

BUSINESS STRATEGY

July-August 2023

Time allowed- 3:30 hours

Total marks- 100

[N.B. - The figures in the margin indicate full marks. Questions must be answered in English. Examiner will take account of the quality of language and of the manner in which the answers are presented. Different parts, if any, of the same question must be answered in one place in order of sequence.]

Marks

1. Sangrakshan Zoological Park Ltd (Sangrakshan) is a charitable, not-for-profit company. It is engaged in animal conservation and research and operates a well-known zoo in the country. (Note: conservation is the securing of long-term populations of species in natural ecosystems and habitats wherever possible.) Sangrakshan is home to more than 2,600 animals and attracts around two million visitors a year. In addition to income from visitors, the zoo receives financial support from corporate sponsors, grants for research, donations from benefactors and subscription income from its membership program.

Governance and regulation

Sangrakshan is managed by a board of trustees which has overall responsibility for the zoo's operations. Sangrakshan is a member of The International Zoo Federation (IZF), a global body, which requires each member to achieve certain standards in conservation, education and animal care and to meet certain inspection criteria annually in order to maintain its license to operate.

Staffing

Sangrakshan has a staff of about 200 paid employees, and more than 1,500 volunteers. The zoo is led by a manager who is responsible for the maintenance and growth of the animal collection and who has overall responsibility for the staff. The day-to-day care of the animals is undertaken by zookeepers, supported by qualified vets. In addition Sangrakshan employs a number of staff in catering and retail roles at the zoo's café and shop.

Aims and objectives

Sangrakshan's mission is to focus the zoo's resources on animal conservation and to support this through sustainable commercial activities, including managing the zoo as a first class visitors attraction.

Sangrakshan's strategic goals are stated as follows:

- To maximise the impact of our conservation activities and to undertake research activities which make contributions to conservation programs both in captivity and the wild
- To promote and support the zoo through marketing and the provision of learning opportunities for the public
- To identify and develop alternative income streams to reduce dependency on visitor income

In addition, as part of a desire to gain accreditation for sustainability and environmental management from the IZF, the board has recently identified a fourth goal:

“To follow ethical principles to guarantee the well-being of our animal collection and to manage the operations and development of the zoo to ensure long term sustainability.”

A new chairman has recently been appointed to assist the board in implementing this sustainability initiative and has approached you, as a member of the zoo's finance department, for help:

‘I think I am clear about the vision for the zoo but there appears to be a lack of detail on how the zoo intends to implement that vision. Please could you explain to me the relevance of strategic planning for a not-for-profit organization such as ours, and give me some specific examples of detailed operational objectives that would allow us to meet our first three strategic goals.

As you are well aware we only have a finite budget and so the other thing I am concerned about is how to allocate the resources that we do have, between the various goals and projects that we could undertake.

In order to gain accreditation from the IZF we need to carry out an environmental audit to establish some baseline performance measures in four areas: financial, environmental, human resources and social. These measures will be used for monitoring during the first year of implementation of the sustainability initiative and subsequently. I have attached an extract of the guidance issued by the IZF on sustainability and environmental management in the Exhibit below which should explain more.

Exhibit: Extract from the IZF report on 'Achieving Sustainability'

Achieving sustainability can be defined as reaching a state where all operations of a zoological institution are neutral in the environment.

All IZF members are expected to work towards sustainability by reducing their environmental impact and to lead by example, using green practices and educating staff and visitors about sustainable lifestyles.

An environmental management system (EMS) can provide a structured approach to implementing an environmental program.

An EMS is a set of processes and practices that enables an organization to reduce its environmental impacts and increase its operating efficiency.

An environmental audit measures and assesses the environmental impacts that a zoo's activities have on its surroundings. It considers all stakeholders and also takes into consideration historical and potential future impacts., An environmental audit is a first step in a successful EMS.

"The board of trustees has spent some time defining what sustainability means for the zoo in the four areas identified by the IZF:

Financial - Sangrakshan's income needs to match the zoo's growing expenditure. We want to ensure the application of environmental and ethical standards to our purchasing, sponsorship and investment.

