

**FINN 3000-003**  
**ECON 3090-001**  
**Innovation in Risk Management and Insurance**  
**Spring 2019**

---

### **Class Meetings**

Wednesdays, 2:30-5:15pm, Friday 385

**Instructor:** Thomas S. Marshall, CPCU, CIC and Faith R. Neale, Ph.D.

Phone: 687-7636

Office: 351A Friday Building

Office Hours: Wednesdays

E-mail: [tmarsh@uncc.edu](mailto:tmarsh@uncc.edu) & [rneale@uncc.edu](mailto:rneale@uncc.edu)

1:00 - 2:00pm and by appointment

### **Course Description**

This course will examine ways in which innovation is altering the risk management and insurance landscape with a special focus on the trends and financing of innovation, impacts of innovation on insurance regulation, underwriting, and claims and ways in which innovation and technology can enable the industry to operate more efficiently while creating greater value for the client.

### **Student Conduct**

All students must be familiar with and abide by **University Policy 406, The Code of Student Responsibility** at <http://legal.uncc.edu/policies/up-406>. All students must be familiar with and abide by **University Policy 407, The Code of Student Academic Integrity** at <http://legal.uncc.edu/policies/up-407>.

All UNC Charlotte students have the responsibility to be familiar with and comply with the requirements of the UNC Charlotte Codes of Student Responsibility and Academic Integrity (noted above). The Code of Student Responsibility outlines the rules for student conduct in the classroom and toward all others at UNC Charlotte. The Code of Academic Integrity forbids cheating, fabrication or falsification of information, multiple submission of academic work, plagiarism, abuse of academic materials (such as Library books on reserve), and complicity in academic dishonesty (helping others to violate the Code). Any further specific requirements or permission regarding academic integrity in this course will be stated by the instructor, and are also binding on the students in this course. Students who violate the Code can be punished to the extent of being permanently expelled from UNC Charlotte and having this fact recorded on their official transcripts. The normal penalty is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases, the course grade is reduced to "F." If you do not have a copy of the Code, you can obtain one from the Dean of Students Office or access it online at the links provided above. Standards of academic integrity will be enforced in this course. Students are expected to report cases of academic dishonesty they become aware of to the course instructor who is responsible for dealing with them.

### **Course Objectives**

1. Understand the trends in innovation and how insurance technology is being financed
2. Understand the impact of innovation on risk management and insurance operations including underwriting, claims, actuarial, sales, marketing and risk mitigation
3. Understand the impact of technology on insurance operations and client relationships including artificial intelligence, self-driving vehicles, internet of things, drones, wearables and genomics.
4. Understand how blockchain and cryptocurrency will facilitate financial transactions in insurance and reinsurance

## Required Resource

Understanding the Insurance Industry: An overview for those working with and in one of the world's most interesting and vital industries, 2018 Edition (October), Supplement to Best's Review November 2018.

Order at: <http://www.ambest.com/industryguide/>, \$13.22

## Additional Resources

Additional resources are posted on Canvas and are available through IRMI (irmi.com)

## Grading

The course grade will be based on three examinations (60% of the course grade), assignments and quizzes (20%), and group presentations (20%). Each of these will be graded on a scale of 1 through 100. Exams 1 and 2 are worth 17.5% of your course grade. The final exam is worth 25% of your course grade and will be administered according to the schedule outlined in the UNCC Final Exam Schedule. Students must calculate their own course grade based on the above allocations. The grade estimated in Canvas most likely is wrong. Your final grade will be based on the following scale:

90 and above = A, 80 to 89 = B, 70 to 79 = C, 60 to 69 = D, less than 60 = F

## Exams

Make-up exams will not be given. If an exam is the first exam missed and the absence is excused based on university guidelines, then the final exam will account for 42.5% of your course grade. If the absence is unexcused then you will be given a zero for that exam. Excluding emergencies, an absence is automatically considered unexcused if advance notice, at least 24 hours prior to the exam, of the absence is not provided to the instructor. All subsequent missed exams will result in a zero for that exam.

## Class Participation

Class participation includes attendance, discussion, interactive activities, and meeting the general requirements of the course. Additional extra credit points from class participation may be earned **at the conclusion of the course** by actively participating in class such as answering and asking questions throughout the semester. Extra credit will not be awarded if any of the following occur: missing class, entering class late, using a laptop during class for anything other than this class's work, using a cell phone or text messaging during class, or wearing earbuds/headphones during class or in class assignments. Other discourteous or otherwise unprofessional behavior, such as talking while material is being presented, will automatically result in loss of extra credit class participation points.

