



UNIVERSITY OF RUHUNA
FACULTY OF MANAGEMENT AND FINANCE

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No. of Questions: 05
Total Marks : 70

BACHELOR OF BUSINESS ADMINISTRATION HONOURS DEGREE

4000 LEVEL FIRST SEMESTER END EXAMINATION – AUG/SEP 2023

Three Hours

ENT 41203– Corporate Entrepreneurship

Academic Year 2022/2023

Instructions

- ➔ The question paper contains 05 questions.
- ➔ Answer only four questions including question number 01.

Question No: 01

Read the case titled “Fashion Bug” and answer the questions given below.

Fashion Bug

Fashion Bug was founded by Mr. Rizal and Ashan Subian in 1994 with a humble beginning with a team of seven members in its first store occupying a small 500 square feet space in the chilly town of Bandarawela. Today it has evolved into a household brand that boasts 17 outlets island-wide with a workforce over thousand individuals of different ethnicities and backgrounds. Fashion Bug takes pride in being a Sri Lankan fashion retailer that showcases local brands while introducing international brands and global trends to the country, thus creating unrivalled fashion and lifestyle experience for the Sri Lankan consumer.

Fashion Bug stands among the leading clothing stores in Sri Lanka catering with the fashion motto of 'Changing life Styles'. Having empowered over 2,000 small and medium entrepreneurs in the country, it aims to provide customers with products and services of the highest quality while ensuring value for money. Fashion Bug takes pride in providing the latest clothing designs and being a trend-setter in Sri Lanka’s fashion retail sector. Managing Director expressed that *“our dream is to be the preferred clothing chain in Sri Lanka and we strongly believe that we’re on the right track towards achieving this. We offer something unique and exciting to our customers. In the retail sector especially, innovation is the key in terms of product, style and design. It is essential that we always stay on trend and are able to offer customers what’s in fashion and to that end, we always need to be a step ahead”*.

Innovation and expansion are two vital components that go hand in hand in Fashion Bug and looking to expand further across Sri Lanka's fashionable, sensible and well-informed target market by integrating its physical stores with digital channels, creating a seamless and engaging customer experience both in-store and online.

Fashion Bug promotes over 15 brands including Amy, Giggles, Bug junior, Givo etc. and made a joint business partnership with Daraz, and Jobs Active. Fashion Bug launched a brand new collection titled "Activewear", and the collection is made up of fashionable, comfortable and high quality sports wear and accessories for men and women from its owned brands "Jobbs Active" and "Amani Athletic". Home and Living area of the store has been allocated an extensive space with a range of kitchenware, serve ware, home décor, bed and bath items that are ideal for everyday use as well as gifting. The 'Back-to- School' section also has been given an extended space to stock a wide variety of school bags, bottles, art supplies, stationery and a brand new corner for fiction and nonfiction books for kids of all ages. *"We understand what the current generation expects from their place of work. To create a sense of purpose for our workforce, we made certain structural changes, not in terms of hierarchy, but in the approaches which we take. Traditionally, most companies operate on a clock-in basis rather than a task-oriented one. We try to be as flexible as possible. For example, we stress on the punctuality of opening and closing times of the showrooms, but there are also tasks which don't require someone in office, like those which involve technology alone. Besides the basic benefits, empowering our employees is also a core area of what we do".* Stated Managing Director.

It is very flexible in allowing staff to pursue their own way of doing things and provide opportunity for employees to develop their career; for instance, employees who started in the showroom and have now risen to senior positions such as team leaders and branch managers. Additionally, Fashion Bug recently ventured into the digital sphere and international and corporate markets, which has opened up new avenues for them to have advancement within the organization. Managing Director expressed that *"career enhancement comes with continuous training. Our training programs encompass fashion development, visual merchandising, and general skills like training in English and social skills. We have our internal training department, and when required, we get in qualified mentors to ensure the workshops are up to industry standards. Another area that we are proud of is our open-door policy. Employees are free to communicate directly with anyone, irrespective of hierarchy. We also design our office spaces without cubicles, so there's a free flow of communication across different departments. Our evaluation of teams goes beyond financial parameters.*

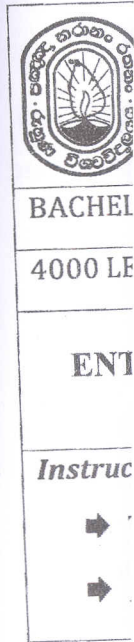
There are three key areas which we look at: how they bring our core values to life, employee engagement, and driving sales through as a whole". For the three consecutive years of 2018, 2019, and 2020, Fashion Bug has been recognized as one of the best places to be employed at, winning the award of "Great Place to Work". Corporate social responsibility is also a significant area of concern over the past 10 years. It organized many community renovation projects and initiated island-wide projects to benefit over 500,000 students through its sustainability arm of 'Sisu Dirimaga' which provide scholarships for the students of rural communities. It initiates awareness programme of "Puruduwenna" that educates the public through various simple activities that could help preserve the environment at an individual level. Further, messages such as 'plant a tree for future generations', 'use the garbage bin for littering', 'take proactive steps to minimize sound pollution', are the several slogans displayed by employees of Fashion Bug at their outlets to stimulate the general public, to make a clean and green environment. (Source:<https://www.echelon.lk/the-legacy-behind-why-fashion-bug-is-a-millennials-dream-workplace/>).

Questions:

- (i) What strategies does the Fashion Bug apply to stay ahead of the competition?
Elaborate by taking examples from the given case. (07 Marks)
 - (ii) Why Fashion Bug has been recognized as one of the best places to be employed at and winning the "Great Place to Work" award for the three consecutive years? (08 Marks)
 - (iii) How Fashion Bug contributes to sustainability of the country? (07 Marks)
 - (iv) What parameters that the Fashion Bug considers when evaluating the performance of their employees? (03 Marks)
- (Total Marks 25)

Question No. 2

- (i) Explain the concept of "Entrepreneurial Management". (04 Marks)
 - (ii) Discuss the role of First Level managers in an entrepreneurial organization. (05 Marks)
 - (iii) Exhibit and Explain the "Strategic Integration Framework" of corporate entrepreneurship. (06 Marks)
- (Total Marks 15)



Question No. 3

- (i) “Companies are considering to transform their human resource functions into true drivers of business success and going beyond the functional roles to a strategic role”.

Describe the strategic role of human resource management.

(04 Marks)

- (ii) Differentiate the role of human resources under the “Traditional Management” and “Agile Management” perspectives.

(05 Marks)

- (iii) Identify and explain the three aspects of training and development practices which would support in enhancing corporate entrepreneurship in an organization.

(06 Marks)

(Total Marks 15)

Question No. 4

- (i) Identify the four elements of Entrepreneurial Architecture in an organization.

(04 Marks)

- (ii) Define the term “Entrepreneurial Health Audit” and specify the three steps of Entrepreneurial Health Audit.

(05 Marks)

- (iii) “Strategic Entrepreneurship is a balance between opportunity-seeking and advantage-seeking behaviors”. Discuss this statement.

(06 Marks)

(Total Marks 15)

Question No. 5

Write short notes on the followings.

- (i) Open Book Management including its Principles
- (ii) Adhocracy Culture Vs. Market Culture
- (iii) Organic Structure Vs. Mechanistic Structure

(05 marks x 3 = Total Marks 15)

01. a).

b).

02. a)