

WOMEN'S UNIVERSITY IN AFRICA



Addressing gender disparity and fostering equity in University Education

FACULTY OF AGRICULTURAL SCIENCES

BSc AGRICULTURE HONOURS DEGREE IN AGRIBUSINESS MANAGEMENT

MAIN PAPER

AG 214 : AGRIBUSINESS MANAGEMENT STRATEGIES

INTAKE : SECOND YEAR FIRST SEMESTER

DATE : JANUARY 2021 TIME: 3 HOURS

INSTRUCTIONS

Answer any four questions

Question 1

A local Zimbabwean seed producing company did a SWOT analysis and produced the results shown in table 1.

Company's Goal

To enhance the productivity of Southern and Eastern Africa farms through the provision of quality seed of the food crop varieties best suited to each ecological environment in the region.

Table 1. SWOT Analysis

<p>Strengths</p> <p>Marketing:</p> <ul style="list-style-type: none"> • Distribution network. • Market knowledge. • Brand equity. • <p>Production:</p> <ul style="list-style-type: none"> • Excess processing capacity. • Good product quality. <p>Finance</p> <ul style="list-style-type: none"> • Low levels of debt. • Producer owned and controlled. • Established credit rating. <p>Human resources</p> <ul style="list-style-type: none"> • Management has experience in seed production systems • Labour force is skilled in the seed processing operations. <p>Technology / Research</p> <ul style="list-style-type: none"> • Control of breeding lines of basic seed • Experienced breeders 	<p>Weaknesses</p> <p>Marketing:</p> <ul style="list-style-type: none"> • Declining regional sales <p>Finance:</p> <ul style="list-style-type: none"> • Declining sales, profits and cash flows • Shortage of foreign exchange <p>Production</p> <ul style="list-style-type: none"> • Declining farmer/ producer capacity <p>Human resources:</p> <ul style="list-style-type: none"> • Inability to hold on to qualified staff •
<p>Opportunities</p> <p>Change forces:</p> <ul style="list-style-type: none"> • Regionally there is growing retail demand for seed. • Shift in farm level production capacity • Potential to earn foreign exchange 	<p>Threats</p> <p>Locally:</p> <ul style="list-style-type: none"> • Government policy • Capital flight <p>Competitive forces:</p> <p>Increased rivalry from international producers.</p>

The company has requested you to craft a new strategy based on the results of their SWOT analysis. Write a report justifying the strategy/ strategies you would prescribe for them. [25]

Question 2

Discuss the key elements of a successful agribusiness strategy [25]

Question 3

Explain using example why agribusiness strategies evolve over time [25]

Question 4

Outline the importance of a business model and discuss how it relates to agribusiness strategy. [25]

Question 5

- a. Describe and explain the environmental factors that can affect an organisation's strategy. [10]
- b. Describe and explain how you would analyse Competitive Environment for an agribusiness firm. [15]

Question 6

Porter's Five Forces Model of competitive advantage is widely recognised as having made a valuable contribution to corporate decision making and understanding. Explain the Model and assess whether it is still relevant in the modern business environment. [25]

END OF PAPER