



“Investing in Africa’s future”

COLLEGE OF HEALTH, AGRICULTURE AND NATURAL SCIENCES

NAEC 211: INTRODUCTION TO AGRIBUSINESS MANAGEMENT

END OF FIRST SEMESTER FINAL EXAMINATIONS

NOVEMBER 2021

LECTURER: DR K. MUKUMBI

DURATION: 5 HRS

INSTRUCTIONS

Answer **ONE** question

All questions carry equal marks (100).

QUESTION 1

Read the passage below and answer the questions that follow.

- a) A 21-year-old recent graduate from an agricultural college wants to start up a peanut butter manufacturing business. They require funding to buy their initial inputs, equipment, marketing and for renting a space for them to operate their business. The recent graduate currently has no savings. They inform you that they have approached 7 banks requesting for a start-up loan but they have been denied by all 7 banks. The graduate asks you for advice on what they should do next. Write a message to the graduate advising them on what they should do next and justify each recommendation you give them. Your response should be 2 pages. (20 marks)
- b) Which was your favorite Agribusiness Management topic covered in class? Explain why this was your favorite topic? How will you apply the knowledge on your favorite Agribusiness topic to your career after graduation? (30 marks)
- c) You have been hired as a farm manager at a potato farm in Manicaland. The farm employees have been stealing fertilizers, agrochemicals, seeds, tools, equipment, machinery, fencing material, and agricultural produce. Justify your responses.
- i. What can you as the manager do to prevent theft on your farm? Justify your responses. (30 marks)
- d) Explain how the unique characteristics of the agribusiness sector influence your planning and decision making as an agribusiness manager? (20 marks)

End of Question 1

QUESTION 2

- a) You are hired as an intern in the Agribusiness department at First Capital Bank. The bank wants to launch a new financial product – loans for small and medium scale enterprises engaged in production of canola. You have been asked to assist in developing a list of questions that will be used to assess whether an applicant should be granted a loan.
- i. Develop a list of 10 questions that you think should be asked to the loan applicant in this case? (15 marks)
 - ii. For each question explain why you have included that particular question in the list. (20 marks)
- b) Recommend 5 activities that the bank should do to verify the information that the loan applicants provide when they complete the form? Justify why you think each of these activities is important? (15 marks)
- c) You are interested in starting your own agri-retail shop and you visit an agriretailer owner for advice. The agriretailer informs you that because demand for certain agrochemicals is high and supply is low they are making a lot of money by taking packaging of well-known agrochemical brands and then filling the containers with their own chemical formula which does not have any active ingredients and selling it to consumers as if it were the original product.
Write to the agriretailer association explaining to them why it is important for their members to conduct their business in an ethical manner. Your response should be 2 pages. (20 marks)
- d) Low productivity is a problem in some enterprises. How would you address the problem of low productivity in the following cases?:
- i. A soybean farm – low yields (10 marks)
 - ii. Sales representatives of a tractor sales company- low sales (10 marks)
 - iii. Research and development unit of a legume seed company.
-low output of new varieties and very slow process (10 marks)

End of Question 2

QUESTION 3

- a) You are an agribusiness loan officer. You have been asked by some horticulture producers to write a 3-page essay with tips on how to prepare a successful loan application to a bank. (30 marks)
- b) Reflect on what you learned in this course.
- i. In your opinion, what is the most important idea you learned in this Agribusiness Management course? Explain why you think this is the most important idea. (10 marks)
 - ii. Where and how will you apply this important idea? (30 marks)
- b) You have been hired as a farm manager at an 800ha macadamia farm in Manicaland. After working at the farm for a month, you discover that farm employees have been stealing fertilizers, agrochemicals, seeds, tools, equipment, machinery, fencing material, and macadamia nuts. Other people from the neighbouring communities are also stealing the macadamia nuts and selling them for \$4/kg.
- i. What can you as the manager do to prevent and reduce theft on your farm? Justify your responses. (30 marks)

End of Question 3