



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**SCHOOL OF BUSINESS AND ECONOMICS**  
**UNIVERSITY EXAMINATION FOR THE DEGREE OF BUSINESS**  
**ADMINISTRATION**  
**3<sup>RD</sup> YEAR 1<sup>ST</sup> SEMESTER 2021/2022 ACADEMIC YEAR**  
**KISUMU CAMPUS**

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**COURSE CODE: BAB1348**

**COURSE TITLE: RISK MANAGEMENT IN SUPPLY CHAIN**

**DATE: 15/12/2022**

**SESSION: 9.00-11.00AM**

**TIME: 2 HOURS**

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**Instructions:**

- 1. Answer Question ONE and ANY other TWO questions**
- 2. Question ONE is Compulsory**



Registration No.....

**QUESTION ONE (25 MARKS)**

a) The world is changing in fundamental ways leading to dramatic shifts in the landscape of risks faced by businesses hence the need for Dynamic Risk Management for Uncertain Times. Beyond the profound health and economic uncertainty catastrophic events are expected to occur more frequently in the future. Deliberate on the risks that are likely to cause massive structural shift to companies in the future. (15 marks)

b) The actions or inactions of one group of stakeholders in the chain can affect all stakeholders in the chain. Explain the needs of stakeholders that should be engaged so as to reduce risks in the supply chain. (15 marks)

**QUESTION TWO (15 MARKS)**

a) Supply Chain Risk Management is the process of identifying risks, assessing and controlling threats to an organization. Explain the importance of Supply Chain Risk Management to a manufacturing firm. (10 marks)

b) Discuss the steps involved in the Supply Chain Risk Management process. (5 marks)

**QUESTION THREE (15 MARKS)**

a) Define the following terminologies as used in Managing Risks Supply Chain Management. (10 marks)

- i. Risk tolerance
- ii. Risk mitigation
- iii. Risk appetite
- iv. Risk assessment
- v. Risk evaluation

b) Discuss the fundamental legal principles of insurance as applied in Risk Management process. (5 marks)

**QUESTION FOUR (15 MARKS)**



Registration No.....

- a) With the use of practical examples, discuss the responsibilities of Risk Committees in organizations . (8 marks)
- b) Highlight the challenges that the future trends are likely to pose in Supply Chain Risk Management. (7 marks)

**QUESTION FIVE (15 MARKS)**

- a) Risk mitigation is the process of reducing the impact of a risk or likelihood of a risk being realized. Once risks are identified and assessed, it is important to decide what to do about them. Assess the risk mitigation strategies that a Supply Chain Manager can adopt to mitigate inventory management risks. (15 marks)

**QUESTION SIX (15 MARKS)**

Once the risks are identified, they are analyzed to identify the likelihood and the qualitative and quantitative impact of the risk on the project so that appropriate steps can be taken to mitigate them. Abraham Maslow propounded a general theory of motivation. Evaluate the tools that a Supply Chain Manager can use to analyze and evaluate risks in the Supply Chain. (15 marks)