ourdiu.com | Shared by Md. Ehsanul Haque

OR

A Bangladeshi electronics manufacturer receives many new product ideas from its engineers and marketing team. However, there is no clear process for selecting ideas, testing prototypes, or deciding which projects deserve investment.

As a result, some promising ideas are abandoned while resources are spent on projects with limited market potential.

Analyze **two** weaknesses in the company's current approach. Explain how an Innovation Funnel or Stage-Gate process could help management improve project selection and implementation. Recommend **one** governance mechanism to ensure better innovation decisions. **[CLO3, L4] 7 Marks**

ourdiu.com | Shared by Md. Ehsanul Haque

Daffodil International University
Department of Innovation & Entrepreneurship
Midterm Exam, Fall 2026

Course Code: 0413-311 **Course Title: Managing the Innovation**

Semester: Fall 2026	Examination: Midterm
Time: 1.5 Hours	Full Marks: 25
Section: 30 A	Teachers' Initial: MH

Q1. Answer all questions. **[CLO1, L2] 2×5=10 Marks**

a. Many innovation initiatives fail, yet firms continue to invest in innovation. Explain two reasons why firms cannot afford to stop innovating.
b. Explain the difference between incremental innovation and radical innovation, with appropriate examples.
c. Explain how the Chain-Linked Model differs from the Linear Model of innovation.
d. Explain the concept of the National Innovation System (NIS) and identify two important actors within it.
e. Explain the difference between technology push and demand-pull approaches to innovation.

Q2. A Bangladeshi startup introduces an affordable solar-powered irrigation pump. Although farmers who have tried it report positive results, most farmers in nearby villages are reluctant to adopt it. Some are concerned about reliability, while others prefer to wait until more farmers start using it.

Using Rogers' Diffusion of Innovations theory, analyze two factors that may explain the slow adoption and suggest how the startup could address them. **[CLO2, L3] 4 Marks**

Q3. A Bangladeshi medical technology startup has developed a low-cost diagnostic device. It is considering two strategies: building its own manufacturing and distribution capabilities or collaborating with established manufacturers and healthcare organizations.

Analyze two advantages of strategic alliances over independent expansion in this situation. **[CLO2, L3] 4 Marks**

Q4. A successful Bangladeshi consumer goods company has been operating for 20 years. Its management follows a highly centralized decision-making system. Employees rarely suggest new ideas because they fear criticism or punishment if an experiment fails.

Recently, smaller competitors have introduced innovative products and started attracting the company's customers. The CEO realizes that the company needs to change its approach to innovation.

Analyze **three** organizational barriers that may be limiting innovation in this company. Recommend **two** management practices that could help create a more innovative organization, and justify your recommendations. **[CLO3, L4] 7 Marks**