



# Lesson 12

## Environment Entrepreneurship

07 January, 2026 (Wednesday)

Tuesday, 31 December 2025, class was canceled due to a general holiday commemorating the death of K.K.Z. 01 Jan, 26 cancelled for **exam duty**.

# Agenda

Source: RP  
& OP

**Meaning of Entrepreneurial Environment (EE)**

**1**

**Factors Affecting EE**

**2**

**Classification of Business Environment/ Categories of  
Environment in Entrepreneurship**

**3**

**Meaning, Objectives, Main & Salient features of Industrial  
Policy**

**4**

**Assessment of Entrepreneurial Environment**

**5**



1

# Entrepreneurial environment

- The entrepreneurial environment (conditions and circumstances) refers to **all the external and internal factors** that influence **the creation, growth, and survival** of entrepreneurship **and new ventures**.
- Encourages: Innovation, risk-taking, and business creation
  - An unfavorable environment **can hinder** *entrepreneurial activities*.



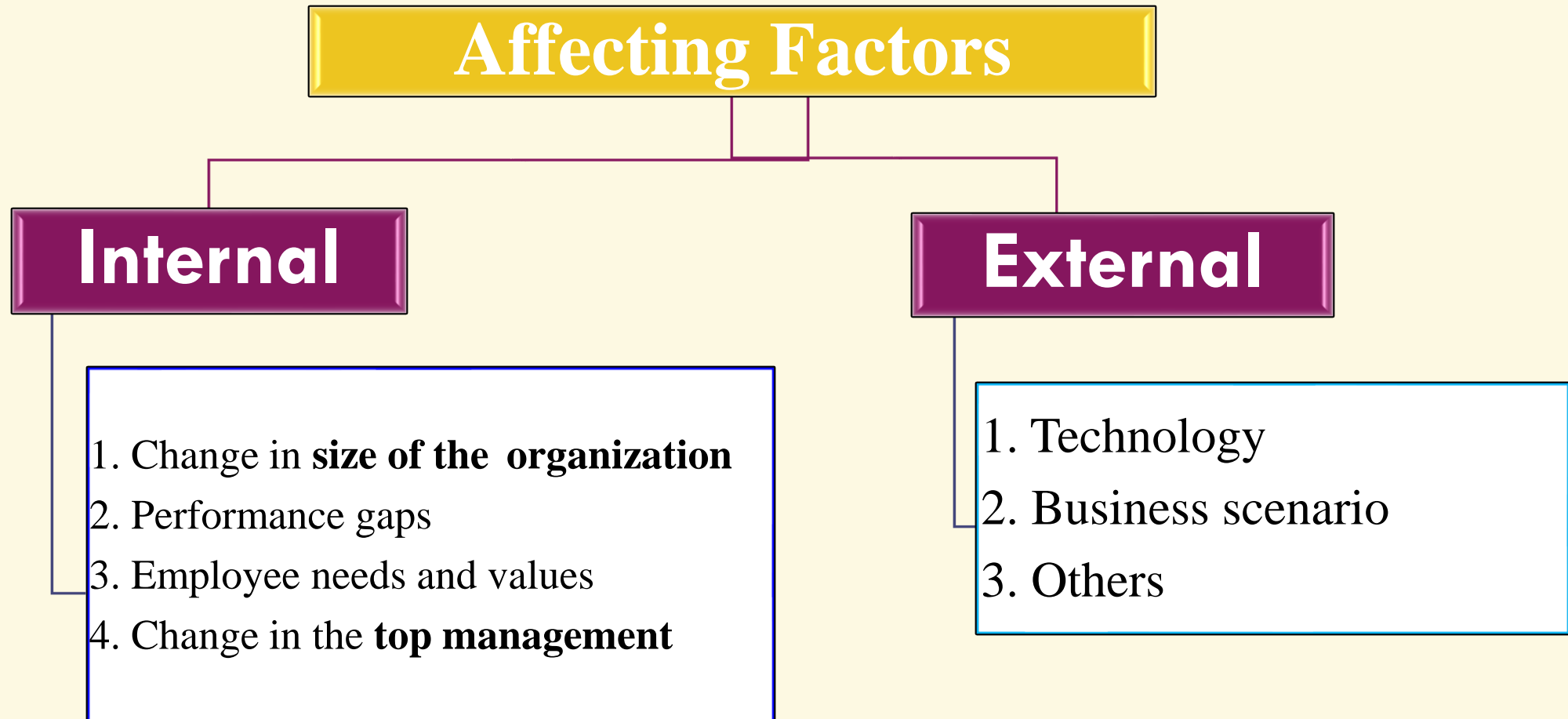
