

Socio-Cultural Environment-

Socio-cultural environmental factors vary from country to country and within the same country they vary from region to region. A complete understanding of the socio-cultural environment of a country or a region in which business wants to operate or enter is, thus, absolutely essential for its survival and growth.

Culture of a society, which consists of knowledge and beliefs, values, ideals and preferences play an important role in the formulation of business strategies. It is also important to identify the critical elements of the socio-cultural environment of business. These elements are: social institutions and systems, social groups, social values and attitudes, role and responsibility of government, and responsibilities of business.

There are five kinds of social institutions, namely, the family, economics, religion, education, and the state. A social structure owes its stability to proper adjustment in relationship among the different institutions. Therefore, a complete understanding of social institutions and their inter-relationships is needed by an efficient business manager. Similarly, other elements of socio-cultural environment of a particular region such as social systems, social groups, social values and attitudes have to be duly taken into account while planning an entry in that region.

The critical elements of socio-cultural environment of business. may be classified as follows.

1 Social institutions and systems

2 Social groups

3 Social values and attitudes

1 Social institutions and systems-Social institutions refer to set-ups like family, school, church, state, etc, which are essential to maintain the orderly arrangement of social structure. These are regarded as collective modes of behaviour. They prescribe a way of doing things. They bind the members of the group together. There are five kinds of social institutions, namely, 1) family, (2) economics, (3) religion, (4) education, and (5) state.

The main elements of social system are

1) belief (knowledge), (2) sentiment, (3) end, goal, or objective, (4) norms, (5) status role (position), (6) rank, (7) power, (8) sanction, and (9) facility.

2. Social group-is a collection of human beings. In its elementary sense, a group "is a number of units of anything in close proximity to one another". Thus, we may speak of a group of houses on a street, of trees in a forest or of buses at a bus stand. In the human field it means "any collection of human beings who are brought into social relationships with one another.

3. Social Values Attitude

Social values are cultural standards that indicate the general good deemed desirable for organised social life. These are assumptions of what is right and important for society. They provide the ultimate meaning and legitimacy for social arrangements and social behaviour.

They are the abstract sentiments or ideals. An example of an important social value is "equality of opportunity

Attitude- is the state of consciousness within the individual being. It refers to certain regularities of an individual's feelings, thoughts and predispositions to act towards some aspect of his environment, it is a subjective reaction with relation to objects. All attitudes imply objects towards which they are directed, but it is the state of mind, not the object, which is denoted by the term 'attitude'.

SIGNIFICANCE OF SOCIO-CULTURAL ENVIRONMENT

Each society has its own culture which consists of the customs, values, attitudes, beliefs, habits, languages and other forms of interaction between the members of the society. Any business firm which aims at entering any market for its products and services must develop complete understanding of socio-cultural environment of the society involved and adapt its strategies. Successful business managers cannot afford to neglect the importance of these features. No business can survive and grow without social harmony. Different countries, over different time periods, attain social harmony and order of different form, through different ways and means. Thus, socio-cultural environment differs over space, time and methods.

Three aspects may be noted in the current socio-cultural environment:

1 Changes in our life-styles and social values: For instance, changing role of women, emphasis on quality of goods instead quantity of goods, greater reliance on government, greater preference for recreation activities.

2 Major social problems: For example, concern for pollution of environment, demand for socially responsible marketing policies, head for safety in occupations and products, etc

3 Growing consumerisms: It is indicating consumer dissatisfaction on a large scale against unfair trade practices. Consumerism is becoming increasingly important to marketing decision process. Social environment in many countries is responsible for emphasizing social responsibility of business and customer-oriented marketing approach.

The impact of socio-cultural dimensions upon the business could be understood in many ways. In the era of globalisation, the companies are crossing the limits of boundaries and going to the other parts of the world. Now the need for understanding and appreciating cultural differences across various countries is essential. Work motivation, profit motivation, business goals, negotiating styles, attitudes towards the development of business relationships, gift-giving customs, greetings, significance of body gestures, meaning of colours and numbers, and the like vary from country to country.

