



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

HIGHER DIPLOMA IN HUMAN RESOURCE MANAGEMENT

BMG 3101: RISK MANAGEMENT AND INSURANCE

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) Discuss **FIVE** situations where risks will not be insurable. **(10 marks)**
- b) Discuss atleast **FIVE** types of risks any organization can face. **(10 marks)**
- c) Distinguish clearly the difference between Peril and Hazard. **(10 marks)**

QUESTION 2

- a) State and explain **FIVE** factors affecting choice between retention and transfer as a method of handling risk. **(10 marks)**
- b) Briefly give **FIVE** benefits of insurance. **(10 marks)**

QUESTION 3

- a) Explain **FIVE** types of hazards in relation to risk management. **(10 marks)**
- b) Losses can be classified to pre loss and post loss. Give **FIVE** objectives of the **TWO** types of losses. **(10 marks)**

QUESTION 4

- a) Highlight **FIVE** advantages of an in house process of risk identification. **(10 marks)**
- b) There are many players in the Kenyan Insurance Industry state and briefly explain any **TWO**. **(10 marks)**