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UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER II
SESSION 2013/2014**

COURSE NAME : RISK MANAGEMENT
COURSE CODE : BPF 32403
PROGRAMME : 3 BPD
EXAMINATION DATE : JUNE 2014
DURATION : 2 HOURS 30 MINUTES
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

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- Q1** (a) Define the following terminologies:
- i. Hazard (2 marks)
 - ii. Risk (2 marks)
 - iii. Risk control (3 marks)
- (b) A series of risk control or known as “hierarchy of risk control” should be implemented to reduce the risk posed by a hazard. The hierarchy of risk is useful in determining appropriate risk control measures.
- Illustrate the hierarchy of risk in controlling risk in real estate industry using appropriate examples. (18 marks)

- Q2** Risk management needs to be continuous from the beginning of project to the end, and risk management system should not be complicated or burdensome, they need to be integrated into a firm’s daily operations.
- (a) Sharing the risk with other parties is one of the ways of reducing the risk. Categorize **FOUR (4)** fundamental in risk reduction. (10 marks)
- (b) Practicing unsustainable development will create serious financial and scheduling problems and cause damage to client relationships and overall project’s reputations.
- Discuss the impact of risk to the stakeholders in real estate industry. (15 marks)

- Q3** An effective risk management requires a multi-disciplinary approach. Risk Management requires first an identification of the particular risks and, secondly an examination of the engineering and legal responses to allow the risk to be redirected or avoided or transferred to a particular project participant.
- Discuss how the effective risk management process takes place in the case study using property development company as a case study. (25 marks)

Q4 (a) Risk management is simply a practice of systematically selecting cost-effective approaches for minimizing the effect of threat realization to the organization.

Illustrate how effective controls help companies strengthen their competitive posture, avoid mishaps, and deliver successful projects. (15 marks)

(b) The **Diagram Q4(a)** below shows the typical risk management process applied by the organization.

Fill in the blank to complete the entire risk management process. (10 marks)

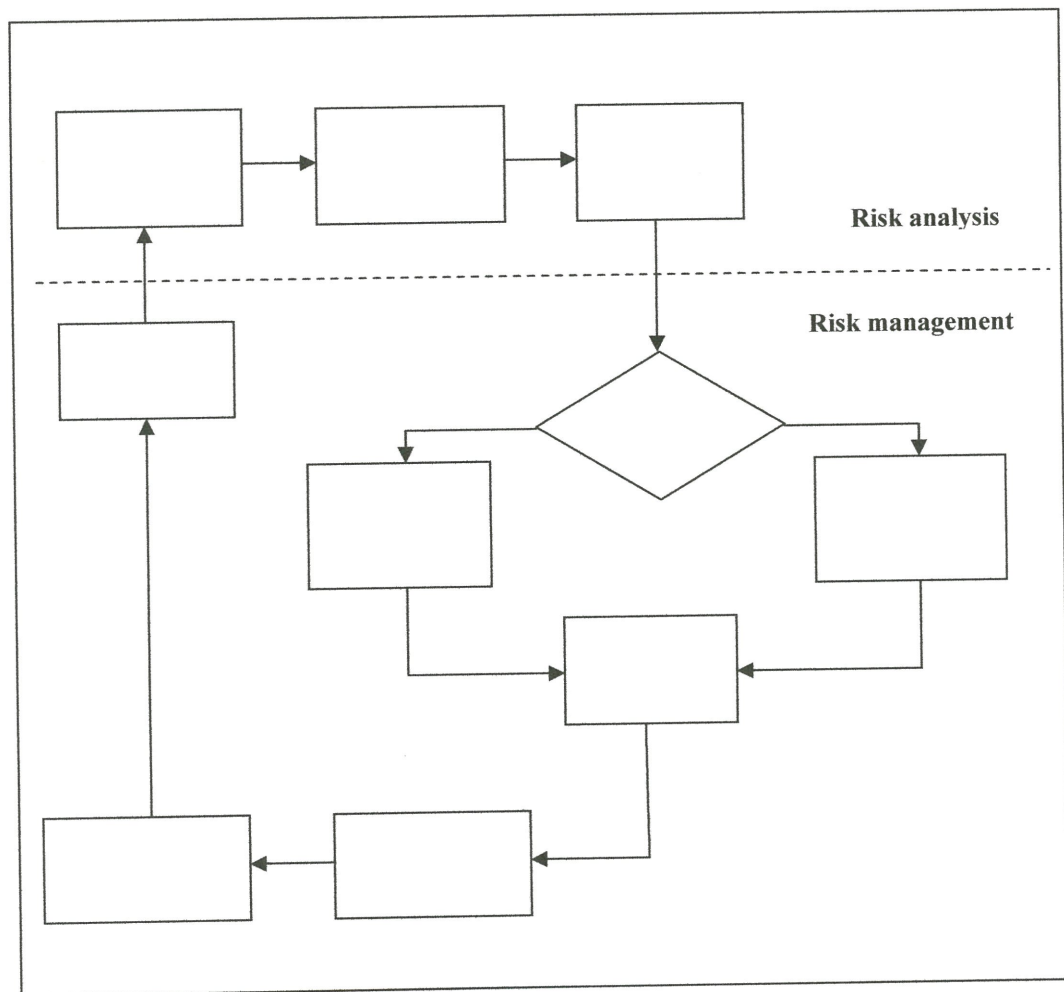


Diagram Q4(a): Risk Management Process

- END OF QUESTION -

