



# MACHAKOS UNIVERSITY

University Examinations 2018/2019

**SCHOOL OF AGRICULTURE AND NATURAL RESOURCES MANAGEMENT**

**DEPARTMENT OF AGRIBUSINESS MANAGEMENT**

**THIRD YEAR SECOND SEMESTER EXAMINATION FOR**

**BACHELOR OF SCIENCE IN AGRIBUSINESS MANAGEMENT**

**KTB 312: AGRI-ENTERPRISE DEVELOPMENT**

**DATE: 17/4/2019**

**TIME: 2:00 – 4:00 PM**

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**INSTRUCTIONS:**

**Answer Question One and Any Other Two Questions**

**QUESTION ONE (COMPULSORY) (30 MARKS)**

- a) Define the following terms:
- i) Agribusiness incubator (1 mark)
  - ii) Empirical entrepreneur (1 mark)
  - ii) Contingent forecasting (1 mark)
  - iv) Micro enterprise (1 mark)
  - v) Market orientation (1 mark)
- b) i) Explain three roles of customer relations in an agri enterprise. (3 marks)  
ii) Describe three functions that an entrepreneur is expected to perform in a poultry business in Nyeri (3 marks)
- c) i) Explain the difference between a manager and an entrepreneur in the context of agriculture (5 marks)
- d) ii) Describe three steps followed in performing a control and evaluation of a system (3 marks)
- e) Outline five steps in followed in the process of registration of an agri enterprise Kenya (5 marks)
- f) i) Explain four importance of a business plan to an entrepreneur (4 marks)  
ii) Explain two techniques used in decision making by an entrepreneur (2 marks)

## **QUESTION TWO (20 MARKS)**

- a) i) Describe five methods of forecasting in the context of agri-enterprise (5 marks)
- ii) A poultry farmer in Kitui is seeking skills on marketing of chicken. As an agribusiness officer describe the most suitable business incubator for this farmer. Justify your choice of the business incubator (5 marks)
- b) Explain the difference between the latent resource argument and employment argument in agri-enterprise development (10 marks)

## **QUESTION THREE (20 MARKS)**

- a) i) Explain five of the sources of financing Agri enterprises in Kenya (5 marks)
- iii) Describe five areas of challenges in financing of Agri enterprises in Kenya (5 marks)
- iv) Explain five solutions to the challenges of financing agri enterprises in Kenya. (5 marks)
- b) Describe five approaches that are used in a developing country like Kenya to link agri entrepreneurs to agricultural markets (5 marks)

## **QUESTION FOUR (20 MARKS)**

- a) i) Outline five characteristics of an agri-entrepreneur in an agri-enterprise (5 marks)
- ii) Describe five Institutions that facilitate and support agri entrepreneurs in Kenya (5 marks)
- b) Discuss the role of small business in the economic development of Kenya. (10 marks)

## **QUESTION FIVE (20 MARKS)**

- a) i) Discuss the challenges to Agri enterprise development in Kenya. (5 marks)
- ii) Propose five solutions to the challenges of Agri enterprise development. (5 marks)
- b) i) Describe five constituents of working capital for a small wheat business in Nanyuki. (5 marks)
- ii) Explain two types of customer relations in an Agri-enterprise. (5 marks)