Environmental - Sangrakshan must conduct activities in a way which minimizes any negative impact on the environment (water, waste, energy, transport). Many zoo animals spend considerable periods of time in water and all rely on a plentiful daily supply for health and survival. The zoo intends to implement measures to reduce, reuse and recycle water. Our special exhibits, such as the reptile house, use lots of energy, and in addition to the volume of waste generated by visitors, care of the animals generates considerable natural waste. We need to reduce the amount of energy used and increase efficiency. We want to encourage staff to adhere to environmentally friendly principles promote environmentally friendly methods of transport for staff and visitors.

Human resources - We are committed to the management and development of talent and the application of ethical employment practices.

Social - We are committed to extending the concept of corporate social responsibility to the wider community. Sangrakshan will only use suppliers and contractors that follow ethical principles. In addition, we are keen to increase our participation in the local community, in particular with local schools, to help educate the future generation about the need for sustainable living.'

Requirements:

Prepare a report, in response to the chairman's request for help, which covers the following:

- a) i) Explain the benefits of strategic planning for the zoo. 4
- ii) Give two examples of specific objectives for each of the first three strategic goals identified in the scenario. 4
- b) Identify the issues that Sangrakshan is likely to face in deciding how to allocate limited resources. 5
- c) i) Explain the likely costs and benefits for the zoo of implementing a sustainability initiative. 4
- ii) Assess the likely impact of such an initiative on the zoo's staff and on other key stakeholders. 5

2. Below is an extract from the Business Trends of Dhaka:

'Most of the Bangladesh's big high street banks may be taking the knife to their branch networks - but not all. Brave Bank (Brave), whose Bangladesh ownership is not permitted to obscure its homely, northern flavor, underlined how it is successfully bucking the trend with the opening of its 270th branch at Dinajpur, last week.

Brave cannot claim to have completely escaped the storm of political criticism directed at banks. But it sees the present wave of ill feeling more as a market opportunity than a problem.

Far from dreaming up a novel strategy for the times, however, its tactics seem to be to play on its traditional strengths while the others flounder.

In terms of products Brave cannot claim to be much different from its larger competitors. Its emphasis has been on carving out for itself a different brand image, consolidating its position as a regional bank - though its branches now stretch from Dinajpur to Cox's Bazar - and of winning business from customers who are simply fed up with its rivals.

Brave Bank took a close look at the promotional activities of its competitors last year and found that customers were unimpressed with the stark contrast between expensive advertising imagery and actual delivery. It believed the service its own network delivered was, if anything, running ahead of its image.

With personal and small to medium-sized business accounts as its main target, Brave increasingly makes a virtue of its size and parochialism. Its claims of friendliness and approachability seemed to be supported recently when it was voted best overall bank for customer satisfaction by Which-Bangla, the consumer magazine.

While insistent that it will not necessarily pick up accounts other banks consider too risky, Brave maintains that the greater autonomy and discretion given to its managers guarantees a more considered, sympathetic approach.

Not everyone, however, is impressed. Mr. Karim, the owner of a small but long-established graphic design company who responded to Brave's well-publicized desire to help small businessmen, says he got a sympathetic hearing- and a polite refusal. 'So much for a different approach,' says Karim.

Not content with welcoming suitable refugees from other banks, Brave also has a keen eye for the empty high-street properties vacated by its shrinking competitors. The bank has moved into branch premises vacated by competitors in such cities as Mymensingh, Pabna, Khulna and Barisal, though it remains fussy. It turned up its nose at every branch on a long list of properties put on the market by a midsize bank.

Expansion is undertaken steadily, advancing into new, adjacent areas only when the bank's local presence has been established. With a large chunk of the country now covered, attention is primarily concentrated on expanding within existing areas, rather than on reaching new regional markets.

There are around 70 locations on the bank's expansion list, although only three new branches are projected to open this year. For significant investment a time, no one wants to get the next location wrong.

So far, Brave claims it has never been forced to close down a branch, most of which become profitable in about three years.

