



# ICM

DECEMBER 2016

RISK MANAGEMENT

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
  - b) Answer any FIVE questions
  - c) All questions carry equal marks. Marks for each question are shown in [ ]
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1. Critically evaluate the process of **scenario analysis** as an approach to enhancing the understanding of risk. [20]
  2. A risk register is a key document in any organisation. Explain the key aspects of a typical risk register in respect of **document control** and **register content**. [20]
  3. Analyse the contribution of a risk database to an organisation. [20]
  4. Commentators have suggested that, despite the complexity of risk in many organisations, there are, in essence, just four choices of risk management. Explain what you understand by this statement. [20]
  5. Financial risks can pose a significant threat to the continuing viability of an organisation. Identify the main sources of financial risk and review the benefits associated with financial risk management. [20]
  6. Critically evaluate the contribution of SWOT and PEST analysis to an assessment of the risk profile of an organisation. [20]
  7. Analyse the concept of strategy risk, identifying and reviewing its key components. [20]
  8. Balancing potential risks and opportunities is a key step in ensuring business success. Analyse how an organisation can assess whether or not it is taking an appropriate level of risk. [20]