



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS  
SCHOOL OF MANAGEMENT SCIENCES  
MAY/JUNE 2012 EXAMINATION**

**ENT 421 Risk Management  
Time Allowed: 2hrs**

**Instruction: Attempt any three questions of your choice. Each question carries 23.3 marks. Present your answers legibly and logically using relevant examples.**

1. What are the different types of external risk confronting a business and what can you deduce from the nature of risk?
2. Individuals react differently to risks and these different reactions influence decision making in investments. Discuss the various ways individuals react to risk.
3. Who are the stakeholders within a business and how are they affected by what goes on within the business?
4. Some sorts of costs are naturally associated with the nature of risks. What are these costs?
5. "In some instances, risk could be affected by risk aversion, discuss".