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UNIVERSITY OF RUHUNA

FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration Degree Programme 1000 Level Second

Semester End Examination (March 2021)

Academic Year 2019/2020

ENT 12013 – Entrepreneurship

Duration : Three hours

The Question Paper contains 05 questions.

Answer question **NUMBER ONE** and three other questions only.

1) Read the case titled **Success story of an entrepreneur** and answer the questions given below.

**Success story of an entrepreneur**

Geeth Liyanage, who came to Colombo from Galle to start a career as an IT executive, eventually started his own business upon identifying his skills for marketing. This passionate young person thus ventured into a business that deals in manufacturing and distribution of spices in 2009.

“After leaving school I worked at an IT company and afterwards joined DSI as an IT Executive. However I thought I had the capacity to be an entrepreneur”. Initially after office hours I used to buy spices from a wholesale shop near my boarding house and pack and deliver them to retail shops in the nearby area. By doing this I earned some extra income and then I thought of developing this business. Eventually after branding my products as ‘Lakrasa Products’, I started marketing them in a professional manner”, says Geeth.

Geeth had created a prospective customer base from the network he had through his previous jobs. Yet since he believed in ethical business, he reached this customer base with a totally different product, that being spices. “Entrepreneur has to have skills in marketing to succeed in the marketplace. Some individuals have inborn skills for marketing. If a potential entrepreneur thinks he or she needs to polish his/her skills in marketing, the best thing is to learn the finer-points in marketing and selling from a reputed institution”, he adds.

“Also you must get rid of your ego and passionately think of your customer base as well as its needs and wants. As explained earlier, I started off as a mere delivery guy by purchasing spices and packing them by

myself to be distributed. I had dedication, passion and patience to develop my business within a short period”, says Geeth.

The current customer base of Lakrasa Products include; Sri Lankan Catering, Perera and Sons, private sector hotels and hospitals. It also does retail distributions in Nuwara Eliya, Kandy, Madampe and Sigiriya.

“We buy some raw spices locally (pepper, cinnamon) and import some. After that we process and pack them here in our factory and send for distribution. We have our own grinding division functioning with automatic grinding machines and the packing division with automated packaging machines. The products are made according to strict quality standards and hygiene from the raw material status to the finishing point. Our dedicated staff and production supervisors constantly check the quality and the purity of the products at all levels to offer consumers the best quality Lakrasa Products. We never compromise the quality of our products”, he added. Geeth says that stiff competition had been his main challenge as a newcomer and also he has struggled to maintain quality standards of his products. Eventually he has overcome those challenges and today, Lakrasa Products have got several quality certifications such as ISO, GMP and HACCP.

“I have mastered time-management skills via my own business. Personal commitment and proper planning towards what you do is essential in order to elevate the business to greater heights. I usually work from 7.00 am to 9.00 pm. Before I hired my staff, I did it all by myself and was a bit stressful, but now I’m happy with the position that I have achieved with all my hard work”, he continues.

According to statistics, a significant percentage of Sri Lankan startup ventures collapse in a short period due to various reasons. Mr. Geeth said that SME’s should adapt a marketing oriented approach to succeed in business. “You should mainly have a plan and a target to be achieved and there should be 100% concentration on the business. Marketing play a pivotal role for an organization’s sustainability. The lack of marketing knowledge is one of the critical reasons for the failure of entrepreneurship in Sri Lanka. Hence, SMEs should have inborn or acquired marketing skills”, he stressed.

“Building public relations was my constant focus. I had my set of loyal customers who are now my ambassadors. With their recommendations, I make new relationships and develop the business. The website and sales promotions add value to our business and keep our customers connected with the business. Further, entrepreneur must introduce innovations according to the changing needs of the customers and also market their products properly with creative and innovative strategies”, said Geeth.

- a) Identify the entrepreneurial characteristics passes by Mr. Geeth.

(04 Marks)

- b) According to Mr. Geeth, what is the most important strategy to be success in the business?

(02 Marks)

c) How networking supports Mr. Geeth to succeed his venture.

(06 Marks)

d) Briefly explain the challenges faced by Mr. Geeth as an entrepreneur.

(06 Marks)

e) Discuss the key factors that have led to the success of "Lakrasa products" in the market.

(07 Marks)

(Total 25 Marks)

2).

a) "Entrepreneurs are always inventors". Do you agree with this statement? Justify your answer.

(04 Marks)

b) "Innovations have become critical for achieving success in business".

Examine the importance of introducing innovation in an entrepreneurial setting.

(05 Marks)

c) "Creativity is the ability to develop new ideas and to discover new ways of looking at problems and opportunities".

Discuss the arenas in which people are creative with suitable examples.

(06 Marks)

(Total 15 Marks)

3).

a) How do you define the "Family Business".

(04 Marks)

b) Discuss the importance of running a family business for entrepreneurs.

(05 Marks)

c) Briefly explain the specific barriers faced by women Entrepreneurs in Sri Lanka.

(06 Marks)

(Total 15 Marks)

4).

a) What do you mean by the term "Entrepreneurial Culture"?

(03 Marks)

b) Discuss the social factors which hinder entrepreneurship in Sri Lanka.

(06 Marks)

c) Explain the levels of social responsibility of a business.

(06 Marks)

(Total 15 Marks)

5).

a) Define the concept of "Social Entrepreneurship".

(03 Marks)

b) Briefly explain the principles of social business which is introduced by Prof. Muhammad Yunus.

(06 Marks)

c) "There are various drivers that make businesses transition towards Green Entrepreneurship".  
Discuss this statement with appropriate examples.

(06 Marks)

(Total 15 Marks)

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