



**NATIONAL OPEN UNIVERSITY OF NIGERIA
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
SEPTEMBER/OCTOBER 2015 EXAMINATION**

COURSE CODE: ENT421

CREDIT UNIT: 2

COURSE TITLE: RISK MANAGEMENT

TIME ALLOWED: 2 Hours

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 questions carry 20 marks each

3. Present all your points in coherent and orderly manner

1. (i) "The management of risk involves a process which means that it goes through some logical steps. The process, according to Kpodo (1989), requires for identification of the threats of operational risk, analysis of such threats, and above all, formulation of appropriate policy for efficient management of the identified threats, among others." Discuss the above statement along the principles of risk management. 20 marks

(ii) Mention and explain the various types of internal risk. 10 marks
(20 + 10) = **30 marks**

2. Discuss the considerations for necessary approaches for effective management of risk. 20 marks

3. List and explain the forms of hazards in relation to risk associated with an organization? 20 marks

4. Give reasons which necessitate risk management in an organization and backup with explanations. 20 marks

5. Outline the salient deductions that are inherent in the nature of Risk with brief explanations. 20 marks