Strathmore
UNIVERSITY

STRATHMORE BUSINESS SCHOOL

M MASTER OF MANAGEMENT IN AGRIBUSINESS
END OF SEMESTER EXAMINATION

MMA 8202: LEADERSHIP, GOVERNANCE AND ETHICS IN AGRIBUSINESS

DATE: Thursday, 13th November 2025 **TIME:** 14:00 – 17:00

Instructions

1. This examination consists of FIVE questions.
2. Answer **Question 1** (required) plus **3 additional questions** of your choice.
3. This exam is worth **60%** of your final grade and has a total of **60** points.
4. Each question must start on a **fresh page**. If your previous answer ends mid-page, leave the remaining space blank and begin the next question on the following page.

QUESTION ONE (30 MARKS)

One November day, Junseo Jang arrived home very excited and with great news. He had been promoted within his company. However, Jia, his wife, did not seem very happy. Her laconic answer was: 'Will it mean moving again to another city?'

Junseo and Jia had three children, two girls and one boy of 12, 9 and 5 years of age respectively. Since Junseo entered his current firm as a salesman 15 years before, he had been displaced three times to different cities in the country, although they had been living in the capital for the past five years. Jia did not like so many changes of residence but she loved her husband and tried to adapt to them. But now it would be different. Two years before, she had been hired as an English teacher at the school her daughters attended. She was comfortable in her job and her work schedule was compatible with adequate dedication to her family, which she adored. In addition, she had made several friends among other mothers with daughters in that school. The girls also had good relationships with their schoolmates.

Junseo's dedication to his family was not as intense as that of his wife. Owing to his work, he had to travel a lot and often arrived home very late. The weekend, however, was devoted intensely to his wife and children. Having consolidated his professional situation in the commercial field, he was comfortable with his work and he earned a good living.

The commercial reputation of Junseo and the prizes he won for reaching sales goals did not make his wife fully happy. Once, Jia had commented: 'I would prefer fewer prizes and more dedication to your children'. Expressions like these upset Junseo, who acknowledged that his

work absorbed him, but, in his words, it was 'so that the whole family can have a better quality of life. Also, on weekends I'm with you'.

Junseo, seeing Jia's unhappy face, explained the situation carefully. The organization where he worked had grown significantly, with strong expansion inside and outside the country. He was manager of the company's flagship product for the Seoul metropolitan area. He continued speaking:

Look, I've been offered a fantastic position. You know that after so many years of effort, I now speak English fluently. The opportunity has come to take an international leap. Here I would never get very far. I'm 39 years old and it is very unlikely that I will be promoted to regional commercial director in the foreseeable future since the position is held by someone 43 years of age who is highly valued by the company. I will be the company's representative for Europe and then … who knows how far I will go. They have promised me an incredible salary package. In addition, they have committed to providing me with financial help for the move and, if necessary, they will give me a low interest loan for the same purpose. We will sell the house we have here and buy another one in London. At the moment, it won't be a very elegant neighbourhood, as housing is very expensive there, but everything will come. In addition, the children will be able to go to British schools, learn English very well and have a greater international vision.

Jia listened in silence, but her unenthusiastic expression did not change. Finally, Junseo concluded: 'They want me to start at the beginning of the year, but you will not have to move yet. This way the children will finish the year in their current school. In the meantime, I will look for a small apartment and we will communicate every day by Skype. I will come home once a month and spend four or five days here too. The company will pay for these trips. In summer, we will sell the house and we will all move to London. What do you think?'

a. Having read Junseo's case, what is the problem and what alternatives can be proposed? **(2 marks)**
b. Junseo seems to have almost concluded. Is he acting with practical wisdom? State and explain any four virtues allied to prudence that are missing in his judgment. **(9 marks)**

c. What are **three** conditions from the Doctrine of Double Effect that determine whether Junseo's action (a trip that could positively or negatively affect his children's education) is morally acceptable? **(6 marks)**

d. The Triple Font Morality (TFM) is a framework for making moral judgement based on three morally significant elements present in any decision. State and briefly explain all the three elements. **(3 marks)**
e. Understanding temperament can be enormously helpful in daily life--on the job, at home, and in our relationships. Once you know your temperament you gain an immediate insight into your natural strengths and weaknesses, your hot buttons, and your emotional tendencies. With this knowledge you can better recognize what is good for you while avoiding emotionally debilitating situations, work-related missteps, relationship bungles and poor life choices.

