



MACHAKOS UNIVERSITY

University Examinations 2021/2022 Academic Year

SCHOOL OF BUSINESS, ECONOMICS AND HOSPITALITY AND TOURISM
MANAGEMENT

DEPARTMENT OF BUSINESS ADMINISTRATION AND FINANCE

THIRD YEAR FIRST SEMESTER EXAMINATION FOR

BACHELOR OF SCIENCE IN AGRIBUSINESS MANAGEMENT AND TRADE

AGB 309: AGRI BUSINESS STRATEGIC MANAGEMENT

DATE: 22/8/2022

TIME: 8.30-10.30 AM

INSTRUCTIONS

1. ANSWER Questions **one** and **any other two questions**
2. Use of suitable real practical examples, speculative and imaginative thinking is encouraged

SECTION A

QUESTION ONE (30 MARKS)

Challenges in Horticulture farming,

It is the week before Christmas, and Elizabeth is getting ready to receive visitors at her home in Kyumu village in Machakos County, located in Kenya's Eastern Region. Two of her three adult daughters are busy preparing fresh vegetables from their farm. The youngest is making tea with milk from Elizabeth's cows while the other is preparing juice from farm mangoes. Elizabeth for more than 10 years has been practicing integrated farming

In all directions beyond the neat hedge surrounding the house, trees labor under the weight of mangoes, their branches bent over with the juicy heaviness of the fruit. It will soon be time to harvest, and Elizabeth is expecting a bumper crop. Women like Elizabeth comprise nearly half of the agricultural labor force in the developing world, but their production is limited by barriers to finance, training, technology, and equitable land rights.

Elizabeth explained to the visitors the amount of loss she is expecting to incur due to lack of market connections and problems faced when dealing with the perishable farm products which do not last long after harvest. Finance is needed at all stages of farming process and a lot is spent

before the product is ready. Elizabeth explains the much loss associated with poor pricing due to exploitation of farmers by fresh farm product brokers who buy in bulk for export, choosing the best at low price and leaving the farmer with a lot assumed to be waste to sell to the local market which becomes competitive and finally more becomes waste.

Elizabeth wonders what training is needed, what technology to use, what marketing strategies, pricing strategies, costing strategies to use, as well as financial sources.

Address the following:-

- a) Discuss five reasons why Ms. Elizabeth should have a strategic plan for her firm. (5 marks)
- b) Analyze the six marketing strategies that Elizabeth can use to avoid brokers' exploitation. (8 marks)
- c) As an agribusiness consultant, in reference to the above case study, advise on five areas that horticultural farmers need training, giving justification. (10 marks)
- d) Based on the case identify, discuss seven challenges faced by horticultural farmers. (7 marks)

QUESTION TWO (20 MARKS)

- a) Discuss the meaning and importance of the following terms in agribusiness management.
 - i. Strategy (4 marks)
 - ii. Management policies (4 marks)
 - iii. Management procedures (4 marks)
- b) Analyze four challenges faced by farmer's organizations in formulating and implementing policies and procedures (8 marks)

QUESTION THREE (20 MARKS)

As an agribusiness consultant, assume you are to start an agribusiness enterprise, prepare the following;

- a) Prepare the background information of the enterprise. (3 marks)
- b) Develop the vision of the enterprise. (2 marks)
- c) Develop the mission statement of the enterprise (3 marks)
- d) Develop four Strategic objectives of the enterprise (6 marks)
- e) Discuss the importance of SWOT analyses when developing strategic plan (6 marks)

QUESTION FOUR (20 MARKS)

- a) Advise the government of Kenya on agribusiness success factors to be considered when managing agribusinesses. (10 marks)
- b) Analyze five challenges associated with planning that were faced by agribusinesses during Covid 19 period. (10 marks)

QUESTION FIVE (20 MARKS)

- a) Prepare an operational plan for an agribusiness organization of your own choice. (10 marks)
- a) By use of specific examples, discuss the importance Partnerships and networking in agribusiness. (10 marks)