02

## **Factors Affecting Environment in Entrepreneurship**

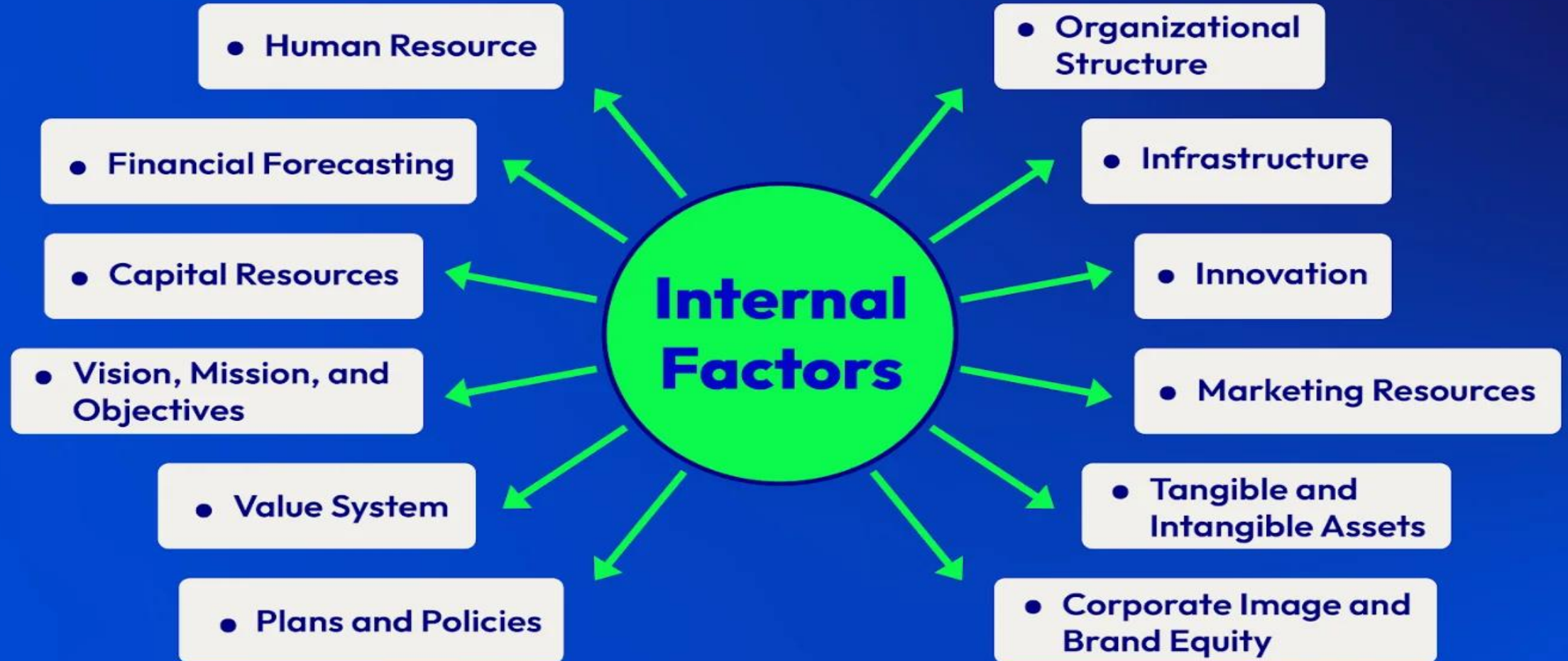


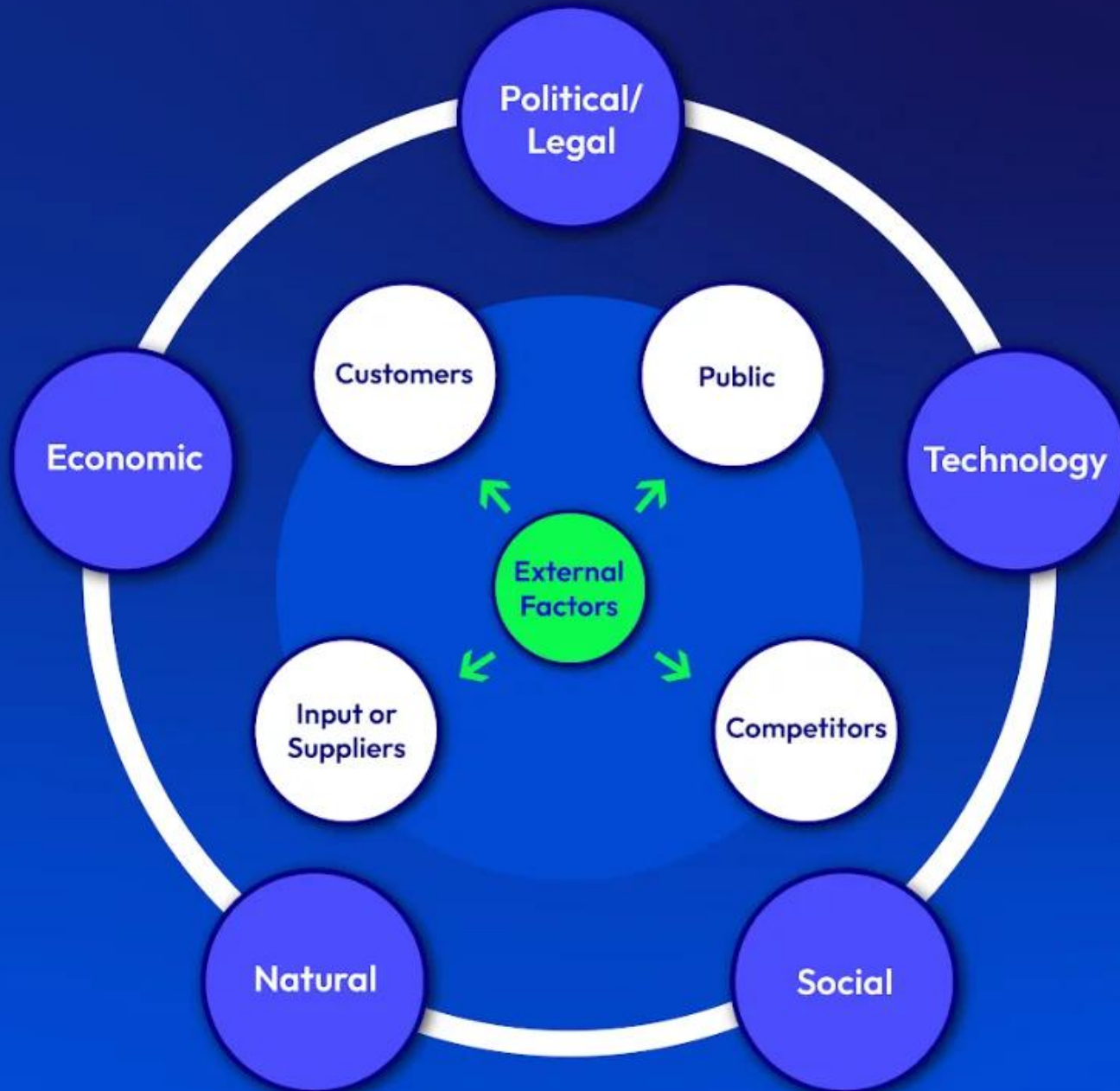
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## Factors Affecting the Environment in Entrepreneurship



# Internal Factors





# External Factors

*Others*

*Personality Factors*

*Service Sectors*

*Increasing Demand of Varieties*

*Ethical Value System*

## Comparison Between Internal and External Factors

Aspect	Internal Factors	External Factors
Meaning	All the internal forces and conditions present within the company.	A set of all external forces that have the potential to impact the organization's performance, profitability, and functionality
Nature	Controllable	Uncontrollable
Include	<b>S</b> trengths and <b>W</b> eaknesses	<b>O</b> pportunities and <b>T</b> hreats
Impact	Only Company	All companies in the industry





03

# **Classification of Business Environment/ Categories of Environment in Entrepreneurship**

# Categories of Environment in Entrepreneurship



## 1. Economic Environment

All economic factors that affect entrepreneurship, such as *economic policies, market conditions, capital availability, and infrastructure*.

**Examples:** Interest rates, inflation, taxation policies, economic stability, access to finance, and market demand.

## 2. Social Environment

Includes the **social factors and cultural values** that influence entrepreneurship.

**Examples:** *Social attitudes* towards entrepreneurship, **family background, education, social mobility, and demographic trends**.

## 3. Political and Legal Environment

Consists of government **policies, regulations, and legal frameworks** that impact entrepreneurial activities.

**Examples:** Government *support, licensing policies, labor laws, intellectual property rights, and political stability*.

#### 4. Technological Environment

Refers to the **technological advancements and innovations** that create new opportunities or challenges for entrepreneurs.

