

THE LEGAL ENVIRONMENT OF BUSINESS

What is the legal environment of business?

Think of the legal environment of business as the collection of all laws, regulations, court decisions, and government policies that shape how businesses operate. It's the framework that businesses must work within.

Why does it matter?



It tells businesses what they can do



It tells businesses what they cannot do



It outlines the consequences if they break the rules



It provides protection for businesses, their customers, and society