Brave does have some things in common with its larger counterparts - apart from its recently reported losses. It shares the appearance of other high-street shops, with the majority of space given to customers, rather than staff.

The Dinajpur branch with its spacious banking hall, is a sign of things to come. Sameer is far too thrilled with his first manager's post to complain about his own, windowless box at the back of the building. In any case, he intends to spend most of his time on the road seeing customers: 'If I'm sitting in here, I'm not making any money, he grins.'

Requirement:

You are a junior consultant working for the management consultancy division of a major Bangladesh accountancy practice. Write a briefing note to your senior consultant (i) on value chain analysis of the bank's operations and (ii) on the competitive strategy being pursued by Brave Bank Ltd.

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3. a) ElecGen is a local electronic manufacturing company operating in Bangladesh. ElecGen plans to grow by offering a sound system, the EP5000, that is superior and unique from the competition. ElecGen believes that putting additional resources into R&D and staying ahead of the competition with technological innovations is critical to implementing its strategy. ElecGen's strategy is:
- i. product differentiation
 - ii. downsizing
 - iii. reengineering
 - iv. cost leadership

Requirement:

Among all the above four strategies, which one you think is the business strategy and why other three should not qualify as business strategy here?

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- b) What is blue ocean and red ocean strategies? Is it possible to use these two strategies for launching products at the same time?
- c) In recent years, Bangladesh has seen a rise in electronic commerce (e-commerce) along with other countries around the world. Many young entrepreneurs have come up with various digital products and services for customers. The availability of the internet and convenience in terms of saving time spent in traffic have helped this growth. However, the sector is yet to reach its full potential. Several challenges hinder its further expansion. Given the significance of the sector in terms of business potential, employment generation and customer service, a research organization held a webinar on Digital Platform Economy in Bangladesh recently. The keynote presentation and experts highlighted how the e-commerce sector can be expanded to serve more customers and also detailed which policy supports are needed for it to become an efficient sector.

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A couple of days before the webinar, the e-commerce sector in Bangladesh came to the limelight in connection with a huge scam of certain e-commerce ventures. Customers paid advances but the companies failed to deliver their products and refund their payments. Even before this revelation, there were red flags regarding the integrity of some online businesses which have been conducting e-commerce. The quality and price of products, delay in delivery of products to customers, difficulty in returning products, risk of not getting refunds, and overall quality of customer service have been the common complaints against a number of companies. The most talked-about company among the lot seemed to have performed every trick to cheat its customers and siphoned off a large amount of money by not refunding customers' advance payments, even though they failed to deliver goods for a long time.

This whole episode of huge fraud by a widely promoted e-commerce platform even by some of the country's respected media has shaken not only the integrity of the company itself, but also of those which have been advertising the services of the company. Of course, in a welcome move, a reputed financial transaction company has immediately disassociated itself with this fraudulent e-commerce platform.

At a time when there is a growing demand for e-commerce in Bangladesh, such irregular practice has destroyed the trust of consumers greatly. E-commerce is performed between businesses and customers based solely on trust as there is no face-to-face interaction between them. Customers rely on the e-commerce entities and pay for whatever product is displayed on the screen. Once the trust is gone, the sector will lose its customers. Retrieving the trust will require a lot of hard work and dedication. Even many large global e-commerce establishments have failed to survive once their reputation was at stake.

In our country there is a section of people who wants to thrive using only unfair means. Unfortunately, this number is increasing every day and not just in the e-commerce sector. The financial sector is another example where incidences of even bigger irregularities are unearthed regularly. The number of willful bank defaulters is increasing. Additionally, dealing with occurrences when people are taking out money from banks and non-bank financial institutions through deceitful ways is also a major challenge for the financial sector. One of the reasons for irregularities with public money is that wrongdoers are rarely punished as they have connections with powerful people. Besides, these new rich with ill-gotten money are adored by society. A section of our society appreciates their wealth, gives them special attention and tries to follow their path in order to earn a luxurious lifestyle just like them. The definition of success to them is to possess wealth by any means and to flaunt the illegal wealth shamelessly.

