



**STRATHMORE BUSINESS SCHOOL**

MASTER OF MANAGEMENT IN AGRIBUSINESS

END OF SEMESTER EXAMINATION

**MMA 8202: LEADERSHIP, GOVERNANCE AND ETHICS IN AGRIBUSINESS**

**Date:** Saturday, 28<sup>th</sup> August 2021

**Time:** 3 Hours

**Instructions**

1. This examination consists of **SIX** questions.
2. Answer **QUESTION ONE** and **ANY OTHER THREE** questions.

**Question 1 (Mandatory) (25 marks)**

- a) Give the technical definition of: **(5 marks)**  
Natural Moral law:  
Extorsion: Integrity:  
Corruption:  
Governance:
- b) What is the difference between ethics and morals? **(5 marks)**
- c) What is the difference between personality, character and temperament? **(5 marks)**
- d) Explain the golden rule and how it links with the first principle of morality. **(5 marks)**
- e) Briefly explain the characteristics of the natural moral law **(5 marks)**

**Question 2 (25 marks)**

You have employees in your farm as follows: a choleric lady, a phlegmatic old man, a sanguine young lady and a phlematic young man. Explain a) the characterists of each, **(12 marks)** which work will you assign to each **(4 marks)** c) how would explain to them that due to the COVID situation they would have to have a reduction of 20% in their salary to avoid having to retrench one of them **(9 marks).**

**Question 3 (25 marks)**

You have become an ethical advisor for agribusiness. A county asks you to prepare a guideline for new agribusiness the county is interested to promote. They would like the guidelines to be based on the 6 Social Ethical Principles. The guidelines should be clear and simple so that simple farmers can understand and appreciate them. **(4 marks each, and 1 for clarity)**

**Question 4 (25 marks)**

The Ministry of Agriculture has started an inniciative to train young people interested in working in agribusiness in their leadership skills. They request you to prepare a short booklet based on Indra Nooyi expoused 5 C's.

- a) Explain each, explain how strong are you on each with some real-life example **(15 marks)**  
b) propose a motivating example for each based on your agribusiness experience.  
**(10 marks)**

### Question 5 (25 marks)

#### Case Study

*“Camellia, the British agriculture and engineering firm hit by allegations of human rights abuses on its avocado farming estate in Kenya, said today that it has settled with claimants for up to £4.6 million.*

*The Kent-based firm has a majority stake in Kakuzi, an avocado farm the size of Manchester that was being sued by law firm Leigh Day on behalf of 79 individuals.*

*Claims, which dated from 2009 to January 2020, included that the farm's security guards battered a local man to death for stealing avocados, and employees raped 10 women in nearby villages.*

*Kakuzi had supplied British supermarkets including Sainsbury's, Tesco and Lidl with avocados until all three cut ties after news of the lawsuit emerged last October.*

*The sum covers "payments for the individual claimants" as well as contribution to their legal fees, and the costs of new safeguarding work - including Kakuzi bringing in independent experts IBIS to conduct a human rights impact assessment of its operations.*

*It said: "The companies hope that this resolution will clear the path for the investigations into the allegations and, as required, prosecution of any offenders."*

<https://www.standard.co.uk/business/camellia-kakuzi-human-rights-abuse-settlement-b919426.html>

The Kakuzi case has really detract the good name and the economy of the firm and of all investors. There was a clear lack of prudent management both at Camelia and the local managers of Kakuzi. Explain the 9 elements of prudence and how both Camelia and Kakuzi did not follow them.

**(3 marks for each of the first 8 and one for the last one)**

### Question 6 (25 marks)

For some people Camelia and Kakuzi purpose seems to follow the shareholder theory. They nevertheless seem to have been judged following a stakeholder theory.

- a) Explain what might the directors follow the shareholder theory **(8 marks)**  
b) Explain the advantages that Kakuzi can achieve following the stakeholder theory **(9 marks)**  
c) Using the Maxwell graph classify Kakuzi stakeholders **(8 marks)**