

SECTION A – Compulsory

QUESTION ONE

NUMO FARMS LTD (NFL)- CASE STUDY

Numo Farms, located in the Afram Plains, is into the rearing of cattle, goats, poultry, rabbit and catfish. Recently the farms ventured into rice farming. Owned by Mr. Gameli Atsu, Numo Farms is the oldest and one of the largest farms in the Afram Plains enclave, having been established in 1998. The firm has consistently posted very impressive annual profits, increasing from GHC15million in 2017 to GHC 26 million in 2021.

Despite the impressive financial performance posted by Numo Farms, it stands accused of not doing enough to improve the living conditions of its employees as well as the environment in which it operates. For most inhabitants of Afram Plains, Numo Farms is company that is focused on profiteering rather than empowering its people and protecting the environment .This assertion by the inhabitants is partly based on the fact that other companies operating in the same enclave are rather contributing to the development of the area.For example, KAMY Farms, a firm into livestock rearing and production, which was established in 2015 has successfully dug three mechanized bore holes for the inhabitants. Similarly, AGATE Farmhouse recently put up a community library in the area and has established a scholarship scheme for brilliant but needy students in the area.

For the past six months, there have four episodes of massive demonstration by inhabitants of Afram Plains against the management of Numo Farms. In one of such demonstration, the protestors accused Numo Farms of polluting their environment through the persistent leakage and disposal of liquid waste from the farm into water bodies in the area. This has resulted in the occasional outbreak of diseases such as cholera, dysentery and respiratory infections.

There have also been reported cases of injuries at the farm sites due to the lack of appropriate working inputs and apparel. Just two months ago, six employees suffered various degrees of injuries when they were attacked by rampaging cattle on the farms. Employees are also constantly complaining of a lack of basic working apparels such as gloves, boots, and overalls. Aside from that, there is constant employee agitation concerning worsening conditions of services with regards to remuneration and other working incentives.

Over the years, chiefs and elders of Afram Plains have tried to engage management of Numo Farms to assist the community with the provision of amenities such as boreholes, public places of convenience and scholarships to needy but brilliant students. All these efforts have not yielded any positive results as the management of Numo Farms view investments in such ventures as a waste of financial resources. These are some of the issues that have contributed to Numo Farms been perceived as a not socially and environmentally responsible company, a situation that has led to inhabitants in the neighborhood not patronizing the farms produce and spreading negative word of mouth against the operations of the firm.

Upon the assumption of Mr. Kwame Adubofour as the new chief executive officer of Numo Farms, he is determined to position the firm as one that is socially, economically, and environmentally responsible. He has even started a series of stakeholder meetings with the chiefs, elders and community heads in the area with a view of having a very thorough understanding of their challenges Adubofour intends adopting the philosophy of People, Planet and Profit as one of the integral strategies of the organization and have appointed you as an Agribusiness marketing consultant to lead this process.

You have therefore been tasked by the management team of Numo Farms to deliver a presentation on the benefits of adopting the Philosophy of People, Planet and Profit.

Your presentation should among other things:

- a) **Explain in details** the philosophy of People, Planet and Profit to the management team of Numo Farms. **(8marks)**
- b) **Describe in detail three (3)** pillars on which the People, Planet and Profit philosophy hinges on, giving examples to buttress this. **(6marks)**
- c) **Critically evaluate four (4) ways** by which the adoption of the People, Planet and Profit Philosophy can assist Numo Farms to achieve competitive advantage and business growth in the face of the issues confronting it. **(20marks)**
- d) **State and explain three (3)** drawbacks of adopting the People. Planet and Profit Philosophy by Numo Farms. **(6marks)**

SECTION B - ANSWER THREE (3) QUESTIONS ONLY FROM THIS SECTION

QUESTION ONE

Dreamlite Ventures is a firm that has been operating in Ghana since 1987. Touted as one of the nation's best civil engineering firm. Dreamlite Ventures specializes in Geotechnical engineering and construction engineering. As a means of achieving growth for the company, Dreamlite Ventures board of directors at its recently held Annual General Meeting in Sunyani decided to diversify into agribusiness.

