

**UNIVERSITY OF KABIANGA**

**UNIVERSITY EXAMINATIONS**

**2014/2015 ACADEMIC YEAR**

**SUPPLIMENTARY/SPECIAL EXAMNATION**

**THIRD YEAR FIRST SEMESTER EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 320**

**COURSE TITLE: RISK MANAGEMENT**

**DATE: 25TH AUGUST, 2015**

**TIME: 2.00 P.M-5.00 P.M**

**Instructions:**

Answer question **ONE** and any other **THREE** questions.

**QUESTION ONE**

1. Discuss any **three** objectives of risk analysis. (6 marks)
2. Explain the contents and uses of a hazard index. (6 marks)
3. Describe four items included under the insured’s personal property inside or on the building or within 100 feet of the premises. (8 marks)
4. Discuss any **two** of the five steps to managing health and safety at work. (5 marks)

**QUESTION TWO**

1. Explain the following processes within the context of risk management.
2. Risk ranking. (2 marks)
3. Risk comparison. (2 marks)
4. Public liability risks. (4 marks)
5. One of the purposes of risk assessment is to measure the possible loss that the organization can suffer in the event that a risk materializes. Discuss the problems encountered by organizations in measuring losses. (7 marks)

**QUESTION THREE**

1. Discuss **three** essential factors (‘fire triangle’) that must exist for fire to be started and sustained. (9 marks)
2. Explain the point at which fire will stop burning. (2 marks)
3. Describe **two** methods of protection against fire. (4 marks)

**QUESTION FOUR**

1. Explain **three** costs of risk incidents that are used to clarify the full extent of potential financial costs. (9 marks)
2. Discuss the following terms used in the context of risk financing.
3. Active retention. (2 marks)
4. Passive retention. (2 marks)
5. Self-insurance. (2 marks)

**QUESTION FIVE**

Discuss the rationale for risk management in organizations. (15 marks)