**Neapolis University**

**HEPHAESTUS Repository** **http://hephaestus.nup.ac.cy**

Department of Accounting and Finance BSc in Accounting, Banking and Finance

2015

# Risk management in industrial enterprise- Smes in Cyprus

Aslanidou, Gioulianna

Barchelor in Accounting Banking and Finance, Shcool of Business, Neapolis University Pafos

http://hdl.handle.net/11728/6972

*Downloaded from HEPHAESTUS Repository, Neapolis University institutional repository*

# RISK MANAGEMENT IN INDUSTRIAL ENTERPRISE- SMEs IN CYPRUS

By

GIOULIANNA ASLANIDOU

Bachelor of Science in ACCOUNTING, BANKING AND FINANCE

Neapolis University Pafos

Pafos, Cyprus

2015

Submitted to the Faculty of SCHOOL OF BUSINESS

in partial fulfillment of

the requirements

for the Degree of

BSc in Accounting, Banking and Finance

# RISK MANAGEMENT IN INDUSTRIAL ENTERPRISE- SMEs IN CYPRUS

Dissertation

*Advisor*

Dr. Michailina Siakalli

Abstract

This study investigates the concept of risk management in the small and medium enterprise sector. The literature review conducted reveals the definition of the concept of risk management, its application in various areas of organizational management and its growing importance considering the rapidly evolving external business environment. The primary data collection has been conducted using quantitative data collection techniques using a questionnaire and collecting data by sending out to the owners of small and medium enterprises through emails. The data analysis has been conducted by the use of statistical and graphical representation tools of excel. The analysis of the results of the primary data collected from a sample of 100 small and medium sized enterprises in Cyprus revealed that majority of the enterprises currently in operation identified risk management as an essential organizational function in lines with production and marketing. Majority of the organizations feel that there is need for a scope of improvement of the risk management function in the Small and Medium business sector. The majority of the organizations current rely upon the insurance policies undertaken as a part of their risk management process. The Government policies implemented in the recent times have played an important role in bringing about improvement and opening up of the capital markets for the businesses operating in the small and medium business sector and thereby reduce their financial risk levels.

**Keywords**: RM = Risk management, SME= Small and Medium Enterprises.

Acknowledgements

On the very outside of this report, I would like to extend my sincere and heartfelt obligation towards the entire personage who have helped me in the endeavor. Without their active guidance, help, cooperation and encouragement, I would not have made headway in my dissertation.

It gives me immense pleasure to express my sincere gratitude to my faculty advisor Dr Michailina Siakalli for her valuable guidance and support for completion of this dissertation.

I am thankful to all small and medium sized business companies, and financial directors who took time to complete my questionnaire.

I also acknowledge with deep sense of reverence, my gratitude towards my parents Petros and Ellada, my sister Diana, who has always supported me morally as well as economically.

Last but not least; I would like to thank all my friends and especially Veronica Bagklaridou and Mrs Rachael Andreou, for continuous support, long standing belief and continual motivation.

Thank You!