

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF
MASTERS OF AGRICULTURAL ECONOMICS**

AGEC 842: AGRIBUSINESS MANAGEMENT

STREAMS: MSC (AGEC)

TIME: 3 HOURS

DAY/DATE: MONDAY 10/12/2018

8.30 AM – 11.30 AM

INSTRUCTIONS:

Answer Question One and any other Two

Question One (20 Marks)

- (a) Explain how the controlling management function can be accomplished using the data found in the balance sheet and the profit and loss statement. Name two of its uses. [6 marks]
- (b) Discuss four stages in a product lifecycle. [8 marks]
- (c) Discuss three behavioral considerations affecting strategic choice. [6 marks]

Question Two (20 Marks)

- (a) Analyse the basic steps of capital budgeting. [10 marks]
- (b) Use an example to explain how the profit and loss statement differs from a cash flow statement for a business. Which one is more important to a business. [10 marks]

Question Three (Marks)

- (a) Using an example evaluate the main components of a marketing plan. [10 marks]
- (b) Explain the difference between diversification and differentiation strategies. [10 marks]

Question Four (20 Marks)

- (a) Distinguish between strategic and tactical decisions and give an example of each. [10 marks]
- (b) Discuss the relevance of TOWs matrix in strategic planning process. [10 marks]

Question Five (20 Marks)

- (a) Explain benefits of strategy evaluation. [5 marks]
 - (b) Describe how the basic financial statements interrelate. [15 marks]
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