

**FINAL EXAMINATION****BACHELOR OF BUSINESS ADMINISTRATION (HONOURS)
BACHELOR OF BUSINESS ADMINISTRATION (HONOURS) HUMAN
RESOURCE MANAGEMENT**

COURSE	:	RISK MANAGEMENT
COURSE CODE	:	MGT4353
DURATION	:	3 HOURS

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **TWO (2)** parts : PART A (2 questions)
: PART B (3 questions)
2. Answer ALL questions from PART A and PART B in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
 - i. The Question Paper
 - ii. An Answer Booklet
4. Do not bring any material into the examination hall.
5. Please write your answer using permanent ink.

MYKAD/PASSPORT NO. : _____
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LECTURER : _____
SECTION : _____

DO NOT OPEN THE QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 4 printed pages including the front page

PART A: LONG STRUCTURED

Instruction: Answer ALL questions.

1. XYZ Food Chain Sdn. Bhd., a growing restaurant company, has traditionally managed risks separately across departments. For example, the operations department focuses on customer safety issues such as wet floors, while the procurement department handles supplier-related risks independently. However, as the company expands, management realizes that isolated risk management is no longer sufficient to address broader challenges such as food safety, supply chain disruptions, economic uncertainty, and strategic business growth.

As the Chief Risk Officer (CRO) of XYZ Food Chain Sdn. Bhd., explain **FOUR (4)** differences between Traditional Risk Management and Enterprise Risk Management (ERM).

(20 marks)

2. A multinational oil and gas company plans to implement fully automated drilling operations in offshore areas using Artificial Intelligence (AI) and remote monitoring systems. However, several senior engineers are concerned about system failure, cyber-attacks, environmental disasters, and worker safety. At the same time, top management believes technology can increase productivity and reduce operational costs.

According to the case study above, classify **FIVE (5)** factors that can influence risk perception among employees and management in this situation.

(15 marks)

(TOTAL: 35 MARKS)

PART B: LONG ESSAY

Instruction: Answer ALL questions.

1. Asia Pacific University of Technology & Innovation has implemented a new digital examination system called *SmartExam* for all undergraduate students. The system allows students to log in, complete exams online, and submit answers within a set time frame. However, during the first semester of implementation, several issues were reported:
- i. System overload during peak exam periods.
 - ii. Unstable internet connection for some students.
 - iii. Risk of unauthorized access.
 - iv. Server delays causing submission timeout issues.
 - v. Automatic marking of incorrect objective questions.

The university management wants to assess this risk using a risk likelihood and impact analysis to improve the reliability of the system before the next exam cycle.

Based on the *SmartExam* system case scenario, interpret **FIVE (5)** likelihoods and impacts for each identified risk.

(20 marks)

2. Case Study: Hospital Fire Emergency Response

In 2025, a fire incident occurred at a university hospital in Bangkok, Thailand, due to an electrical short circuit that caused smoke to spread rapidly throughout several hospital wards. The incident created panic among patients, visitors, and healthcare workers. The hospital immediately activated its Emergency Response Plan and Incident Command System (ICS) to manage the emergency effectively.

Approximately 191 patients, including critically ill patients, were evacuated using emergency staircases and temporary evacuation zones. Medical staff, firefighters, and emergency responders worked together to control the fire and ensure patient safety. Communication systems such as walkie-talkies, public announcements, and mobile phones were used to coordinate rescue operations and provide updates.

Although the fire was successfully contained without major casualties, the incident highlighted several workplace hazards, including fire hazards, electrical risks, smoke inhalation, and emergency evacuation challenges. The case also emphasized the importance of hazard identification, risk assessment, emergency preparedness, safety training, and effective communication during crisis situations.

(Journal of Emergency and Disaster Medicine, December 2025)

Referring to the case study, prepare **FOUR (4)** hazards response and risk matrix illustration associated with the hospital fire incident.

(25 marks)

3. Maersk, one of the world's largest shipping and logistics companies, was severely affected by the NotPetya cyberattack in 2017. The malware attack disrupted the company's global operations, shut down shipping and terminal systems, and caused major business interruption losses. Maersk reportedly suffered losses of between USD250 million and USD300 million due to operational disruption, recovery costs, and delayed shipments.

The incident highlighted the increasing exposure of multinational companies to cyber risk and the growing challenges in obtaining affordable and comprehensive cyber insurance coverage. Following the attack, insurers worldwide became more cautious about underwriting cyber risks, especially systemic cyberattacks and state-sponsored cyber incidents. Some cyber insurance policies also introduced stricter exclusion, coverage limitations, and higher premiums for large-scale cyber risks.

To strengthen its risk management strategy, Maersk's management considered several insurance and risk transfer approaches, including expanding cyber insurance protection, increasing self-insured retention levels, transferring catastrophic risks through reinsurance arrangements or alternative risk transfer instruments, and strengthening business continuity and cyber resilience programs.

The company must balance insurance cost, coverage availability, operational resilience, and exposure to unexpected catastrophic cyber losses when determining its risk financing strategy.

(Wired, 2018; CNBC, 2017)

Based on the case study, demonstrate **FOUR (4)** insurance risk transfer strategies for Maersk and give an example of how each strategy helps manage cyber and operational risks effectively.

(20 marks)

(TOTAL: 65 MARKS)
(TOTAL: 100 MARKS)

END OF QUESTION PAPER