a company will enter. This is due to the fact that it can affect the regulations that the business may face, the amount of government interference that a company can expect, the profitability of the choice to enter this market and more. In addition, the stability of the country's government and economic system are often very important factors

Types of Government: Political systems:

(1) Democracy:

The word democracy is derived from *demokratia*, which means rule of the people or government by the people where citizens are directly involved in decision making. Over a period of time, there has been proliferation of population across the world and societies have become more complex.

This has led to decision making by people's elected representatives in democratic countries. The most comprehensive definition of democracy is the government 'of the people, for the people, and by the people'. India is the largest democratic country in the world.

(2) Totalitarianism:

It is a dictatorial form of centralized government that regulates every aspect of public and private behavior. Power is centralized in the hands of a dictator who operates through a mixture of cultivating devoted followers and terrorizing those who do not agree with its policies. The political environment in a country affects business organizations and could introduce a risk factor that could cause them to suffer a loss. The political environment could change as a result of the actions and policies of governments at all levels, from the local level to the federal level. Businesses must plan for the variability of government policy and regulations.

Impact on the Economy

The political environment in a country affects its economic environment. The economic environment, in turn, affects the performance of a business organization. In the United States, for instance, there are significant differences in Democratic and Republican policies. This has implications for factors such as taxes and government spending, which in turn affect the country's economy. A higher level of government spending tends to stimulate the economy, for instance.

Changes in Regulation

Governments could change their rules and regulations, which could have an effect on a business. For instance, after the accounting scandals of the early twenty-first century, the United States Securities and Exchange Commission became more focused on corporate compliance and the government introduced the Sarbanes-Oxley compliance regulations of 2002. This was a response to the social environment that called for such change to make public companies more accountable.

Political Stability

Particularly for businesses that operate internationally, a lack of political stability in any country has an effect on operations. A hostile takeover could overthrow a government, for instance. This could lead to rioting and looting and general disorder, which disrupts the operations of a business. Such disruptions have occurred in Sri Lanka, which went through a protracted civil war, and in Egypt and Syria, which have been subject to disturbances as people agitate for greater rights.

Mitigation of Risk

One way to manage political risk is to buy political risk insurance. Organizations that have international operations use this type of insurance to mitigate their risk exposure as a result of political instability. There are indices that provide an idea of the risk exposure an organization has in certain countries. For instance, an index of economic freedom ranks countries based on how political interference impacts business decisions in each country.

Technological factors are variables that are being used for evaluating available alternatives with respect to technological capabilities. Organizations consider it an important tool for improving operations and functions. Technological factors are one of various external environment factors that affect businesses greatly and are also an integral component of the PESTLE analysis. In the present scenario, utmost dependence on equipment, technological factors can have more effect on business operation and success globally than ever before.

How Technological Factors Affect Business Environment

Technology trends affect businesses on many levels. When an employee is efficient, he turns out to be productive. Additionally, when a business is more in touch with its present and potential customers, the more chance it has to build a strong customer loyalty base. Advancement of technology can make this possible. Strategic leaders are constantly looking for development and updates within the technological environment. In this way, they not only improve their operations but, they will also be well aware of business transformational phase. They will derive groundbreaking strategies to grow exponentially.

Technology Transforms Operations

The technological environment of business has changed the way in which businesses function. Advancements in information technology have almost taken over every department of the organization. Now, information is stored in data servers and cloud technology as against the old way of storing data in registers and files.

Furthermore, development of technology has also introduced digital marketing strategies through which companies are able to sell their products and services. Even the research and development R&D divisions in companies have changed its way of functioning and more

advanced techniques in the development of products and services have been introduced only through technological advancements.

For example, Siemens and Boeing are hugely investing in the adaption of 3D printing technique for product designing. They believe that this will accelerate the designing process, reduces production cost as well as improves the effectiveness of designing.

Technology helps in Developing Marketing Strategies

Technology has brought in a transformation through which companies collect, record, retrieve and utilize data and which also helps them in coming up with groundbreaking business strategies. Through available data, companies are able to monitor and evaluate customer trends and their demands for a particular product. Thanks to the development of information technology, businesses can understand consumer behavior and conduct a macro environment analysis and develop marketing strategies accordingly.

Technology is not only useful for collecting and using data but, it is also being used by organizations to analyze data and make meaningful conclusions as well as informed decisions. Having more focus on the customers, business strategies will certainly prove out to be effective for the success of an organization.

Negative Impact of Technology on Business

2. Research problem

Worldwide political dangers for organizations are as a matter of first importance financial dangers brought about by occasions like psychological oppression, war, sanctions, and different differences between heads of at least two states. As such, it is a danger of losing cash because of precarious governments, economies or compromised countries.

