



040

UNIVERSITY OF RUHUNA**FACULTY OF MANAGEMENT AND FINANCE****Bachelor of Business Administration Degree Programme 2000 Level Semester II****Examination (March / April 2019)****Academic Year 2018/2019****ENT 2222 – CREATIVITY AND INNOVATION****Duration : Three hours****The Question Paper contains 05 questions.****Answer Four (04) questions including question number one (01)**

01. Read the case titled on “Anargha Products (Pvt) Ltd” and answer the questions given below.

Anargha Products (Pvt) Ltd.

Sithum Deerananda, who came to Colombo from Galle to start a career as an IT executive, eventually started his own business upon identifying his knack for marketing. This passionate young person thus ventured into a business that deals in manufacturing and distribution of spices in 2010. Anargha Products (Pvt) Ltd at present operates at No 228, Kandy Road, Gampaha.

“After leaving school I had a stint 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, pack and deliver it to retail shops in the vicinity. By doing this I earned some extra income. With time I thought of developing this business. Eventually after branding my products as ‘Anargha Products’ I started marketing them in a professional manner”, says Sithum. Sithum 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.

“One has to have skills in marketing to succeed in the market place. Some individuals have an inborn knack 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 Sithum.

The current customer base of Anargha Products include; Sri Lankan Catering, Perera and Sons, private sector hotels and hospitals. It also does retail distributions in NuwaraEliya, 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 stringent quality standards and hygiene. From the raw material status to the finishing point, we ensure the quality and the hygiene of our products.

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 Anargha Products. We never compromise the quality of our products”, he added.

Sithum says stiff competition had been his main challenge as a newcomer. As a start-up he has struggled to maintain quality standards of his products but eventually has overcome that challenge. As of today, Anargha Products has quality certifications; ISO, GMP and HACCP.

“I have mastered time-management skills via my own business. Personal commitment and passion towards what you do is essential in order to elevate the business to greater heights. I usually work from 7am to 9pm now. 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 start-up ventures collapse in a short period due to various reasons. Speaking of this scenario Sithum said the 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 a there should be 100% concentration on the business. Marketing plays 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.

“PR build up was my constant focus. I had my set of loyal customers who are now my ambassadors. With their referrals I make new relationships and develop the business. The website, sales promotions, and BTL add value to our business and keep our customers connected with the business.

Above all, entrepreneurs need to have passion, commitment and dedication because a new product won’t succeed at first. We have to market it properly with creative and innovative strategies”, said Sithum.

a) According to Sithum Deerananda’s story identify his creative ideas.

(05 Marks).

b) Explain the challenges which he was faced in his entrepreneurial carrier.

(05 Marks)

c) Describe his excellence characteristics of innovation.

(05 Marks)

d) Amable’s research has identified six general categories of Managerial practice that affect creativity. How do you apply those practice for Sithum Deerananda’s managerial practice

(07 Marks).

(Total Marks 22)

02. (a) Compare the key differences between Creativity and Innovation

(05 Marks)

(b) "SCAMPER is a checklist that helps you to think of changes you can make to an existing product to create a new one."

Describe "SCAMPER" checklist with examples that as starting points for lateral thinking.

(07 Marks)

(c) "Finding the right business idea can be difficult and frustrating ". Explain, how you find the right business idea.

(04 Marks)

(Total Marks 16)

03 " Innovation refers to the introduction of a new good or a new quality of a good, method of production, market, source of supply, and organization in an industry".

a) Briefly explain the principles of innovation.

(04 Marks)

b) Describe the Importance of Innovation.

(05Marks)

c) "Today most of the innovations are limited to the developed countries. Innovation & Technology environment in developing countries are very problematic." Justify this statement.

(07 Marks)

(Total Marks 16)

04. "Research and Development play a critical role in the innovation process."

a) Compare the basic research and the applied research with three examples in each research type.

(07 Marks)

b) Recognize the stages of Product Life Cycle and State the product life cycle myths.

(06 Marks)

c) State product scope aspects with examples.

(03Marks)

(Total Marks 16)

05 (a) "Intellectual property rights remain crucial policy tools for promoting innovation and economic growth in the 21st Century for many reasons." Explain this statement.

(05 Marks)

(b) Define and compare the diffusion process of innovation and adoption process of innovation.

(06 Marks)

(c) "Creativity and Innovation are the catalysts to drive the growth of Small and Medium Enterprises (SMEs) to compete effectively in an increasingly fast-paced, fast changing market place."

Identify the barriers of Innovations in SMEs in Sri Lanka.

(05Marks)

(Total Marks 16)
