The Open University of Sri Lanka
Faculty of Engineering Technology
Department of Electrical and Computer Engineering

0254

Study Programme	:	Bachelor of Software Engineering Honours
Name of the Examination	:	Final Examination
Course Code and Title	:	**EEM3366 Introduction to Business Studies**
Academic Year	:	2024/25
Date	:	07th March 2026
Time	:	1330-1630h
Duration	:	3 hours

General instructions

1. Read all instructions carefully before answering the questions.
2. This question paper consists of **Three (3)** Questions in **Two (2)** Pages.
3. Answer all questions.
4. This is a Closed Book Exam (CBE).
5. Answers should be in clear handwriting.
6. Do not use red colour pen.

Question 01

Lanka Fresh Foods (Pvt) Ltd is a Sri Lankan food processing company that started as a small-scale enterprise producing dried spices and traditional food items using basic methods. Initially, the business focused on supporting local farmers and supplying nearby markets rather than operating for profit. As consumer demand for branded and packaged food products increased, the company transformed into a commercially oriented organization by investing in modern technology, quality control systems, and improved packaging.

Over time, the company expanded its product range to include value-added spice mixes, ready-to-cook items, and organic products while also widening its distribution network to supermarkets, wholesalers, and online platforms. The workforce grew significantly with employees working across production, marketing, finance, and administrative functions. The company's growth has been driven by product quality, employee commitment, and increased market presence.

Currently, Lanka Fresh Foods operates in a highly competitive market and is reviewing its marketing strategies, pricing, promotion, and distribution methods to strengthen its position. The management is considering future growth options such as expanding production for international markets or introducing new health-focused product lines, while also focusing on effective organizational structure, employee motivation, stakeholder management, and efficient working capital management to ensure long-term stability and profitability.

a. Clearly explain the difference between Vision and Mission. (4 marks)

b. Propose a suitable Vision and a Mission for Lanka Fresh Foods. (4 marks)

c. Identify three key stakeholders of the business and explain their interest in the company. (6 marks)

d. Identify the form of business ownership of Lanka Fresh Foods (Pvt) Ltd and explain two advantages of this form of ownership for the business. (4 marks)

e. Identify two marketing objectives relevant to Lanka Fresh Foods and justify them. (2 marks)

f. Explain how internet marketing can help the company achieve its marketing objectives. (6 marks)

g. Explain two elements of the marketing mix (4Ps) applicable to the company's current strategy. (6 marks)

h. Explain the concept of opportunity cost. (2 marks)

i. The company is considering the following options.
Option A: Expanding production capacity to supply international markets
Option B: Introducing a new line of organic, health focused food products

I. Analyze the advantages and disadvantages of each option. (8 marks)

II. Recommend the most suitable option and justify your decision identifying the opportunity cost involved. (6 marks)

j. Define working capital and explain its importance to Lanka Fresh Foods. (4 marks)

k. Calculate the working capital using the information given below: (8 marks)

Cash: Rs. 30,000
Accounts Receivable: Rs. 40,000
Inventory: Rs. 60,000
Accounts Payable: Rs. 45,000
Short-term Loans: Rs. 15,000

Question 02

a. Explain two motivational theories applicable to employee motivation. (8 marks)

b. Select one motivational theory and discuss how Lanka Fresh Foods can apply it to improve employee motivation. (12 marks)

Question 03

a. Explain the importance of having an organizational structure for a growing company like Lanka Fresh Foods. (6 marks)

b. Describe two types of organizational structures. (6 marks)

c. Distinguish between primary and secondary market research giving one example of each relevant to the business. (8 marks)

~End of the Paper~