This idea looks covers a wide range of assorted issues. A portion of the dangers that global governmental issues postures to organizations are continuous, others just occur under the weight of specific occasions and happen on an infrequent premise. Whatever the circumstance is, practically all political occasions involve two noteworthy ramifications for universal business players—cash variances and fixed/debilitated global exchange laws.

Recognizable proof is the initial step to effectively overseeing results of any political environmental change. The most straightforward thing you can do as an entrepreneur is to get a lot of simple and supportive propensities. Peruse the news! In spite of the one-sided and strife arranged nature of present day media, it is as yet a significant wellspring of data that can enable you to decide potential dangers for your business. In a circumstance of a troubling occasion or political clash happening in the zone of your business activity, you will almost certainly begin taking preventive measures before it heightens.

Not every political occasion are possibly hurtful to your business. In all actuality, not in any case half of them are. A few occasions would have a genuine social impact yet just a couple of minor business suggestions. So as to sift through the significant occasions – from the point of view of your business – decide on-screen characters and conditions that could influence your need objectives. Make a stock of political hazard types, extending from capital controls to expanded tax assessment, work strikes and dissents, which could affect your organization.

Political dangers can be partitioned into full scale and smaller scale dangers. While smaller scale dangers sway certain enterprises and are generally simple to plan for, full scale dangers can turn into a genuine inconvenience for a worldwide business. In the meantime, they ordinarily result from arrangement of political occasions and can be distinguished ahead of time. Large scale dangers incorporate occasions, for example, a common war or a noteworthy universal showdown between at least two governments. Full scale chances normally exist where a nation is compelled to shut off its outskirts or keep running into an immense debasement of its cash.

Work with numbers and details! So as to classify an occasion as a hazard, measure the weakness of your advantages against it. The more resources you will observe to be defenseless under a specific political risk, the more contributed and set you up ought to be to adjust its negative results or to totally haul your venture out of the politically unsteady zone.

Technological environment imposes positive effects on a business. Internet makes the communication process smoother and easier. Despite all the pros, technology has on the business environment, it also imposes some negative impacts as well.

Business Relationships. Internet technology like Skype and other chat rooms have made it possible for businesses hold meetings without having all the parties be physically present at the same place. This type of meeting is less personal as compared to a face-to-face meeting. In this way, the personal aspect of business relationships tends to reduce. Lack of physical proximity has reduced brainstorming and another form of communication which involves personal touch.

Brick and Mortar. Advancement in e-commerce technology holds a negative impact on brick-and-mortar stores. Small-scale businesses are finding it very difficult to compete with both online and larger businesses in the industry that are operating both in person and on the internet. This advancement in the technological environment of business eventually forces small organizations to go out of operation.

Research Hypothesis

In this respect following hypothesis to be tested. They are:

Independent Variables

H1-The stability of a political system can affect the appeal of a particular local market.

H2-Governments view business organizations as a critical vehicle for social reform.

H3-Governments pass legislation, which impacts the relationship between the firm and its customers, suppliers, and other companies.

H4-The government is liable for protecting the public interest.

H5-Government actions influence the economic environment.

H6-Government is a major consumer of goods and services

The above all the hypothesis will be tested in the field. The module may be changed for better result's.

Depended variable (DV)

Diminishing street mishap in Bangladesh is poor variables (DV). To reach to this target free factor (IV) experience masterminded lead theory (Icek Ajzen, 2006) intervening effect on the IV to reach to DV.

The after effect of the change(s) accomplished by introduction of a self-governing variable.

Individual variable (IV1)

H1-The stability of a political system can affect the appeal of a particular local market.

Relating between DV and IV1

The idea figures factors, which at long last used to make Hypothesis. One of essential thought in the game plan of an examination issue is the improvement of Hypotheses. This brings,

- Simplicity
- Specificity and midpoint to an examination subject

In any case, they are not key for an examination. One can lead a true examination without structure up a solitary formal theory. On the off chance that it is required and proper, by then it will all in all be considered.

A speculation is made so it will by and large be appeared or disproven by critical and solid information. Significance of speculations lies in their capacity to bring bearing. They brief the

specialist what unequivocal data to aggregate and in this way give a continuously huge focus interest. The arrangement of a hypothesis furnishes an examination with focus interest. A hypothesis makes sense of what information to aggregate and what not to gather. It improves objectivity. Theory may connect with to add to the significance of hypothesis.

The attributes of theory is, it is immediate, express, and carefully clear and the analyst ought to be acquainted with the piece of data.

Individual variable (IV2)

H2-Governments view business organizations as a critical vehicle for social reform.

Relation between DV and IV2

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Individual variable (IV3)

H3-Governments pass legislation, which impacts the relationship between the firm and its customers, suppliers, and other companies.

Relation between DV and IV3

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Individual variable (IV4)

H4-Government actions influence the economic environment.

