



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND
TECHNOLOGY (MMUST)**

UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

FIRST YEAR SECOND SEMESTER MAIN EXAMINATIONS

FOR THE DEGREE

**OF
BACHELOR OF COMMERCE**

COURSE CODE: BCB 109

COURSE TITLE: INSURANCE AND RISK MANAGEMENT

DATE: WEDNESDAY, 27TH JULY 2022 TIME: 2:00 – 4:00PM

INSTRUCTIONS TO CANDIDATES

- 1. ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**
- 2. DO NOT WRITE ANYTHING ON THE QUESTION PAPER**

TIME: 2 HOURS

MMUST observes ZERO tolerance to examination cheating ►

This Paper Consists of 2 Printed Pages. Please Turn Over.

Unilever

Typically, when people think about sustainability in the realm of Corporate Social Responsibility (CSR), they think about the specific activities of companies, such as conservation of natural resources and the integration of alternative energy in buildings and factories.

Some companies, however, take sustainability a step further in their CSR efforts. Unilever, a British-Dutch multinational consumer goods company, focuses not only on the specific activities of their company, but also the supply chain that supports it, as well as the activities of its customers and consumers. This effort to go above and beyond the norm by making sustainable living commonplace is why Unilever is widely regarded as one of the few *truly* sustainable businesses in the world.

As one of the world's leading suppliers of fast moving consumer goods with operations in over 100 countries and sales in 190, Unilever's sheer size enables it to make an enormous positive impact on both society and the environment. The company's groundbreaking, 10-year Sustainable Living Plan is perhaps its greatest CSR success so far and exemplifies how businesses can reduce environmental impact for the long-term and on a large-scale, while also maintaining sales growth.

- a) Discuss why Unilever is putting so much emphasis on CSR (10 marks).
 - b) Analyze some of the areas of Social Responsibility that Unilever can engage in (10 marks).
 - c) Risks are inherent in almost every activity done by a business man. Analyze some of the sources of risks (10 marks).
2. a) Discuss the factors considered when measuring the impact of risk on an organization (10 marks)
 - b) Analyze the various components of a risk register (10 marks)
3. a) Insurance provides a valuable service to ecommerce, business and institutions. It is an indispensable act to the business world. Explain the significance of insurance to businesses. (10 marks)
 - b) What are the features of an insurance contract that make it different from other types of contracts (10 marks)
4. a) Continual assessment of the risk management actions is a fundamental of risk monitoring in order to achieve an effective and efficient risk management process. Explain the purposes of risk monitoring. (10 marks)

b) Analyze 5 risk monitoring and control techniques (10 marks)

5. a) As a consultant risk manager, you have been invited by Masinde Muliro University to give guidance and insights on risk retention. What are some of the methods that you will advise them to use when retaining risks. (10 marks)

b) "A financially strong firm can have a higher risk retention level than a financially weak firm". Discuss this statement citing the determinants of the risk retention level. (10 marks)

