

041306T4BUS

BUSINESS MANAGEMENT LEVEL 6

BUS/BM/CR/07/6

Manage Business Risks

July/Aug 2023



**TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND
CERTIFICATION COUNCIL (TVET CDACC)**

**CANDIDATE TOOL
WRITTEN ASSESSMENT**

TIME: 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Marks for each question are indicated in brackets ().
2. The paper consists of **TWO** sections; A and B.
3. You are provided with a separate answer booklet
4. Do not Write on this question paper

This paper consists of Three (4) printed pages.

SECTION A (40 MARKS)

Answer all the questions

1. Business risk is the exposure a company to factors that will lower its profits or lead it to fail. State **FOUR** causes of business risks. (4 Marks)
2. What is the meaning of the acronym PESTEL in risk analysis? (3 Marks)
3. Highlight **FOUR** duties of a risk assessment manager. (4 Marks)
4. Risk mitigation is an essential business practice of developing plans and taking actions to reduce threats to an organization. Outline **TWO** risk mitigation strategies. (2 Marks)
5. State **two** elements contained in a risk assessment matrix. (2Marks)
6. Differentiate between headhunting and recruitment in risk management. (2Marks)
7. Managing a firm involves a variety of risks. Identify **FOUR** types of risks that may cause a business to fail. (4 Marks)
8. Highlight **TWO** components of enterprise risk management. (2 Marks)
9. State **THREE** types of insurable risks that insurance companies will cover. (3 Marks)
10. Risk analysts help companies and institutions reduce the liabilities associated with business decisions by analyzing market conditions and financial data. List **THREE** skills that a risk analyst should possess. (3 Marks)
11. Labour turnover refers to the net departure of employees over a defined period of time. Outline **FOUR** causes of labour turnover (4Marks)
12. List **FOUR** reasons for training employees on risk management. (4 Marks)
13. A policy is a statement of intent and is implemented as a procedure or protocol. State **THREE** uses of risk management policy. (3 Marks)