Elias was born in a small, sleepy village surrounded by towering mountains and dense forests. From a young age, he felt the weight of the world around him. While other children played with

carefree laughter, Elias was always the observer, lost in thought as he watched the sun fade over the horizon or the leaves fall silently to the ground. He was moved by the subtleties of life—the sigh of the wind, the shadow of a bird in flight, the gentle crackling of a fire. These small moments stirred something deep within him, sparking a quiet melancholy that seemed ever-present.

Growing up, Elias found solace in books and music. The pages of novels took him to distant lands, but it was the human condition that most captivated him. He found himself drawn to stories of loss, love, and longing—where the fragility of life was laid bare. Classical compositions filled the evenings, their mournful strings and delicate piano notes matching the rhythm of his own soul.

Yet, despite his introspective nature, Elias was not a man who shunned the world. On the contrary, he loved deeply. His connections with others, though few, were profound. He could sense the unspoken burdens people carried and often became their quiet confidant. People were drawn to him for his empathy, for he had a way of seeing beyond the surface into the heart of their troubles.

One such relationship was with Clara, a young woman whose laughter could light up any room but whose eyes carried a quiet sorrow. She, too, understood the ache that accompanied the beauty of life, and the two of them shared countless evenings walking through the village, their conversations wandering through dreams, fears, and everything in between. In Clara, Elias found a kindred spirit—someone who understood the melancholic undercurrent that flowed through his life.

However, as life tends to unfold, moments of joy were always tinged with sadness for Elias. The passing of seasons, the inevitable goodbyes, and the loss of loved ones left him in states of deep reflection. After Clara moved away to chase her own dreams, a new layer of solitude enveloped him. He missed her presence but understood that their time together was a chapter, not the whole story.

In his later years, Elias became known as the quiet sage of the village. Children would come to listen to his stories, and though his tales were often tinged with sadness, they carried a profound wisdom. He spoke of life's impermanence, the beauty in fleeting moments, and the value of finding meaning in the midst of sorrow.

One cold autumn evening, as Elias sat by the fire, he reflected on his life. It had been a life filled with quiet moments and tender memories, shaped by the bittersweetness of love and loss. And though he had always carried a melancholic heart, it had been a life well-lived, one where every tear, every sigh, every fleeting joy had contributed to the richness of his experience.

As the fire slowly dimmed, Elias closed his eyes, a peaceful smile on his face. His story, one of quiet beauty and melancholic grace, would remain in the hearts of those who had been touched by his wisdom—a testament to the deep, gentle soul of a true melancholic.

i. Elias is a true *melancholic*. State any four of his **strengths** and any four of his **weaknesses**. **(8 marks)**

ii. Imagine Elias is your subordinate at work. State any two things you can do to motivate him and make him comfortable at work. **(2 marks)**

QUESTION TWO (10 MARKS)

Waste Concern Cash for trash in Bangladesh

The Waste Concern Croup is a non-governmental research organization, working closely with government, the private sector, international organizations and local communities to improve the environment in Dhaka, Bangladesh, and in other regions of the country. It was founded in 1995 by the architect Maqsood Sinha and the engineer Iftekar Enayetullah. Its motto is: 'Waste is a resource'. Since then, they have contributed to waste recycling, environmental improvement, renewable energy and poverty reduction through job creation and sustainable development.

The organization is 'non-profit', though it is connected to four 'for-profit' companies, two based in Bangladesh that are branches of Waste Concern (Waste Concern Consultants and Waste Concern Baraka Agro Products Ltd), and two based in the Netherlands (WWR Bio Fertilizer Bangladesh Ltd and Matuail Power Ltd) that are a joint venture of Waste Concern and World Wide Recycling BV. The latter is an international investor and operator of sustainable waste treatment facilities, and uses proven technology for recycling and energy production.

Waste Concern also works with a Dutch company using carbon dioxide emissions trading as the Clean Development Mechanism. This means that in order to use more carbon dioxide than is allowed by international law, one has to buy the rights of another party, who is willing to forfeit these in return for compensation, which is generally financial.

The main activity of Waste Concern focuses on Dhaka city, the capital city of Bangladesh, a country with a population of over 144 million people and one of the highest population densities in the world (1,000 people per square km). Bangladesh has a considerable waste problem. The main concern is the capital city of Dhaka, where approximately 10 million people live and produce around 3,000 tons of waste per household; over half of this is collected by Waste Concern.

Dhaka provides public land for composting purposes. Waste Concern collects solid waste house-to-house in rickshaw bicycles and takes it to processing plants where organic waste is separated from other rubbish. Then the waste is made into enriched bio-fertilizers. The Croup arranges for fertilizer companies to purchase and nationally market the compost-based fertilizer. Waste Concern has five composting plants in Dhaka: one of 10-12 tons per day capacity, two of 3 tons per day capacity, and two of 1 ton per day capacity.

