



MACHAKOS UNIVERSITY

University Examinations for 2022/2023 Academic Year

SCHOOL OF BUSINESS, ECONOMICS AND HOSPITALITY AND TOURISM

MANAGEMENT

DEPARTMENT OF BUSINESS AND FINANCE

SECOND YEAR..... SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE

BMS 202: RISK MANAGEMENT

DATE:

TIME:

INSTRUCTIONS

Answer Question One and Any Other Two Questions.

QUESTION ONE (COMPULSORY) (30 MARKS)

- a) Explain the role of insurance as a tool for risk management (3 marks)
- b) Enumerate and discuss various categories of risks (5 marks)
- c) Describe the need for risk management policy (give four points) in organizations (8 marks)
- d) Identify any four international risks businesses face in Kenya (8 marks)
- e) Explain any three key characteristics that tend to distinguish risk management problems (6 marks)

QUESTION TWO (20 MARKS)

- a) Identify and discuss risk management process of any business you are aware of. (12 marks)
- b) Explain the meaning of a hazard as used in insurance and briefly give three types of hazards. (8 marks)

QUESTION THREE (20 MARKS)

- a) Discuss and high light at least six management functions of risk management. (12 marks)
- b) Identify any four principles of risk management (8 marks)

QUESTION FOUR (20 MARKS)

- a) Explain any two methods of transferring risks. (4 marks)
- b) Discuss three risk management strategies (6 marks)
- c) Discuss any four rules applied in risk management (10 marks)

QUESTION FIVE (20 MARKS)

- a) Discuss any four benefits of risk management of any company of your choice in Kenya (12 marks)
- b) Explain any three benefits of a well prepared risk management policy statement. (8 marks)