As an Agribusiness Consultant, your services have been sought to advise Dreamlite Ventures on the potential benefits and risks the company will likely face as its ventures into agribusiness.

You are to submit a report to the Board of Directors and your report should:

- a) **Identify and clearly explain any four major agribusiness/agriculture risks that Dreamlite Ventures will likely encounter. (8 marks)**
- b) **Recommend with examples risk management options Dreamlite Ventures can adopt to mitigate the impact of the risks identified in 1(a). (12 marks)**

(Total 20marks)

QUESTION TWO

Essandoh Brothers and Son's is a family business started by Mr. Thomas Bedford Essandoh in 1945 and into food processing. Ever since its establishment, all the managing directors of the company have been children and relatives of Mr. Thomas Bedford Essandoh. However, recent developments have prompted Mr. Thomas Bedford Essandoh to engage the services of a private management firm, without any member of the Essandoh family involved in the running and administration of the firm.

This decision has brought about disagreement among the children of Mr. Essandoh with some questioning the loss of control of the family in the administration of the firm.

You have been consulted to produce a report to the current management of Essandoh Brothers and Sons

- a) **Clearly explain what agency problem is outlining two (2) instances with the tendency of giving rise to agency problem at Essandoh Brothers and Sons. (8marks)**

- b) **State and explain two (2) assumptions** on which the agency theory is based. **(4 marks)**
- c) **Advance two arguments each for and against use** of agents by Essandoh Brothers. **(8marks)**
- d) **Recommend with examples two approaches** by which Essandoh Brothers and Sons can mitigate against the occurrence of agency problem. **(4marks)**

QUESTION THREE

ABC Farms is a wholly owned Ghanaian agriculture company based in Atibie in the Eastern Region. Originally known for the cultivation of food crops, ABC Farms have ventured into the rearing of poultry and piggery and can boast of being the largest piggery farm in the country. Due to the increase in production of its food crops, poultry and piggery farms, ABC has decided to develop new markets in the West African sub region, South Africa, European Union and the United Kingdom.

As an experienced agribusiness marketer, known for providing support and consultancy services for several firms that have gone international, you have been contacted by the owner of ABC Farms, Mr. Amos Benefo Coomson, to report to senior management team on the prospect on going international. Your report should include a:

- a) **Critical analysis of four (4) major** environmental influences that can impact ABC Farms on going global. **(12 marks)**
- b) **Recommendation of four (4) approaches** and their associated risks that ABC Farms can adopt in its quest to enter international markets. **(8marks)**

(Total 20marks)

QUESTION FOUR

In your role as the lead consultant for AFABRID, an agribusiness consultancy firm, you have been invited to make a presentation to the Association of Cashew Farmers in Ghana on “Value Creation in Agribusiness, Lessons for the Cashew Farmer”.

Your presentation should.

- a) **Describe fully, with examples four (4) sectors** of the Cashew industry where value creation can take place. **(8marks)**

- b) **Demonstrate with relevant examples** any four forms of value creation the Association of Cashew Farmers can implement as part of marketing their products. **(12marks)**

(Total 20marks)

QUESTION FIVE

Zesto Agro Processing has been operating in Ghana for the past fifteen years. Despite its success in the industry ,the company now faces very stiff competition from emerging firms such as Mega Farms,Sanama Foods and Kayonet Agro Processing Industries.

In your role as the Agribusiness manager for Zesto Agro Processing, you are required to present a briefing paper to Management that seeks to

- a) **Critically appraise three (3) theories** Zesto Agro Processing can adopt to achieve competitive advantage in the face of stiff competition from the other major players in the industry, demonstrate the practical differences between them.
- b) Based on your understanding of the concept of Agribusiness Clusters, **explain what the Agribusiness Cluster** is and outline any **three (3)** actors that can be parts of Zesto Agro Processing Agribusiness clusters

(Total 20 Marks)