Socio-Cultural issues & Salient Features of Indian Society

Socio-cultural environment is an important factor that should be analysed while formulating company business strategies. If company is ignoring the customs, traditions, tastes and preferences and education it affects the business. It consists of factors which are related to human relationships and the impact of social attitudes and cultural values. These are bearing on the business of the organisation. Business organisation is successful due to appropriate strategies and effective utilization of socio-cultural environmental factors. Social cultural

environment is an important factor for MNC. Therefore, MNC should study the social cultural activities of the region, where they are introducing their own business. Even when the people with different cultures use the same basic product, the mode consumption, conditions of use or perceptions of the product attributes may vary so much that the product attribute method of presentation, promoting product have to be varied to suit the characteristic of different market segments.

Socio-cultural factors are beliefs, values, norms and traditions of the society that determine how individuals and organisations should be interrelated. The difference in language sometimes poses a serious problem, even necessitating a change in the brand name. The value and beliefs associated with colour vary significantly between different cultures. For instance, white indicates death and mourning in China and Korea; but in some countries it expresses happiness and is the colour of the wedding dress of the bride.

Some of the socio-cultural issues are influences operating environment of organisation as outlined:

- Social issues like the role of the business in the society, environment pollution, corruption, use of mass media and consumption of products and services which are offered by the company.
- Social attitude and value issues like social customs, beliefs, rituals and practices, changing life style patterns and materialism are expectations of society from the business.
- Family structure, value and attitude towards the family and these changes also influence business and its operation.
- Role of the women, position, and nature of responsibilities in society is also influences business and its operation in market.
- Educational levels, awareness and consciousness of rights and work ethics of the society can influence business and its operation.
- Social practice, beliefs and associated factors are helpful for promotion of the certain products, services or ideas; the success of marketing depends on a large extent, on the success in terms of changing social attitude or value systems.

salient features of Indian society

1. The Merging of Tradition with Modernism

Globalization might have bought with it a surge of modern values and practices, but traditionalism is still prevalent and preserved in India. The traditions of Indian society have also made its way to the outside world through the same gates of globalization

2. The Indian Society Is Syncretic and Dynamic

As mentioned earlier, our society promotes accommodation as well as assimilation. Over the years, multiple tribes have lost their core indigenous culture due to assimilation into the major population of Indian society. Such contacts with different cultures also gave birth to newer practices. The society is dynamic as it is changing every day.

3. The Underlying Theme of Unity Is Diversity-Indian society has challenged the scepticism of many political thinker's post-independence that were doubtful regarding India's amalgamation as one nation amidst vast differences and big numbers of ethnic groups, languages, culture and diversity.

The core values in the constitution, the reorganization by the state on the basis of language as well as the efforts of the government to protect the interests of minorities has helped in keeping up this unity.

4. Patriarchy

Patriarchy is a family system within which the supreme decision-making power rests with the male head/members of the family. Women are treated as second-class citizens in a patriarchal society. This system is degrading to women; it hinders the social and emotional development of the fairer sex of the society. Gender discrimination is a universal deterrent for women.

5. The Society Is Largely Agrarian and Rural

For more than half of the population of India, agriculture remains the sole source of livelihood. An estimated 70% of our population lives in rural territories. Agrarian festivals celebrate the harvest of the crops, and are celebrated in the form of Holi, lohri, Pongal, onam, Sankranti, etc.

6. Class and Caste Divide

The modern caste system is the result of the age-old varna system. The emerging class system though closely resembles the caste hierarchy. It has also provided downtrodden sections an opportunity for upward social mobility.

7. There Is Tolerance and Mutual Respect

The Indian society has survived in the face of diversity, thanks to its accommodative values of tolerance and mutual respect that have existed from the early times. The multitude of invaders who made India their home lead to the mixing and co-existence of many different cultures

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