The case of e-commerce is of course different from other established sectors. This is a new sector in Bangladesh. Regardless, during the ongoing Covid-19 pandemic the e-commerce sector has flourished significantly. Sales through digital platforms increased significantly in 2022 compared to the previous year, according to the e-Commerce Association of Bangladesh. But the size of the sector is still small. Besides, if one goes by the strict definition of "e-commerce", many businesses will not qualify to be e-commerce entities at all. It is not only about having a license to operate the business. The e-commerce company should also have proper policies about shipping, delivery, returns and refunds. Full disclosure on the product and also on the company about its assets and liabilities is a must. Besides, privacy policy on customer information is also an essential requirement for conducting e-commerce. Since many e-commerce companies do not fulfil these pre-conditions, the customers are being deprived of having value for their money and even being cheated by not receiving either the product or a refund.

The absence of a regulatory framework for the e-commerce sector has helped dishonest people to take the opportunity and commit fraud. Many digital commerce operators do not have license or a Tax Identification Number. Recently, the Ministry of Commerce has launched Digital Commerce Operations Guidelines 2021. The guideline instructs that the maximum number of days for the delivery of products will be five days once an advance payment is made by the customer. There are also details on when a company would hand over the ordered product for delivery and what will be the penalty if products are not delivered on time. It also instructs companies to inform customers about order updates through mobile text messages, emails or telephone calls. In case of failure to comply with the guidelines, the government can close down the company. Consumers can also lodge complaints with the Consumer Rights Protection Department and relevant courts.

Increasing customer literacy on digital business is also very important. Due to lack of awareness, customers fall prey to the businesses' tricks which ultimately leave them in distress. Consumer rights associations and media can help such consumers by providing regular information on which companies they should be careful of and how to protect themselves from being cheated.

Requirements:

- i) Explain the key features of E-Commerce Business.

- ii) What are the causes of slow development of e-commerce business in Bangladesh? 3
- iii) What remedial measures can be taken by the government to safeguard interest of the customers? 2
4. a) Mrs. Sarah has set up and run her own bookstore for five years. She faces little local competition and has made strong financial returns from the store. She now has Tk. 15,000 available for investment and plans to open up a second store in a nearby town which currently does not have a bookstore. Her friend, Misah has just returned from completing a university course and has suggested that Sarah should instead invest in a website for her store. He has said that this will allow Sarah to sell her books worldwide and make a much quicker return on her investment than the new store opening.
- Requirement:**
- Evaluate Misah's strategy 4
- b) Fruity Drinks provides fruit juices to a number of supermarket chains, that sell them under their own label. Its marketing manager explains, 'We've got a large number of products. Our freshly squeezed orange juice is doing fine. It sells in the same huge quantities now as it has done for a number of years. Although margins are low, we have sufficient economies of scale to do very nicely in this market. We've got advanced production and bottling equipment and long-term contracts with some major growers. No problems there. We also sell freshly squeezed pomegranate juice: customers loved it in the tests, but producing the stuff at the right price is a major hassle - all the seeds get in the way. We hope it will be a winner, once we get the production right and start converting customers to it. After all, the market for exotic fruit juices generally is expanding fast.
- Requirement:**
- Analysis the position of each of Fruity Drinks products in its portfolio. 4
- c) Combined Air Limited, a leading aviation company in Bangladesh, is involved in passenger and cargo airline business. The company was established in 2001 and since inception, it has maintained leadership in the passenger airline business in Bangladesh.
- The company has been able to leverage on experience, leading to efficiency in its operations which competitors have not been able to replicate. Hence, it has assumed cost leadership position in the industry. The firm currently pursues a low price strategy and offers the lowest fare for all categories of flights (economy, business and first class) in the market and its cargo services. Service quality of Combined Air is adjudged by the flying public as second to none in terms of quality, efficiency and safety with customer benefits rated above those of its rivals.
- As a growth strategy, the company plans to expand its product offerings to include chartered flights. Target market includes politicians, businessmen and high net worth individuals. It is estimated that the chartered flights market is growing at 10% annually. Also, the chartered flights market is currently serviced by only one company; Royal Airlines Limited, which covers only the Lagos-Abuja route. Set up cost is high, thereby providing a barrier for new entrants. The company hopes to leverage on existing competencies in the passenger and cargo market to build the best chartered flights company in the country within the next three years, offering excellent services and benefits that would be difficult to replicate by competitors. It has built a strong relationship with aircraft suppliers and maintenance contractors.
- This will facilitate easy access to needed inputs. It hopes to commence operations across several routes, most of which are not currently serviced by its competitor. The company believes that the capabilities obtained from the passenger and cargo airline business will enable it to offer the lowest fare in the chartered flights industry.
- Requirements:**
- i) Analyse the effectiveness of the current strategy of Combined Air Limited in the passenger airline business. You can use the Bowman's Strategic Clock. 7
- ii) Using Porter's Five Forces model, advise the management of Combined Air Limited on the level of competition in the chartered flights market. 5
- d) A company makes and sells a range of products. One product, the mega-widget, has been produced for about ten years and has been very successful. It is still popular with customers, but profits have fallen to the point where the company is now losing money on the product. The fall in profits has been due to rising costs. Due to competitive pressures in the market, increases in the selling price of the mega-widget have not kept pace with the increases in cost.
- At a management meeting to discuss the problem, it was suggested that some technical alterations could be made to the mega-widget that would reduce costs substantially, but the expected useful life of the product would fall by over 25%. It would be necessary to prevent customers from finding out about any reduction in product quality, because they might switch to buying the products of competitors.

