

Uva Wellassa University

Faculty of Management

Degree of Bachelor of Business Management in Entrepreneurship and Management

FIRST YEAR SECOND SEMESTER EXAMINATION – JANUARY/FEBRUARY 2016

EMG 151-3 Designing and Leading Business



Instructions to candidates:

No. of pages : Three (03)
No. of questions : Seven (07) Essays
Time : Three (3) Hours
Marks allocated : 100

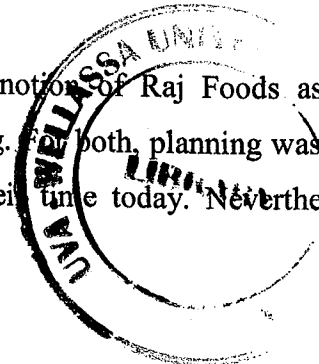
Answer only **Four (04)** questions including **question no 01.**

01. Study the following case and answer the questions.

"I can't believe it's a Yogurt" the words of fascinated customer, became the founding name of one of the nation's most successful venture in Sri Lanka. The company- "I Can't Believe It's Yogurt" is the result of hard work and solid planning by founders, Geetha and Raj. In 2000, they were university students. The brother and sister team were busy working at a local ice cream shop to cover collage costs. Before the year ended, they had purchased the shop and converted from ice cream to yogurt. The idea came to them as their friends and students became preoccupied with low calorie foods and health conscious diets. Yogurt fit the bill.

They worked 70 to 80 hours a week in their store, expanded to a second store and managed to carry a full load of course at University. Both graduated with honors and soon set about creating Raj Foods Inc. the parent firm of their current system of franchise operations. During those early days, however the business behaved more as students running a pair of small business than entrepreneurs trying to create an integrated company. They admit that they did little planning to meet the desired ends.

After they graduated and began thinking of their carriers, the notion of Raj Foods as an expanding franchise business pushed them into systematic planning. For both, planning was the most difficult part of the business and it consumes much of their time today. Nevertheless planning was paid off.



The first stage of planning focused on creating a small chain of a dozen stores. Franchising was not yet a consideration, but costs were. As the cost of buying Yogurt mix for a chain was too high, brother and sister decided to create their own factory to produce the yogurt mix. Within a year after accomplishing this feat, they found themselves trying to manage too many locations and decided to franchise. By 2006 they had made the transition and had opened franchises in nearly 20 Districts. This expansion also created a distribution problem, so further changes resulted in plans for a fully integrated company.

Today, Raj Foods Inc. is a large dairy business that provides millions of gallons needed for the venture and includes two distribution systems. One is directed for franchises and the other supplies a wholesale market for the venture's products to major grocery chains. Geetha and Raj are innovators who have expanded in to cookies and other foods lines to complement yogurt. Both of them have a vision for success, and they are determined to be the best in their field. They always targeted their customers' needs and 100% satisfaction. Further, they active in commodity affairs and sponsor a nationwide sponsorship contest for "New Business Plans" through the Chamber of Commerce.

- i) Identify the entrepreneurial characteristics those led the Brice Foods in to success.
(10 Marks)
- ii) Discuss the importance of growth strategies by giving special reference to the given case.
(10 Marks)
- iii) "Selecting the best strategic approach has been the key to success for entrepreneurial firms"
comment the statement by giving attention to the practical businesses world.
(20 Marks)

(Total Marks 40)

02. Explain the historical evolution of the Entrepreneurship.

03. Briefly explain the significance of a "Feasibility Study" when starting up a new venture.

04. Discuss the importance of a careful cultural analysis to the business that wishes to enter an International Market.

(20 Marks)

05. Explain how the entrepreneurship leads for national development. Support your answer by taking the sectors of economy and development goals.

(20 Marks)

06. Explain the importance of doing market research for an organization.

(20 Marks)

07. Write short notes on any **four (04)** of the following topics.

- a) Diversification
- b) Corporate Entrepreneurship
- c) Innovation
- d) Differentiation
- e) Commercialization

(20 Marks)

