

LAIKIPIA



UNIVERSITY

UNIVERSITY EXAMINATIONS

FIRST SEMESTER 2025/2026 ACADEMIC YEAR

FOURTH YEAR EXAMINATION FOR THE DEGREE
OF BACHELOR OF AGRICULTURAL ECONOMICS AND
AGRICULTURAL EDUCATION

AGBM 430/AGBM 112: AGRI-BUSINESS MANAGEMENT I

STREAM: Y4S1 AGBM

TIME: 2 HRS

DAY: FRIDAY [11.30 A.M-1.30 P.M]

DATE: 30/01/2026

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

PLEASE DO NOT OPEN UNTIL THE INVIGILATOR SAYS SO.

INSTRUCTIONS

Answer question one and any other two questions

QUESTION ONE: (30 marks)

- a) In the recent years, the rising costs of agricultural production has become a substantial problem. This has destabilized prices both for producers and customers. How has the Kenyan government managed the shocks caused by high costs of production? **(10 marks)**
- b) Agribusiness is a complex system with very many predominantly sub-systems that support the food system. How has the Ukraine –Russia conflict disrupted food-systems? **(12 marks)**
- c) How can agribusiness managers ensure efficiency and effectiveness in the management of agribusinesses? **(8marks)**

QUESTION TWO: (20 marks)

- a) Today's consumer is increasingly cautious and aware of issues related to food safety and quality. Identify some of the tools used by supermarkets to improve the way food is tracked, transported and sold to consumers across African countries. **(10 marks)**
- b) Why is the agribusiness sector considered unique? Compare this industry with firms outside the agribusiness sectors. Give reason for your answers. **(10marks)**

QUESTION THREE: (20 marks)

- a) How do the interdependent subsystems in agribusiness work together to contribute to effective and profitable decisions. **(10 Marks)**
- b) Define management in your own words. Explain the differences in the four functions of an agribusiness? **(10 Marks)**

QUESTION FOUR: (20 marks)

- a) Describe five challenges facing agribusiness development in Kenya and propose viable solutions **(10 Marks)**
- b) Why is it that management of agribusiness firms of the past was relatively simple compared to the current agribusiness firms? **(5 Marks)**

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- c) How can a manager apply the scientific theory of management to design an effective system for a growing agribusiness firm? **(5 Marks)**

QUESTION FIVE: (20 marks)

- a) Using an illustration of a value chain of your choice, identify and discuss the various types of risks encountered along the value chain. **(10 marks)**
- b) Digital agriculture has affected the sustainability of food systems by utilizing innovative, data-driven technologies for agri-food value chains and agricultural production practices. Explain **(10 Marks)**