



Strathmore
UNIVERSITY

STRATHMORE BUSINESS SCHOOL

MASTER OF AGRIBUSINESS MANAGEMENT

END OF SEMESTER EXAMINATION

**MMA 8403: AGRIBUSINESS ENTREPRENEURSHIP AND NEW VENTURE
MANAGEMENT**

Date: Friday 29th April 2023

Time: 3 Hours

Instructions:

- **This examination contains FOUR questions**
- **Question ONE is compulsory and is worth 30 marks**
- **Questions TWO to FOUR are worth 15 marks each**
- **Answer the compulsory question (ONE) and ANY OTHER TWO questions**

Question 1 – Compulsory (30 marks)

Read the case titled “The Spinach King: Scaling Opportunity in Social Enterprise” and answer the following questions:

- a) “Social problems cannot be solved individually or with a small start-up team, rather, they require collaboration”. With reference to the above case justify this statement. **(5 marks)**
- b) Explain how the six elements of the entrepreneurial ecosystem contributed to the growth of The Spinach King (Referencing Isenberg 2010 Entrepreneurial Ecosystem) **(12 marks)**
- c) Draw the business model canvas for The Spinach King **(10 marks)**
- d) Discuss, from The Spinach King, three features that distinguish social enterprises from traditional entrepreneurial ventures **(3 marks)**

Question 2 (15 marks)

Family businesses are pivotal to entrepreneurship development. Most start-ups begin as family businesses and therefore family businesses account for majority of the start-ups globally. Some of these businesses grow to large empires so that it is not uncommon to find that a significant part of listed firms in many countries constitutes of family owned or family controlled companies.

- a) With the aid of family firm(s) that you are familiar with, discuss five unique features that distinguish family firms from non-family firms showing how they contribute to the success of the firm **(10 marks)**

- b) Entrepreneurs tend to rely on dedicated teams and supportive family members in setting up and managing their ventures. Detail the pitfalls that entrepreneurs face in setting up a start-up team **(5 marks)**

Question 3 (15 marks)

- a) You have been running a successful business for the last 6 years. Your friend, is the owner manager of *Healthy Beverages Ltd*, a start-up venture processing mango juice, incorporated two years ago. He has been struggling to keep the company financially viable. Despite these challenges, he is getting a lot of satisfaction from running the business. He has approached you to be his mentor. In your discussion with him, explain to him the role of a mentor and how his business can benefit from the mentorship. **(7.5 Marks)**
- b) Your friend, who is aspiring to venture into entrepreneurship has come to discuss with you his entrepreneurial ambitions. He is intending to venture into the agribusiness subsector. Citing relevant examples, explain to him at least **five** potential sources of business opportunities in the agribusiness sector. **(7.5 Marks)**

Question 4 (15 marks)

- a) While venture capital funding can help to bridge funding gaps for entrepreneurial ventures with innovative ideas, many would-be entrepreneurs often find it hard to attract debt finance. Briefly discuss **five** broad factors which Venture Capitalists (VCs) look for when investing in a venture. **(7.5 Marks)**
- b) Entrepreneurship has become the driving force behind many economies of the world. Discuss at least **five** ways in which governments in Sub-Saharan Africa can support agribusiness entrepreneurs. Be as practical as possible. **(7.5 Marks)**