



**PAC INSTITUTE OF TECHNOLOGY AND SOCIAL STUDIES
DECEMBER 2025 ASSESSMENT**

FORMATIVE ASSESSMENT

Course : Business Management

Level : 5

Unit of Competency : Control Business Risk

WRITTEN ASSESSMENT

TIME: 3 HOURS

INSTRUCTIONS TO THE CANDIDATE:

- 1. Read all the instructions carefully before attempting the questions.*
- 2. This paper consists of two sections, A & B.*
- 3. You are allowed 3 Hours to Answer the questions.*
- 4. Marks for each question are indicated in brackets.*
- 5. Write your responses in the Separate Answer booklet provided.*
- 6. Do not write anything on this question paper*

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SECTION A: (40 MARKS)

Answer ALL questions in this section.

1. State **FOUR** reasons why human resource department should conduct staff assessment. (4marks)
2. There are various types of risks that a business is exposed to. List **FOUR** external risks that a business is likely to face. (4marks)
3. Job analysis is a key process in recruitment process. State **FOUR** important steps in job analysis. (4marks)
4. PESTEL is one of the key evaluation techniques used by financial experts to evaluate business risks. List **FOUR** economic factors that might face a business. (4marks)
5. Risk management starts by identifying possible threats and then implementing processes to minimize them. State **FOUR** risk management techniques used by an organization.
6. State **FOUR** reasons why organizations carry out project evaluation. (4marks)
7. Recruitment sources are broadly divided into internal and external. List **FOUR** external sources of recruitment by organizations. (4marks)
8. A well-defined organizational structure provides a clear path for risk assessment procedures
State any **FOUR** types of organizational structures. (4marks)
9. As the business manager you are required to advice the management on the methods to use to gather information during risk assessment for the business. List **TWO** areas you will focus when preparing a risk assessment matrix. (4marks)
10. Differentiate between job description and job specifications. (4marks)

SECTION B: (60MARKS)

Answer any THREE questions in this section.

11. a) In the recent past, XYZ ltd has experienced high demand for its products in the overseas market, due to this reason, the management is considering expanding its operations to overseas countries. Explain **FIVE** risks that XYZ ltd is likely to face in foreign countries. (10 marks)
- b) Describe **FIVE** tools and techniques that XYZ staff will use to identify different risks in the foreign market. (10 marks)
12. a) Every organization needs to have an elaborate risk management plan as future uncertainties are inevitable. Explain **FIVE** importance of risk management to the organization. (10 marks)
- b) Describe **FIVE** contents of a risk mitigation plan. (10 marks)
13. a) Explain **FIVE** elements that must be included in a job specification during the recruitment process. (10 marks)
- b) Baraka limited has been facing different risks which have led to drastic decrease its sales. As a risk management expert advice, the monitoring and evaluation team of Baraka limited on **FIVE** issues that should be addressed during risk evaluation. (10 marks)
14. a) You are a panelist in the selection of a risk management supervisor. Explain **FIVE** factors that should be considered when selecting a candidate to fill the position. (10marks)
- b) Suggest **FIVE** reasons that necessitate the need to consider legal and regulatory requirements when undertaking risk mitigation plan in a company. (10 Marks)