

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF INDUSTRIAL TECHNOLOGY

DEPARTMENT OF INDUSTRIAL AND MANUFACTURING ENGINEERING

Bachelor of Engineering Honours Degree Industrial & Manufacturing Engineering

Business Studies IV (Risk Management) – TIE 5206

2ND SEMESTER EXAMINATIONS AUGUST 2009

Time Allowed 3 hours

Instructions to Candidates

Answer Any FOUR Questions

Question 1.

- (a) What is the difference between risk and uncertainty? [5]
- (b) Name and explain any techniques available to managers for dealing with risky situations [10]
- (c) Name and explain any four techniques available to managers for dealing with uncertainty? [10]

Question 2

State and explain the sound practices for the management and supervision of operational risk [25]

Question 3

Define operational risk [5]
What are the control processes and procedures of operational risks? [20]

Question 4

Clearly outline the lifecycle of a risk management process ? [25]

Question 5

Describe the concept of Hedging Risk and give two examples of how a company can hedge risk. [25]

END OF EXAM