It was agreed that if the technical alterations are not made, the company would have to cease production and sales of the mega-widget. If the technical alterations are made, the product should become profitable again, at least for the next few years.

Requirement:

What decision should management take: should the technical alterations be made to the product, or not? Management is expected to act in an ethical way by the company's board of directors.

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5. The popular word 4IR (Fourth Industrial Revolution) was first came under discussion worldwide in 2011. Executive Chairman of World Economic Forum raised the issue that we are moving into the world of new technology which will dramatically change the work across all industries and services. The fourth IR is a term used to describe an emerging world of work which is shaped by a new technology that are fusing the physical, digital and biological worlds, impacting all disciplines, economies, and industries and even challenging ideas about what it means to be human.

The forces driving 4IR are various digital technologies including robotics, AI, virtual reality, block chain, internet of things, nanotechnology, genomics, biotechnology, cloud computing, 3D printing, big data, and others. We can expect to see smart factories, cyber-physical systems, self-organisation, new systems in distribution and procurement, new systems in the development of products and services, adaptation to human needs, and corporate social responsibility.

If we look back, the industrial revolution happened with the development of new technologies. The First IR began in the 18th century through the introduction of steam and water power and mechanisation of production. The Second IR began in 19th century through the introduction of electrical power and mass production. And the Third IR began in 20th century through the introduction of electronics and programmable logic controller (IT and computer). The Fourth, which is really at its infancy now, began with the use of artificial intelligence (AI), digitalisation, biotechnology, and global connectivity, and has touched the entire systems of production, management, and governance. Billions of people are now connected with mobile devices, and collaborate—using digital tools and AI—and live in a metaverse. 4IR promises to shape the future by linking the physical, digital, and biological worlds more tightly.

The future of work is one where humans, information and communication technologies are intertwined and globalization will accelerate. Countries like, USA, China, Japan, South Korea, and other developed countries are employing AI, robotics, and other advanced technologies to offset the rising labour cost.

There are two views about 4IR. The pessimistic view is that 4IR may lead to massive unemployment and the third world countries shall have to face lot of challenges. The optimist view is that the developing countries should utilize the benefits of technology. If one does not adapt 4IR, he will lose competitive advantages in the global value chain (GVC) and face hardship.

Bangladesh is gearing up for the Fourth Industrial Revolution (4IR). Hardly a day goes by when a national political leader or a prominent civil society stalwart does not bring up the issues relating to 4IR in the national media. One could even say that 4IR is the new buzzword for the country. 4IR is upon us and we can no longer place it in the back seat. Professionals now require to embrace, adapt and adopt those changes in order to remain relevant in our ever changing digital world. These changes are taking place at a breathtaking speed giving little time or nations to prepare.