The principal activity of Waste Concern is composting, which gives a good alternative to conventional solid waste management options, reducing the amount of waste to be transported and dumped, and producing the valuable raw material for fertilizers. The composted product is mainly sold to fertilizer producing companies that blend this compost with additives to suit different customers. Sales of the product are made through existing agriculture services and the retail networks of these companies. Thus, the compost marketing is done by letting others do the individual marketing of the compost. Waste Concern also provides jobs to hundreds of the poor, who collect waste and help to solve the waste problem in Bangladesh. In addition, Waste Concern has had great financial success.

Currently, Waste Concern conducts research, provides consultation services, project assistance, support for institutional development, capacity building and innovation, and implementation of projects in such fields as solid waste management and resource recovery, clinical and hazardous waste management, waste water treatment, community based environmental improvement, municipal services planning, environmental impact assessment, energy and waste audit,

industrial pollution control, environmental management system, climate change and a clean development mechanism, eco-friendly agriculture and organic farming.

a. What are the key factors behind Waste Concern's success as an organization? Identify and explain **two** specific initiatives they have implemented and how each contributed to their overall success. **(4 marks)**
b. Waste management of solid products deals with the production, collection, treatment and disposal of waste. It includes three main concerns – reducing, reusing and recycling – known as the three R's of waste management. What are the three R's of waste management and how does each principle work? **(6 marks)**

Question Three (10 marks):

The Case of Muli's Mango Farm

Muli was a respected farmer in Machakos who ran one of the largest mango farms in the region. His produce supplied both local markets and international buyers. He prided himself on following the law: he had the right licenses, paid his taxes, and complied with government export regulations.

One season, a new pest began to attack the mango trees. The government had not yet approved any pesticide for the pest. But on the black market, there was a powerful chemical—illegal in Kenya but widely used abroad—that promised quick results.

Muli faced a dilemma. If he used the chemical:

- **Legally**, he would be in violation of agricultural safety laws.
- **Morally**, he would endanger consumers who trusted his fruit, possibly exposing them to harmful residues.

At the same time, if he didn't act, his crops would fail, his workers would go unpaid, and his family's livelihood would collapse.

One evening, he met with his neighbor, Mama Akinyi, a smallholder farmer known for her wisdom. She told him:

"The law is like a fence. It shows you the boundaries. But morality is the voice inside that asks whether what you plant within that fence will nourish or poison others."

After reflecting, Muli chose not to use the illegal chemical. Instead, he worked with a local agricultural university to trial a natural pest-control method using neem extracts and companion planting. His yields that season were lower, and he lost some money.

But word spread about his integrity. An international fair-trade organization took notice and signed him as a long-term supplier, paying him premium prices for his produce. His workers stayed loyal, the community respected him, and his farm became a model of sustainable agribusiness.

a. Many understand the difference between law and morality to lie primarily in their nature and enforcement. To them law refers to formal rules established by a governing

authority that dictate acceptable behavior, and violations are met with legal penalties. Morality, on the other hand, consists of personal or societal beliefs about right and wrong, often influenced by culture, religion, or philosophy, and is enforced through social norms rather than formal punishment. While laws can reflect moral values, not all moral beliefs are codified into law, and legal standards can sometimes conflict with moral views. This is partly true and partly wrong. Define **Law**, **Morality** and **Ethics**, making sure the difference among them is clear. **(3 marks)**

b. Morality and law are related. State and explain any three of those relationships. **(6 marks)**

c. Just laws are ethical. Unjust law are unethical. Define justice. **(1 mark)**

QUESTION FOUR (10 MARKS)

Psychologist Martin Seligman proposed the **PERMA model** to explain basic human needs for well-being, based on his clinical observations. Although his work has some limitations, many of his insights remain valid today.

Identify and explain **five human needs** according to the PERMA model. **(10 marks)**

QUESTION FIVE (10 MARKS)

Surgikos- From a Maquiladora to Participative Work

The word maquiladora comes from the Mexican-Spanish word maquilar, which means to assemble. The maquiladora programme was established in Mexico in 1965. Basically, a maquiladora is a manufacturing plant, in most cases along the border between Mexico and the United States, that receives imported material duty-free, assembles the product and then exports the product back to the originating country (generally the United States) with very low or no tariffs. They can be up to 100 per cent foreign-owned. Instead of paying tariffs, the operators of the maquiladoras must provide Mexican customs with guarantees that the components and raw materials will be re-exported out of Mexico within six months. Furthermore, after operations in Mexico are finished, machinery and fixed assets must return to the United States. All workers doing piecework must be Mexicans. Thus, the Mexican factory carries out most of the manual labour part of the production. The resulting product is sent back to small US plants, where the process is finished, most often by packaging.