**Examples** include the *availability of new technologies, research, and development.*

#### 5. Natural Environment

Involves **ecological and environmental factors** that can affect entrepreneurship.

**Examples** include the availability of **natural resources, climate, environmental regulations, and sustainability concerns.**

#### 6. International Environment

Encompasses global factors that influence entrepreneurship, especially for businesses involved in **international trade.**

**Examples** include *global market trends, international competition, foreign exchange rates, and trade policies.*

#### 7. Demographic Environment

Relates to the characteristics of the population that affect **entrepreneurial opportunities.**

**Examples:** Population size, age distribution, literacy rate, and urbanization.

# Summary Table

Category	KF/Examples
Economic	Capital, Market, Policies, Infrastructure
Social	Culture, Education, Family, Social Values
Political & Legal	Laws, Regulations, Government Support
Technological	Innovation, R&D, Technical Know-how
Natural	Resources, Climate, Sustainability
International	Global Trends, Competition, Trade Policies
Demographic	Population, Age, Literacy, Urbanization



04

# **Meaning & Objectives of Industrial Policy**

# Industrial Policy

- ❖ Covers **rules, regulations, principles, policies, & procedures** laid down by the government **for regulating & controlling industrial undertakings** in the country.
- ❖ It **prescribes the respective roles of the public, private, joint, cooperative, large, medium & small-scale sectors** for the development of industries.
- ❖ It incorporates **fiscal & monetary policies, tariff policy, and labor policy**, which shows the government's attitude.

# Main Objectives of Industrial Policies

- ❖ To maintain **sustained growth and productivity**
- ❖ To enhance **gainful employment**
- ❖ To **prevent undue concentration** of economic power
- ❖ To achieve **optimal utilization of human resources**
- ❖ To *attain international competitiveness* and
- ❖ To transform Bangladesh into a major partner and player in the global arena





05

## **Main & Salient** features of Industrial Policy

# Main Features of Industrial Policy

- ❖ Private sector–led industrial growth
- ❖ Export-oriented industrialization
- ❖ SME development support
- ❖ Industrial diversification
- ❖ Technology and innovation promotion
- ❖ Encouragement of Foreign Direct Investment (FDI)

# Main Features of Industrial Policy

## Private Sector–Led Growth

❖ Government **acts as a facilitator** rather than a controller.

## Export-Oriented Industrialization

❖ Focus on RMG, leather, pharmaceuticals, ICT, and agro-processing.

## SME Development

❖ Special incentives for **Small and Medium Enterprises (SME)**.

## Industrial Diversification

❖ Reducing **overdependence** on the garments sector.

# **Main Features of Industrial Policy**

## **Technology & Innovation Promotion**

❖ Encourages automation, AI, and Industry 4.0.

## **Foreign Direct Investment (FDI)**

❖ Incentives, EPZs, EZs, and one-stop services.

# **Salient Features of Industrial Policy**

**Women Entrepreneurship  
Promotion**

❖ **Financial and policy support** for women-led industries.

**Regional Industrial  
Development**

❖ **Industrial Zones** in backward and rural areas.

**Skill Development &  
Employment**

❖ **Industry-academia collaboration and vocational training.**

**Environment-Friendly &  
Sustainable Industry**

❖ **Green factories and renewable energy use** are encouraged.

# Highlights of the Industrial Policy

<https://www.thedailystar.net/highlights-of-the-industrial-policy-6616>

Source:

## 1. Private sector–led industrialization:

The government acts as a facilitator by encouraging *private ownership, liberalizing trade, supporting SMEs, attracting foreign investment, and creating special economic zones* to boost growth and employment.

## 2. Employment generation and poverty reduction:

Priority is given to *agro-based, agro-processing, small, medium, and cottage industries, along with women entrepreneurship*, to **reduce unemployment** and accelerate **poverty alleviation** across the country.

## 3. Modernization and sustainable growth:

Emphasis is placed on *ICT use, skill development, quality improvement, efficient use of natural resources, renewable energy, and export competitiveness* to achieve higher GDP growth and middle-income status.



06

# Assessment of Entrepreneurial Environment

# Key Factors for Assessing Entrepreneurial Environment

## 01. Economic Factors

- Access to **finance, market demand, and income level**

## 02. Socio-Cultural Factors

- Social attitudes, family, and community support

## 03. Legal & Regulatory Factors

- Business laws, taxation, ease of registration

## 04. Institutional Support

- Government policies, training, and **incubation centers**

## 05. Technological Factors

- ICT infrastructure, innovation facilities







**Thank You**

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