There are many challenges and opportunities for us as we embrace this major global movement which, if handled adroitly, could lead to major transformation, growth and improvement. So, the million-dollar question is: What are the major policy actions that the government can initiate to prepare the country for 4IR?

A study says 62% of the garments workers will become jobless. Even many knowledgeable workers may lose job due to intelligent machine. The RMG sector in Bangladesh, capitalising the cheap labour, grew during last four decades. It captured world apparel industry. In the garments industry new technology has developed. The robots with artificial intelligence, 3D printing, argument or virtual reality will perform more efficiently. RMG importing countries are USA, EU, Japan, Korea are now encouraged to set up industries in their countries to save time and cost using modern technologies. In that case there will be drastic fall of order for Bangladesh in the RMG and other industrial sectors.

There will be challenges for the accounting and business professionals. Block chain technology is said to be the next incredible breakthrough that will transform the accounting and auditing profession making financial record keeping less costly, more reliable, and more accurate. Many software packages now have built in reporting solutions that produce financial statements and perform repetitive record keeping more efficiently and effectively using Robotic process automation.

It will affect the service as well. In auditing profession also face the challenges; data analytics tools are used to extract volume of data from client's records. The emerging technologies are certainly going to replace several repetitive tasks we now do. Whether Robots will take your jobs dependent on your willingness to adapt and evolve along with the technology. Role of accountants will transform into an advisory role which will require the competence of analysis, interpret using technologies Auditors will not be erased by the rise of AI and Block chain rather these technologies will generate opportunities to enhance audit execution.

Bangladesh is well situated to take advantage of 4IR. It has a growing manufacturing base, skilled manpower, and a creative entrepreneurial class. On the other side, the level of automation is still weak, the manufacturing sector is limited to garments and a few other minor industries, inadequate infrastructure and the institutions leave much to be desired. If Bangladesh wants to grab the opportunities arising from 4IR, it will need to put in place certain measures to overcome issues around accessibility, affordability, and the application of technologies in a fast-moving global environment.

Fortunately, our leadership is fully cognizant of the potential benefits of 4IR and the enormous tasks that lie ahead. The planning minister assured a gathering of business leaders that the government would provide full support for the formulation and implementation of a national strategy to make Bangladesh 4IR-responsive. Necessary arrangements to be made for up-skilling and re-skilling human resources through technology training. Continuous collaboration is needed among the stakeholder; government, industry, technology experts, academia and professionals to bridge the gap of knowledge and skill.

Requirements:

- a) What would be the impact of 4IR for the economies of third world countries like Bangladesh? 5
 - b) How government of Bangladesh should face the challenges of 4IR? 5
 - c) How it may impact on accounting work environment and what would be future plan to face the challenges by the accounting professionals? 4
6. a) The circular economy has now become a buzzword across the world. The concept of a circular economy is a closed and regenerative economic model which is aimed at using and reusing resources as long as possible, keeping the environment in the forefront, whereas a traditional linear economy focuses on the creation, use and disposal of products and material. There is no existence of waste in the circular economy while in the traditional linear economic system, high levels of waste are generated through single-use products created for profit-making motives, ignoring all other social and environmental causes.

An international summit on circular economy was held in Dhaka on 12-13 June where all the participants emphasized the importance of circular economy. The circular economy is the alternative to a traditional economy which is linear, where you produce, consume and through away but in the circular economy scenario there is choice to keep resources in use for as long as possible and extract and harvest the maximum value from the products whilst in use.

In the linear economy, raw natural resources are taken, transformed into products and get disposed of. On the opposite, a circular economy model aims to close the gap between the production and the natural eco-system- on which humans ultimately depend upon. That means on one hand eliminating waste-composting bio-degradable waste or if it is a transformed and non-biodegradable waste, reusing remanufacturing and finally recyling it. On the other hand, it also means cutting off the use of chemical substances and betting on renewable energy.