Relation between DV and IV4

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Individual variable (IV5)

H5-The government is liable for protecting the public interest.

Relation between DV and IV5

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The attributes of theory is, it is immediate, express, and carefully clear and the analyst ought to be acquainted with the piece of data

Underpinning Theory

Study is a sorted out survey that uses adequate logical system to take care of issues and produces new information that is normally pertinent.

Research work incorporates precise, adroit, legitimate and hard examination, portrayal obscure, and foundation of affiliations and causation that license the exact expectation of results under a given arrangement of conditions. It likewise includes recognizing holes in learning. Confirmation is the thing that definitely known and ID of past mistakes and restriction.

3. Methodology

Political risk refers to the “threat that social, political or economic factors in a foreign country may affect the feasibility and profitability of an organization’s global operations”. Political risks can be classified into two broad categories, ‘macro political’ and ‘micro political’ Therefore political risk can be considered to arise at the macro or micro level.

This part rushes to the investigation procedure, investigate setup, analyze instrument, examining technique, resource need, data gathering and research ethics and summary of the area.

As shown by Joy Advanced Learner's Dictionary, Research infers an exact examination towards expansion of data. Examination into an issue. System mean methodology of reasonable effective data or standard of science or study.

In the underneath section, pro recognized the definition on research as communicated by couple of journalists in their survey are given for better understanding the subject. They are according to the accompanying:

Research design

In order to achieve the purposes of this endeavor, we used a framework included four endeavors:

Task A- A proof review of the most remarkable existing verification relating to both general structure plan for non-experts and the arrangement and usage of the STATS19 shapes

Task B- An ordered guidance organize gathering points of view and experiences from an extent of STATS19 accomplices in Scotland. This included people from Police Scotland, Transport Scotland and Scottish Local Authorities

Task C- Based on the information collected from Tasks A and B, and the results of a workshop including people from the gathering and field experts, we arranged a redesigned STATS19 structure for social occasion of the critical data

Task D- Testing the reevaluated collection structure was essential to ensure that it is useful and usable. The last stage fused a steadfast quality examination using a movement of vignettes to research whether the structure could be grasped and used adequately to make accurate STATS19 records. Emotional data from customers was also procured as a part of this task

Research population

The pressure masses for which the examination work conducts is known as the examination people. This is in addition considered the objective individuals from where an examination masses and after that a model taken for the examination work.

The information amassed through model investigation by then changed over into data for examination and study the report.

Estimations is an instrument for changing over information into data, which licenses accomplishing a confirmation about a people dependent on a model. Generally speaking, the information is gathered from an examination drove at field level, it is totaled, to guarantee that the information is precise and solid. The information can be gathered also from direct acumen and from starters. The information collected need request in travel that it tends to the general population from which it is drawn.

Sampling design

A surveying plan is a method for choosing how a model ought to be taken from a people. There are three systems are on center, they are Simple Random Sampling, Stratified Random Sampling and Cluster Sampling, they are talked about in the underneath territory:

Basic Random Sampling: A principal sporadic point of reference is a model which is picked with the objective that every conceivable instance of a tantamount size is in like manner in danger to be picked. Model is any social event of three names is as nearly likely as picking some other party of three names. This is remarkably simple to depict in any case incredibly hard to do.

Stratified Random Sampling: A stratified abstract model is cleared up, as it is acquired by restricting the majority into select sets or strata and after that drawing essential sporadic points

of reference from the majority of the stratum normally. Model is Gender, Age, Occupation social affairs.

Group Sampling: A bunch test is a basic eccentric instance of social events or get-togethers of parts. It is a beneficial strategy when it is badly designed or over the top to build up a hard and fast synopsis of the majority individuals or the general population is usually scattered geographically.

Regardless, from the above pack investigating picked as it is ceaselessly fitting for the present proposition on segments impacting of getting decrepit sustenance things in Bangladesh which hunting down endorsing from the examination cautioning gathering.

Sampling

This examination is relied upon to assemble information from people. The response rate is the key examination parameter. It is overseen in variety of ways, they are: work power chat with, telephone converse with, self-coordinated overview, etc.

A huge amount of effort made in the past to design an overview, the key norms to structure a survey will be: review should be short, it should be essential and clear worded request, started with measurement question to help respondent pleasing. Use yes/no or various picked request, cautious should be accepted the usage of open completed request, pretest is fundamental before settling an examination study for basic data aggregation work for the investigation consider.

Sampling design

According to the essentialness of randomization, whereby each section in the majority is given a relative and free likelihood of choice, a direct sporadic point of reference is picked by the procedure exhibited as looks for after:

1. See by a number all testing units in the majority.
2. Pick the point of reference check.
3. Select utilizing the fishbowl draw, the table of a PC program.