## Assignments and Quizzes

In-class and out of class assignments and quizzes will be administered throughout the course. Students must come to class or get assignments from classmates if an assignment is discussed during class. Assignments and quizzes, especially in-class, may not be posted or announced on Canvas. In-class assignments and quizzes may not be made up even if the class absence is excused. All students are assumed to exhibit a college level understanding of written English and grammar and written assignments are graded with this in mind. Students must take care to avoid misspellings and grammatical errors to avoid a loss of points. Students needing assistance with writing and presentations should consult the Writing Resource Center at <http://www.uncc.edu/writing/wrcindex.html>.

## Group Presentations

Groups will consist of 3 students. Group members must have a diverse educational background including majors and risk and insurance education and experience. Students will finalize their groups by the second day of class. At the end of the second day of class, all remaining students will be assigned to a group. All groups will research and present 4 topics. At the end of each presentation, students will evaluate the contribution of each group member and the group project grade

will be adjusted accordingly to reflect the individual student's contribution and their final project presentation grade. Each student group will make a 10-15 minute presentation on each of the following topics:

1. Hubs
2. Financing Innovation
3. Insurer Functional Area: Underwriting, Claims, Sales or unique M&A (other than (re)insurer)
4. Technology (AI, Blockchain, Drones, Robotics, Wearables, Big Data, etc...)

## Attendance

Roll will be taken at the beginning of class only. **Students must be present when the roll is called and stay for the entire class to get credit for outstanding class attendance resulting in possible extra credit participation points.** Students arriving late likely will not be counted as present. Students must attend class to get credit for in class quizzes and in class assignments, no exceptions. In extreme circumstances if a student has a conflict the student must notify the instructor, in writing, of the nature of the conflict. Written notification must be received 24 hours before the affected class to receive consideration with the exception of medical emergencies. In the event of a medical emergency the student must notify the instructor in a reasonable amount of time. The instructor will determine if the conflict is a valid excuse and determine if the amount of time to notification is reasonable.

## Guest Speakers and Student Presentations (Mandatory Classes)

Class attendance is required at all times but additional penalties will be assessed if a student arrives late or misses a class when a guest speaker or students are presenting. Advance notification will be given when a speaker is scheduled or students are presenting. If you are **absent** during one of these classes, **3 points** will be **deducted** from your **final course grade**. If you **arrive late** for one of these classes or after a mandatory class break, then **2 points** will be **deducted** from your **final course grade**.

## Class Policies

Special accommodations:	Students needing special accommodations should inform the instructor of the type of accommodation needed during the first week of class.
E-mail:	A great deal of communication is done by e-mail. Students are responsible for checking their UNCC e-mail account throughout the semester. Failure to check this account does not excuse the student from any missed assignments, classes, quizzes, etc.... All e-mails to the instructor must be written in a professional manner.
Recording:	Electronic video and/or audio recording is not permitted during class unless the student obtains permission from the instructor. If permission is granted, any distribution of the recording is prohibited. Students with specific electronic recording accommodations authorized by the Office of Disability Services do not require instructor permission; however, the instructor must be notified of any such accommodation prior to recording. Any distribution of such recordings is prohibited.
Photography:	Still photography is strictly prohibited in class at all times. Violation of this policy may be considered a violation of the Student Conduct Codes discussed above.
Cell phones:	The use of cell phones or other communication devices is disruptive and is therefore prohibited during class. Except in emergencies, those using such devices must leave the classroom for the remainder of the class period. Cell phones may not be on during class or exams. This includes ringing, text messaging, internet, video, camera, and silent modes. Violations of this policy will automatically result in loss of outstanding class participation points stated above and additional violations will result in 2 points deducted from your final course grade for each additional violation. In addition, cell phones or any other smart devices may not be in view of, or in contact with, any student during exams. Violations of this policy will result in a zero on the

exam. In the case of family emergencies accommodations may be made with the instructor.