After a decade of progressive economic growth, Bangladesh is now moving towards developing country status by 2024. With this advancement, the country will need to compromise with the prevailing duty-free, quota-free market access to preferred markets. Undeniably, the future of exports will be a tough one if we are not adequately prepared to deal with this. Apart from this, the ongoing Covid-19 pandemic is shaping a new world economic order that can be presumed to be more complex, where tech-based and global competitiveness could be considered as one of the prime movers for growth and development. In this backdrop, the circular economy could be one of the sustainable economic models that can be used for reducing resource gaps and increasing sustainability in Bangladesh.

If we look at the potential of the circular economy in Bangladesh, its prospects are unquestionably immense. With a population of 170 million, this is the eighth most populous and sixth most densely populated country in the world, with limited natural resources. According to Waste Atlas, Bangladesh's per capita waste generation is 149.7 kg per year. The post-harvest waste of vegetables

and fruits is roughly 30 to 40 percent and food wastage is about 5.5 percent of total procured food, according to some studies. Wastage in daily life is not limited either. Our greenhouse gas emissions from industrial production processes, while much lower than in comparison to many other countries, can still also be reduced.

The circular economy can reduce the use of virgin raw materials and wastage, leading to positive impacts not only on the environment but also in terms of unexploited sources of useable materials, since it could possibly reduce the need for virgin raw materials. In order to create a sustainable circular economic model, a value chain must be created by adopting a digitally equipped process aligned with a better business model. As the prime focus is on using materials for as long as possible, more innovation is needed, including business model innovation. More technological adaption for the digitally equipped business system is also needed to shift from the traditional to the circular economy. Sustainability innovation is expected to create more jobs by turning waste into revenue streams, saving revenue through the use of innovative technologies and providing a new way to solve some of the biggest problems of our time, both locally and globally.

A giant global brand has recently adopted reusable and waste-free packaging in Europe as a test case for its products, such as shampoo, body lotion, toothpaste, deodorant etc, which can be returned to the brand and refilled in stores instead of turning into waste. This is a major leap forward, not only for businesses, but also for consumers and the future generations on a sustainable planet.

In order to adopt a large-scale circular economy, an open mindset is indubitably necessary to accept the changes that are in contrast with the built-in traditional and consumerist attitudes that currently exist. Thought leadership of relevant actors is crucial for greater acceptance of these new ideas. The private sector is the key driver of economic growth, which also drives the largest consumers of the resources of Bangladesh. Public and private co-operation is crucial to transform the challenges into opportunities at a national, regional as well as global level.

At the end of the day, a shift towards a circular economy is ultimately a call to understand Mother Nature and her limited resources, which is practically overlooked in our modern way of life. It is high time to readdress this resource gap by redesigning and re-engineering economic and business models in a resilient and sustainable way, keeping in mind that environmental and societal benefits must be a crucial part of our economic system.

Dhaka Waste Management Company (DWMC) has recently been incorporated. They are negotiating with Dhaka City Corporation (North and south) for recycling the garbage piled up every day in different place of Dhaka city. This has become a great hazard for city dwellers.

Requirements:

You are a manager of a Waste Management Company, prepare a proposal to the government for justifying the issue focusing on the following questions.

- i) Discuss the idea and concept of circular economy with its probable difficulties.. 3
 - ii) How Bangladesh can be benefitted by pursuing a circular economy? 3
 - iii) Do you think that it is a potential pathway for a sustainable economy of Bangladesh? Justify with explanations. 3
 - iv) What are barriers for implementing circular economy in Bangladesh? 3
- b) Fine China is a manufacturer of high-quality dinner services (plates, saucers, bowls, cups etc.) and has a dominant position at the high-quality end of its national market. The market is in a slow decline. Management is considering its strategies for the future. The aim is to achieve a 5% average annual growth in the entity's share price over the next five years.

Requirement:

Suggest briefly a strategy that the entity might adopt if its strategic direction is: 4

- market penetration;
- product development;
- market development; and
- diversification.

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