



“Investing in Africa’s future”

COLLEGE OF HEALTH AGRICULTURE & NATURAL SCIENCES

NAEC 502: AGRIBUSINESS STRATEGY & POLICY

END OF FIRST SEMESTER FINAL EXAMINATIONS

NOVEMBER 2022

LECTURER: DR K. MUKUMBI

DURATION: 3 HOURS

INSTRUCTIONS

1. Do not write your name on the answer sheet

2. Use Answer Sheets Provided

3. Begin your answer for Each Question on a New Page

4. Credit is Given for Neat Presentation

SECTION A

Answer ALL questions in this section

Question 1

Read the passage SWOT analysis below and answer the questions that follow.

a) Kenya tea industry SWOT analysis

STRENGTHS <ul style="list-style-type: none">• favorable climate for tea production• strong research support from Tea Research Foundation• High yield varieties• 3rd largest producer of black tea globally• High quality tea	WEAKNESSES <ul style="list-style-type: none">• Rising costs of production• Poor infrastructure• Child labor problems
OPPORTUNITIES <ul style="list-style-type: none">• Consumers interest in healthy beverages• Health benefits of tea• Green tea• New products- bottle iced tea and flavored tea	THREATS <ul style="list-style-type: none">• Climate change• Oversupply of tea on global market leading to lower prices• Availability of cheap alternatives- water, soft drinks

You have been hired as a consultant by a tea producer in Kenya. You are required to advise them on strategies that they can implement in order to succeed. Your recommendations should respond to the questions below:

- i. How can the tea producer take advantage of the strengths of the tea industry? (5 marks)
- ii. Describe how the tea producer could minimize the impact of the tea industry weaknesses on the company? (5 marks)
- iii. Describe how the tea producer can take advantage of the opportunities of the Kenyan tea industry? (5 marks)
- iv. What can the tea producer do to avoid the threats facing their business? (5 marks)
- v. How can the tea producer turn the threats into opportunities for their business? (5 marks)

Question 2

- a) Describe the business case and the moral case for engaging in CSR and environmentally sustainable business practices. (5 marks)
- b) What can each of the following stakeholders do to combat harmful and unethical business practices in the agribusiness sector:
- i. agribusiness enterprises? (5 marks)
 - ii. consumers? (5 marks)
 - iii. policy makers? (5 marks)
 - v. NGOs? (5 marks)

SECTION B

Answer any TWO questions in this section

Question 3

Read the passage below and answer the questions that follow.

DripTech Irrigation provides an end-to-end solution by advising on design and installation of irrigation and pump systems, supplying all the required equipment, and offering spares and technical back-up. We believe in building long-term relationships and creating lifetime partnerships and support for clients.

DripTech Irrigation is a family business that started in 1995 as a micro-irrigation company. It later expanded to providing for urban water requirements in the form of borehole pumps, storage tanks, pressure tanks, booster pumps and related fittings and controllers.

In recent years, the company has grown its outlet network within the capital city and regionally, whilst expanding its line of products considerably to become a one stop irrigation and urban water provider. The product lines now cover drip irrigation, centre pivot irrigation, overhead and micro-jet irrigation. In addition to this the range of pumps has grown to include submersible, booster, de-watering, mining and firefighting pumps. A wide range of filters and fittings is also offered, along with borehole equipment and generators.

You work at Driptech and have been asked by your supervisor to develop the following statements for the organization:

- a) Vision statement (5 marks)
- b) Mission statement (5 marks)
- c) Statement of values (5 marks)
- d) Two strategic objectives (5 marks)
- e) Two financial objectives (5 marks)

Question 4

You are hired as a consultant by a seed company to develop a Corporate Social Responsibility Strategy for the company. Include strategies for each of the 5 components of a CSR strategy. (25 marks)

Question 5

As a consultant you have been asked by an agribusiness owner to advise them on strategies for (1) gaining a sustainable competitive advantage and for (2) operating successfully in the volatile, uncertain, complex business environment in Zimbabwe at the moment. What are your recommendations? Justify each recommendation. (25 marks)

END OF EXAMINATION PAPER