



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14-16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS  
SCHOOL OF MANAGEMENT SCIENCES  
JANUARY/FEBRUARY 2013 EXAMINATION**

**Course Code: ENT 421**

**Credit Unit: 2**

**Course Title: Risk Management**

**Time Allowed: 2 hrs**

**Instructions:**

- 1. Attempt question number one (1) and any other two (2).**
- 2. Question number 1 is compulsory and carries 30 marks while the other 2 questions carry 20 marks each.**
- 3. Present all your points in coherent and orderly manner.**

1. What do you understand by external risks of a business? State and give detailed explanation of these risks.
2. Some stake holders are considered to be insiders to a business, who are these stake holders?
3. What are the different attitudes that one can expect from individuals in the handling of risk?
4. Explain risky situation which are inherent in human nature, the environment and the mechanical operation.
5.
  - a. discuss the fundamental principles that are imperative towards effective risk management
  - b. State the necessary requirements that have to be met for one to properly recognize the operational risk of an organization.