



MACHAKOS UNIVERSITY

University Examinations for 2016/2017

SCHOOL OF AGRICULTURE AND NATURAL RESOURCES MANAGEMENT

DEPARTMENT OF AGRICULTURAL EDUCATION AND EXTENSION

FIRST YEAR SECOND SEMESTER EXAMINATION FOR DEGREE IN

BACHELOR OF EDUCATION (SCIENCE)

KBT 107: INTRODUCTION TO AGRIBUSINESS MANAGEMENT

DATE: 5/6/2017

TIME: 2:00 – 4:00 PM

Instructions:

Answer question ONE and any other TWO questions

QUESTION ONE (COMPULSORY) (30 MARKS)

- a) Differentiate between agribusiness management and agri-enterprise development (4 marks)
- b) Explain five ways you could advice your county government to unlock the potential of agribusiness performance at county and sub-county (5 marks)
- c) Explain the theory of transaction costs as applied in institutional structures of vertical coordination in agribusiness industry (5 marks)
- d) Describe THREE part system of the agribusiness sector (6 marks)
- e) Describe FIVE reasons why agri-food systems are increasingly demanding greater coordination between players at every level of agricultural supply chain (10 marks)

QUESTION TWO (20 MARKS)

- a) Describe any five functions of management of agribusiness enterprise (10 marks)
- b) The majority of the world poor lives in rural areas and relies on agriculture for their livelihoods. As an agribusiness advisor explain five ways of enhancing agro-enterprise development in rural areas (10 marks)

QUESTION THREE (20 MARKS)

- a) Farmer's cooperation in increasingly becoming a crucial strategy for integrating farmers into modern agribusiness value chain. As an agribusiness advisor, explain five reasons why you would advise farmers to form cooperative in Kenya (10 marks)
- b)
 - i. Explain five challenges facing agribusiness sector in Africa (5 marks)
 - ii. As an agribusiness advisor explain five policy interventions that you could recommend to address above-mentioned challenges (**in b**) facing agribusiness sector in Africa (5 marks)

QUESTION FOUR (20 MARKS)

- a) Explain four distinct phases of agro-entrepreneurship process. (4 marks)
- b) Explain any three types of agribusiness structure, giving relevant examples in Kenya (6 marks)
- c) Starting an agribusiness is rewarding, however, it might result to failure and loss of resources. As an agribusiness expert advice, an entrepreneur who wishes to invest in agribusiness on any five requisites of starting a successful agribusiness venture (10 marks)

QUESTION FIVE (20 MARKS)

- a) Describe the dualistic model of agricultural value chains, citing relevant examples from Kenyan food system. (10 marks)
- b) Inclusive access to market is a major constraint facing smallholder's farmers in Africa. As an agribusiness expert explain five approaches you could apply to foster inclusive agribusiness models that aim to integrate smallholder's farmers into the market. (10 marks)