- Headphones and ear buds: Headphones and earbuds may not be worn during class. A violation of this policy will result in the student considered absent during the class the violation occurred and loss of extra credit participation points. Further violations will result in increased penalties up to and including loss of points on the final course grade and dismissal from class.
- Class materials and notes: Additional materials may be provided as needed by the instructor throughout the course. If a student misses a class when this material is provided it is the student's responsibility to arrange to obtain this material from another student or from the instructor during the instructor's office hours. If you miss a day of class, lecture notes and materials should be obtained from another student.
- Website: The outlines for the class lectures as well as other class materials including announcements will be posted on Canvas or e-mailed to the student. It is the student's responsibility to check the Canvas website and their e-mails frequently to keep updated on the class. Students are encouraged to use the Canvas app on their smart phones to have timely access to announcements and other notifications.
- Exams: Exams generally include multiple-choice and short answer questions requiring scantron answer sheets. Students are responsible for providing their own #2 pencils and calculators, if needed, on the day of exams.
- Laptops: Laptops may be used during class for class purposes only and are permitted at the instructor's discretion. Those using laptops are to sit on the back row of the classroom. If the laptop becomes a distraction the student will be required to turn it off and put it away immediately upon the instructor's request. Failure to do so will result in removal from class that day. If laptop use continues to be a distraction, the instructor may prohibit their use for the remainder of the semester.
- Vericite As a condition of taking this course, papers and assignments may be subject to submission for textual similarity review to [VeriCite](#) for the detection of plagiarism. All submitted papers will be included as source documents in the VeriCite reference database solely for the purpose of detecting plagiarism of such papers. No student papers will be submitted to VeriCite without a student's [written consent](#) and permission. If a student does not provide such written consent and permission, the instructor may: (i) require a short reflection paper on research methodology; (ii) require a draft bibliography prior to submission of the final paper; or (iii) require the cover page and first cited page of each reference source to be photocopied and submitted with the final paper.
- Excused Absences In order for an absence from class to be considered as excused by the instructor, students must make the request, in writing, at least 48 hours prior to the missed class. The determination of whether a class is excused is at the sole discretion of the instructor.
- Extra Credit Extra credit offered for extracurricular activities such as attendance at the Career Fair or any other university or GIS sponsored event is contingent on class attendance the day of class. In other words, you must attend class in its entirety the day of class in order to earn extra credit for an extracurricular event occurring the same day.

*The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.*

<b>Week/Date</b>	<b>Topic</b>
1: Jan 9 <sup>th</sup>	Introduction to Class, Orientation to Resources, Overview of Innovation in Insurance
2: Jan 16 <sup>th</sup>	(Re)Insurance Operations, Financial Analysis, InsurTech & Innovation
3: Jan 23 <sup>rd</sup>	Hubs: Insurance, Digital, Regulatory & Financial Brexit
4: Jan 30 <sup>th</sup>	Financing Innovation: Trends, Market Participants, M&A's, Venture Capital and Innovation Labs
5: Feb 6 <sup>th</sup>	Regulation and Risk Management: RegTech & RiskTech Speaker: Tyler Boyles, Clear Blue Insurance Group
6: Feb 13 <sup>th</sup>	Exam 1 followed by Group Work
7: Feb 20 <sup>th</sup>	Autonomous Vehicles
8: Feb 27 <sup>th</sup>	Underwriting and Innovation: Speaker: TBA
March 4 <sup>th</sup> through 9 <sup>th</sup>	Spring Recess
9: Mar 13 <sup>th</sup>	Innovation in Claims: Speaker: Stuart Powell
10: Mar 20 <sup>th</sup>	Innovation in Sales & Brokerage: Speaker: TBA
11: Mar 27 <sup>th</sup>	Exam 2 followed by Actuarial Principles, Speaker: TBA
12: Apr 3 <sup>rd</sup>	AI, IoT, Drones, Wearables, Genomics, etc... (Student Presentations), Speaker: Matthew Lichty, SCOR
13: Apr 10 <sup>th</sup>	Blockchain & Cryptocurrency (Student Presentations), Speaker: SCOR
14: Apr 17 <sup>th</sup>	Mergers & Acquisitions
15: Apr 24 <sup>th</sup>	Ireland In-Depth, Speaker: Bill Sofsky Final Exam Review
May 8 <sup>th</sup> – Wednesday	Final Exam – 2pm – 4:30pm

\*\*\*Please check the University website at <https://ninercentral.uncc.edu/courses-registration/exam-schedules> for updates on the final exam schedule. Many times changes to this schedule are made very late in the semester. While I will try to keep you updated on any changes it is your responsibility to check the schedule immediately prior to final exam week to verify the date and time of your exam.

**This schedule is tentative and subject to change.**

<p>Class meetings: Wednesdays 2:30-5:15pm in Friday 385</p>
---