Model is, there are 80 understudies in the class, so the development is remembering them by a number from 1 to 80. As picked an instance of 20 utilizing the direct eccentric procedure. Utilize the fishbowl draw, the table for optional numbers or a PC program to pick 20 understudies. These 20 understudies become the reason of examination. In stratified flighty taking a gander at, the analyst attempts to stratify the majority so the general population inside a stratum is homogeneous as for the trademark subject to which is being stratified. For instance, it is progressively clear to stratify a people reliant on sexual course than subject to age, pay or frame of mind. .

Sampling size

Test measure attestation is the appearing of picking the measure of acknowledgments or impersonates to join into a genuine point of reference. The point of reference measure is a basic segment of any observational examination where the objective is to make acknowledgments about a people from a model. In every way that really matters, the point of reference check utilized in an examination is usually picked subject to the cost, time, or comfort of get-together the information, and the essential for it to offer adequate quantifiable power. In bewildered examinations there might be two or three unquestionable model sizes: for instance, in a stratified overview there would be various sizes for every stratum. In an estimations, information is hunt down a whole people, from this time forward the ordinary point of reference measure is indistinguishable to the majority. In exploratory course of action, where an examination might be separated into various treatment get-togethers, there might be undeniable point of reference sizes for each social affair.

4. Data analysis

Independent variable	Economical loss per year
the stability of a political system can affect the appeal of a particular local market	5000000
Government view business organization as a critical vehicle for social reform	12500000
Governments pass legislation, which impacts the relationship between the firm	45860155
The government is liable for protecting the public interest.	25690000
Government actions influence the economic environment.	47890000
Government is a major consumer of goods and services	69200000

Frequencies

Statistics

		IV	loss
N	Valid	6	6
	Missing	0	0

Frequency Table

IV

	Frequency	Percent	Valid Percent	Cumulative Percent
Government actions influence the economic environment.	1	16.7	16.7	16.7
Government is a major consumer of goods and services	1	16.7	16.7	33.3
Government view business organization as a critical vehicle for social reform	1	16.7	16.7	50.0
Valid Governments pass legislation, which impacts the relationship between the firm and its customers, suppliers, and other companies.	1	16.7	16.7	66.7
The government is liable for protecting the public interest.	1	16.7	16.7	83.3
the stability of a political system can affect the appeal of a particular local market	1	16.7	16.7	100.0
Total	6	100.0	100.0	

loss				
	Frequency	Percent	Valid Percent	Cumulative Percent
5000000	1	16.7	16.7	16.7
12500000	1	16.7	16.7	33.3
25690000	1	16.7	16.7	50.0
Valid 45860155	1	16.7	16.7	66.7
47890000	1	16.7	16.7	83.3
69200000	1	16.7	16.7	100.0
Total	6	100.0	100.0	

Descriptive

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Loss every year	6	5000000	69200000	34356692.50	24265935.380
Valid N (listwise)	6				

5. Recommendations and Conclusion

The investigation prescribed that because of worldwide intensity and the unstable market, send out administrations divisions should make forceful move to hold and draw in new clients. Business and expert affiliations should be increasingly dynamic in facilitating worldwide workshops to teach the business and increment organizing open doors for neighborhood specialists. For this reason, some limit working for affiliations is essential - potentially through a private open association bolstered program - with the goal that they can plan showcasing materials, arrange shows and gatherings, or partake in worldwide occasions to make consciousness of the accessible abilities in Kenya. At last associations ought to ceaselessly examine the earth for any chances or risk and be set up to arrangement with such inevitabilities Information is an essential asset in the learning economy and worldwide market though innovation and advancement underway and showcasing affixing or shortening an item or administration life cycle. The administration should set up satisfactory innovative framework in organization with the private so as to encourage fare of administration since it was noted innovation is a key driver in administration trade. The Government of Kenya should lead the situating and promoting of the nation brand and key administrations comprehensively displaying proficient administrations by the travel industry, sports, cultivation, and other Kenyan items. Most Kenyan administration exporters feel that immediate impetuses to sends out, for example, charge motivating forces for instance are superfluous. Or maybe, what they consider to be urgent is that the legislature encourages the entrance to outside business sectors. Such help would prompt an expansion in business, updates in the innovation utilized and enhancements in the nature of administrations conveyed to fulfill high worldwide guidelines.

The legislature to take a shot at the lawful factors so as to make and empowering condition since there are both duty and non-levy obstructions, especially with the key market which frustrate the development of the part. The expert administration organizations are direly needing better gifted work force and this introduces a test to be survived. The examination prescribes the need to upgrade the expertise for the area. The abilities base inside the segment is still low and scholarly establishment ought to create courses in organization with expert

social orders to address the expertise hole that will empower them pull in the correct representatives with essential aptitudes.

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