



The Co-operative University of Kenya

END OF SEMESTER EXAMINATION DECEMBER-2019

**EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE IN
AGRIBUSINESS MANAGEMENT**

UNIT CODE: BAFS 1101

UNIT TITLE: INTRODUCTION TO AGRIBUSINESS MANAGEMENT

DATE: NOVEMBER, 2019

TIME:

INSTRUCTIONS:

- Answer question **ONE (compulsory)** and any other **TWO** questions

QUESTION ONE

- a) The agricultural sector in Kenya is the backbone of the economy with a great potential for growth and transformation. It contributes about 33% of total Gross Domestic Product (GDP). The sector contributes an additional 27% to GDP through linkages to other sectors such as manufacturing, distribution and services. The sector employs more than 40% of the total population and about 70% of the rural population. The agribusiness sector has a critical role in sustaining the Kenyan economy. Enumerate the key challenges facing the agribusiness sector in Kenya (10 Marks)
- b) Discuss the role of human resources in the growth of the agribusiness sector in Kenya (8 marks)
- c) For any four legal forms of business discuss the merits and demerits of each in agribusinesses enterprises (12 Marks)

QUESTION TWO

- a) Discuss the four major functions of capital in an agribusiness enterprise (8 Marks)
- b) Financial management is critical to the success of agribusinesses in Kenya. Discuss the major issues to be considered in acquiring capital for growth and expansion of agribusinesses in Kenya. (12 Marks)

QUESTION THREE

Discuss the marketing challenges facing agribusinesses in the dairy value chain. How can managers overcome these challenges for improved profitability and growth (20 Marks)

QUESTION FOUR

- a) Outline five strategic priorities that have been identified to be key to trigger agribusiness growth in Kenya (10 Marks)
- b) How can the agribusiness sector use the above priorities to ensure sustained growth in the next decade (10 Marks)

QUESTION FIVE

- a) The agribusiness sector in Kenya to date has been largely ‘supply driven’, i.e. it has focused on production and getting the product to market. It has not concerned itself with the needs of the market, and how to satisfy them. Discuss the strategies that the sector needs to take to ensure that the sector so that it understands the needs of, and produces for, the market. (14 Marks)
- b) What can the Kenya government do to ensure that the above is achieved (6 Marks)