CHUKA UNIVERSITY

UNIVERSITY EXAMINATIONS

FOURTH YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF AGRIBUSINESS MANAGEMENT

AGBM 342: AGRICULTURAL RISK MANAGEMENT

STREAMS: BSC. AGBM Y4S2 **TIME: 2 HOURS**

DAY/DATE: TUESDAY 18/4/2023 **11.30 A.M. – 1.30 P.M.**

INSTRUCTIONS: Answer Question ONE and any other THREE Questions

QUESTION ONE (25 MARKS)

a) Explain four specific farm company attributes that can affect risk management objectives. (4 marks)

b) Explain three reasons why it is important to give more attention to hazards compared to risks. (3 marks)

c) Explain two basic rules of risk management in agricultural projects. (2 marks)

d) Explain five benefits of risk management implementation in an organization. (5 marks)

e) Explain three risk attitudes, as used in risk management. (3 marks)

f) Elucidate on four benefits of managing risks in organizations (4 marks)

g) Differentiate between – terms/concepts as used in Agriculture risk management

  i) Human and Mechanical concept (2 marks)

  ii) Event analysis and threat analysis (2 marks)

QUESTION TWO (15 MARKS)

a) Discuss five evaluation tools used during loss exposure. (10 marks)

b) Define risk, and differentiate between pure and speculative risks. (5 marks)

QUESTION THREE (15 MARKS)

a) With relevant examples, discuss the three different types of hazards found in agricultural production firms. (9 marks)

b) Explain three basic methods used in management of risks. (3 marks)

c) Explain at least three contents of risk management plan for agricultural risk management in agricultural production. (3 marks)

QUESTION FOUR (15 MARKS)

a) Discuss four tools and techniques of quantitative risk analysis in risk management of agricultural organization. (8 marks)

b) Expound on five benefits of statements policy. (5 marks)

c) Explain two specific farm company attributes that can affect risk management objectives. (2 marks)

QUESTION FIVE (15 MARKS)

a) Discuss four types of loss exposures that agricultural producers face in their businesses. (8 marks)

b) Explain seven of the best practices for integrating risk management into management practices. (7 marks)

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