

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086
(For candidates admitted during the academic year 2019-2020 and thereafter)

B.VOC. DEGREE EXAMINATION APRIL 2024
BANKING, FINANCIAL SERVICES AND INSURANCE
SIXTH SEMESTER

COURSE : MAJOR – CORE
PAPER : RISK MANAGEMENT
SUBJECT CODE : 19VB/VM/RM66
TIME : 3 HOURS

MAX. MARKS: 100

SECTION – A

Answer ALL questions:

(10 x 2 = 20)

- 1) Managing Risk is important. Do you agree? Give 2 reasons.
- 2) What is financial Risk?
- 3) Write a note on Operational Risk.
- 4) List down the sources of risk.
- 5) What is a risk?
- 6) Can risk be predicted? Give 2 reasons.
- 7) How does a small business control the financial risk?
- 8) What is insurance?
- 9) How risk is transferred to the insurance company?
- 10) What are the 4 Ts in risk control?

SECTION – B

Answer any FIVE questions:

(5 x 4 = 20)

- 11) Explain how risks can be handled?
- 12) What are the causes of business risk?
- 13) Elaborate any one risk control technique.
- 14) How are the risks identified in a business?
- 15) Write short notes on enterprise risk management.
- 16) What is the nature of business risk?
- 17) Explain the alternative risk management approaches.

SECTION – C

Answer any TWO questions:

(2 x 15 = 30)

- 18) Describe in details the types of risks.
- 19) What are the statutory responsibilities of management in managing risk?
- 20) How can risks be measured? Illustrate.

SECTION-D**21. CASE STUDY ANALYSIS****(30 marks)**

Ford Motor (Ford), one of the leading automobile manufacturers in the world had two broad business segments: automotive and financial services. The automotive segment included the designing, manufacturing and sale of a variety of cars, trucks, and sport-utility vehicles (SUVs). The Ford Motor Credit Company was the world's largest auto financing company. Ford offered credit services in over three hundred locations around the world. The Hertz division offered rental services. But since the early 2000s, Ford had been a company in trouble. CEO Bill Ford faced the daunting task of leading, the company, out of the current scenario of declining sales and deteriorating market share. In 2002, Ford faced plant closures, employee downsizing and other drastic cost cutting measures aimed at trimming excess production and streamlining operations. But Bill Ford had publicly acknowledged that just cutting costs would not be enough to turn Ford around. There were other initiatives that Ford was contemplating to help address the various problems it faced. Ford's reputation had suffered because of the highly publicized Firestone Tire debacle, class action lawsuits by Ford employees and the many other quality problems that had made the headlines in the past years.

Questions:

1. What were the two broad business segments of Ford Motor, and what did each segment encompass?
2. What challenges did Ford Motor face in the early 2000s?
3. How did CEO Bill Ford approach the challenges at Ford Motor?
4. What were some of the factors contributing to Ford's damaged reputation?
5. What initiatives did Ford Motor undertake to address its challenges?