By 2001, maquiladora exports represented almost half of Mexico's outward trade, and employment in maquiladoras had grown to about 3 per cent of the national labour market. Under Mexican law, the enterprises were allowed to produce a wide range of goods with the exception of oil and petrochemical products and articles containing radioactive elements.

However, between 2001 and 2002, 420 of the plants closed and almost 300,000 jobs were eliminated. Even so, the system still exists, its competition being the cheaper labour in factories in Latin America, China and South Asia.

The positive aspects of maquiladoras are job creation in poor regions and the increase in consumer welfare, due to the low costs of production and prices. Negative aspects of the system are poor working conditions and low wages. Moreover, the maquiladoras became a synonym

of abuse and sexual harassment of women, although this might not have occurred in all factories.

Surgikos was a maquiladora company that initially acted like many others. Their workers' rate of pay was less than US$1 per hour, and work conditions were as difficult as in any other factory of that type- that is, monotonous and boring. People felt as if they were merely cogs in the machine. The history of Surgikos, S.A. de C.V. goes back to 1970, when the company was set up in Juarez, Mexico, manufacturing disposable sheets and surgical gowns. A twin plant was set up in the US city of EL Paso, Texas. Very soon the number of plants grew up to four. In October 1988, Cruz Huerta was appointed as general manager in one of the four plants in Juarez. At that time, in the city there were 22 different maquiladoras employing over 3,100 people.

In 1990, Cruz was commissioned to open the fifth Surgikos factory, which would cover the growing demand of the US and European markets. The product was the same – surgical products such as gowns, shoe covers, caps, surgery sheets, coats, trousers, masks and latex gloves. The main customers were wholesale hospital suppliers and hospital themselves.

In July of that year, Cruz Huerta opened the plant; however, this time, the location of the plant and the manufacturing culture were different. The plant was in the Mexican city of Guadalupe and was built in cooperation with the Mexican company Productos Medicos de Monterrey. Cruz was aware that this was an opportunity to change the production philosophy and to improve the working conditions. He hired 216 people and trained them in a culture of 'partners'. The target of the new plant was to produce 28,000 surgical gowns per day in two shifts, which was double the standard rate of production in Juarez. In this new factory, 75 per cent of the workers were women, and their average age was 25. Only 5 per cent had technical degree, and 95 per cent had an average secondary education. Cruz adopted the so-called Cellular Manufacturing System involves the gowns passing from hand to hand in production with the workers operating together as a team.

Certain responsibilities and functions within the factory could be accomplished only in a team, made up of eight employees with each actively contributing to improvements on both human and technical levels. The important fact is that the supervision in such a system was reduced to the minimum, and self-management took its place. Each team of eight had a coordinator who was charged with attending to the needs of the team and delivering a daily report on the production, quality and wastage.

The new manufacturing culture also incorporated such systems as Kanban (a signalling system to trigger action) and just-in-time for reducing in-process inventory. The first was to reduce wastage, and the second was to reduce production time.

The participative work system gave employees of feeling of belonging to their team. Furthermore, they felt involved in all stages of the production process, which stimulated their self-discipline. Moreover, the quality, maintenance and engineering departments gave every team their technical support. The human resources, training and medical departments gave every team human support, such as advice on wages, personal development and safety measures. Every two weeks, the teams presented their achievements, goals and new ideas to the management group. A record was achieved of zero accidents with loss of production time.

The results of the new participative system of work appeared very soon. Employees were very satisfied and costs were cut, self-managing helped to reduce the inspections by 65 per cent in

the sewing area and by 80 per cent in the sealing area. The waste was kept below 2 per cent thanks to the reporting, which was prepared by each team. Downtime due to mechanical faults was reduced by 60 per cent, and reworking costs were reduced from US$68,500 in 1991 to US$24,000 in 1992. Two years later, Cruz Huerta said that his goal of developing a model plant had been achieved. The company provided employees with a social security system, developed primarily for women employees. In addition, it gave significant contributions to retirement homes and orphanages in the community to which the employees belonged.

a. State any **two** labor rights are at stake at the maquiladora system. **(2 marks)**

b. Does the maquiladora system provide decent, meaningful and developmental work? **(6 marks)**

c. Can it be said that the work organization of the Fifth Surgikos plant is ethically better than the other four? Why? **(2 marks)**