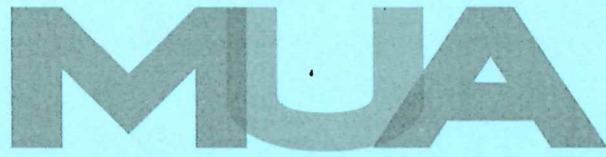


The
Management
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UNDERGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF BACHELOR OF ARTS IN DEVELOPMENT STUDIES

BDS 100 : FOUNDATION OF DEVELOPMENT: CONCEPTS AND CRITICAL ISSUES

DATE: 21ST JULY 2017

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the Case Study below carefully and, answer the questions that follow:

BEATRICE COMPANIES

Since its founding as a regional dairy company in 1891, Beatrice Companies grew to be a \$12.5 billion diversified producer of a variety of products – ranging from grocery products to chemicals – by 1985. A succession of CEOs had propelled the company through a series of acquisitions to diversify the company's activities. As a diversified company, previous leaders ran Beatrice as a decentralized operation and made no attempt to coordinate activities among the businesses. When James Dutt became CEO in 1979, he decided on an aggressive strategy of corporate marketing and attempted to create synergy among the business units. This proved to be an extremely difficult task and the company ran into financial problems. A leveraged buy out firm, Kohlberg Kravis Roberts (KKR) acquired Beatrice and sold it piece by piece. Diversification proved not to be a value creating strategy for Beatrice largely because the management was never able to exploit potential synergies between divisions. (Colis and Stuart, Beatrice Companies - 1985, Harvard Business School Case)

Required;

- a) Explain three factors that contributed to development in Beatrice Company
(5marks)
- b) Describe three likely elements that led to financial problems (5 marks)
- c) Suggest five methods of exploiting potential synergies between divisions
(5marks)
- d) Explain five conditions in which a company requires to narrow down its operations
(5marks)
- e) Discuss five ways governance and democratization can be used to exploit potential synergies
(5marks)

QUESTION TWO

- a) Explain the meaning of development according to Todaro. (6 Marks)
- b) Discuss the three objectives of development according to Todaro. (9 Marks)

QUESTION THREE

- a) Explain five ways the Neo-colonial dependency model of development affected development in the Least Developed Countries (LDCs). (5 Marks)
- b) Give three reasons why the study of history of management is important to development (3 Marks)
- c) Identify seven (7) characteristics of under-development in the LDCs? (7 Marks)

QUESTION FOUR

Discuss five (5) pillars of economic development in Kenya. (15 marks)

QUESTION FIVE

Discuss the three pillars of sustainable development. (15 marks)

QUESTION SIX

- a) Define international trade (3 Marks)
- b) Discuss six advantages of international trade to a country like Kenya. (12 Marks)

