FINN 3275-001
Advanced Risk Management
Spring 2013

The standards and requirements set forth in this syllabus may be modified at any time by the
course instructor. Notice of such changes will be by announcement in class and/or by written or
e-mail notice and by changes to this syllabus posted on the Moodle course website.

Class Meetings

Mondays and Wednesdays, 9:30am-10:45am, Friday 122

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Course Description

This course provides an in-depth analysis of techniques that firms can use to handle non-speculative pure
risks. Risk handling devices and how they are applied to business problems are discussed. Some of the
techniques examined include self-insurance, captives, financial instruments, and retentions. Included is an
analysis of loss data and how it can be utilized to select a risk handling technique.

Student Conduct

All students must be familiar with and abide by the following two codes defined in the 2012-2013
Undergraduate Catalog:
1. The UNC Charlotte Code of Student Academic Integrity (p. 25)
2. The UNC Charlotte Code of Student Responsibility (p. 26)

The UNC Charlotte Codes of Conduct may be located online at:
http://catalog.uncc.edu/undergraduate-catalogs/current/student-conduct

Course Objectives

1. Facilitate a broader understanding of the role of risk management within a business environment.
2. Understand the interaction of laws, regulations, and insurance in risk management decision-making.
3. Apply the risk management process to a commercial enterprise and present an organized analysis of
   that application.
4. Understand the challenges confronting risk managers in the current environment and the tools
   available to assist in analysis.

Required Text

ISBN: 0-07-233970-5 (out of print)
The ebook version can be purchased from McGraw-Hill by following the steps below.

1. Go to http://create.mcgraw-hill.com/shop/

ISBN: 9781121812338
Title: Advanced Risk Management

3. Add the book to your cart and pay using a credit card or access code.

Required Resources

Clicker, Turning Technologies available at the UNCC bookstore


International Risk Management Institute, Inc. (IRMI) provides a significantly discounted annual subscription to IRMI-Online to authorized colleges and universities. IRMI-Online is a comprehensive reference source with more than 45,000 pages used by insurance brokers and multiline insurance companies. The cost for this resource for approved university programs is $49 for a one-year subscription. All students are required to purchase this subscription in order to fulfill the general requirements of this class including assigned reading and group project work. Students must protect and may not share their passwords or IRMI material with any other students or persons. The names and UNCC e-mail addresses of students enrolled in this class will be provided to IRMI in order to facilitate the reduced subscription rate. By purchasing a subscription to IRMI, students agree to the following terms:

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Grading

The course grade will be based on three examinations (60% of the course grade), a project (30%), and class participation (10%). The exams account for 20% each of your course grade. 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 40% 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 written notice of the absence, at least 24 hours prior to the exam, 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, homework assignments, interactive activities and meeting the general requirements of the course. Loss of class participation points may result from any one or a combination of the following:

- More than one unexcused absence
- More than two excused absences. Excluding emergencies, an absence is automatically considered unexcused if advance written notice of the absence, at least 12 hours prior to the class, is not provided to the instructor. In the event of an emergency, written notice by email to the professor must be provided within 24 hours of the missed class. In all cases, further documentation may be required for the absence to be declared an emergency and/or excused.
- More than one missed homework; entering class late
- Using a laptop during class for anything other than this class
- Using a cell phone or text messaging during class
- Other discourteous or otherwise unprofessional behavior may automatically result in loss of class participation points.

Project

There are three parts to the project based on the steps in the risk management process. Each student will work with 2-3 other students on the project. Each project part is due at the beginning of class on the day stated by the instructor. 5 points will be deducted from the final project grade for each day the project part is late, including projects turned in after the starting time for class. Each part must be clearly marked and include all previous parts. The final project grade will be based on content, organization, presentation and writing mechanics. Students needing assistance with writing and presentations should consult the Writing Resource Center at http://www.uncc.edu/writing/wrcindex.html. The instructor also will refer you to the Writing Resource Center if needed. As a condition of taking this course, all required papers may be subject to submission for textual similarity review to Turnitin.com for the detection of plagiarism. Refer to Class Policies for further information on Turnitin.com.
Guest Speakers and Student Presentations

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, etc.... All e-mails to the instructor must be written in a professional manner.

Cell phones: Cell phones may not be on during class or exams. This includes ringing, text messaging, internet, video, camera, and silent modes. If a cell phone rings during class then that student relinquishes consideration of class participation points stated above. In addition, cell phones 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.

IRMI-Online: This online subscription is used throughout the entire course beginning with the first topic. IRMI-Online is also very useful for the projects. Students are required to purchase this subscription by the end of the second week of class to avoid falling behind in the reading assignments. Failure to purchase this subscription will result in 3 points deducted from your final course grade for each day you do not purchase the subscription beginning January 21st and including weekends. Students are prohibited from sharing their password or material from IRMI-Online. Failure to abide by these restrictions may result in a significant penalty including receiving a zero for the course.

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 sample projects and announcements will be posted on Moodle, the instructor’s website, or e-mailed to the student. It is the student’s responsibility to check the Moodle website and their e-mails frequently to keep updated on the class.
Exams: Exams generally include multiple-choice questions requiring scantron answer sheets. Students are responsible for providing their own #2 pencils and calculators 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.

Turnitin.com All submitted papers will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such papers. No student papers will be submitted to Turnitin.com 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. Therefore, students should take care when choosing group members for the project.

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.
Week of  Topic  Reading
Week 1  January 9  Introduction, Overview of risk management  CH 1 [H&N], IRMI PRM Topic A-1
        th
Week 2  January 14  The Risk Management Process  CH 2 [H&N], IRMI PRM Topic A-25
        th  Team member formation begins
        January 16  Risk Identification  IRMI PRM Topic A-3
Week 3  January 21st  Deadline for subscribing to IRMI-Online
        th  Property Exposures  CH 3 [H&N], IRMI PRM Topic A-25
        January 23  Legal Foundations of Liability  IRMI PRM Topic E-1
Week 4  January 28  Objectives of Tort System  CH 12 [H&N] (12.4-12.7)
Week 5  February 4th  Project Part 1 Due, beginning of class
        February 6th  EXAM 1
Week 6  February 11th  Analytical Tools  CH 26 [H&N]
        February 13th  Liability Exposures  IRMI PRM Topic A-3
Week 7  February 18th  Liability Exposures continued
        February 20th  Employment Practices Exposures  IRMI PRM Topic G-19

IIANC EXPO (February 20-21st), Carolinas RIMS Luncheon (February 21st), CPCU I Day (February 22nd)

Week 8  February 25th  Personnel Exposures  IRMI PRM Topic G-19
        February 27th  Net Income Exposures  IRMI PRM Topic F-10
        UNC Charlotte Spring Break (March 4-9th)
Week 9  March 11th  Discussion of Projects  CH 20 [H&N]
        March 13th  Risk Management and Shareholder Wealth  CH 22 [H&N]
        March 18-20th  Risk Retention/Reduction Decisions  CH 4 [H&N]
Week 10  March 25th  Hedging  CH 24 [H&N]
        March 27th  Loss Control  CH 11 [H&N]
Week 12  April 1st  EXAM 2
        April 3rd  Project Parts 1 & 2 due, beginning of class
Week 13  April 8th  Commercial Insurance Contracts  CH 23 [H&N]
        April 10th  Commercial Insurance Policies
Week 14  April 15th  Team members meet in class
        April 17th  Worker’s Compensation (materials on Moodle)  CH 18 [H&N]
        IIABA National Legislative Conference (April 17-19th)
Week 15  April 22nd  Alternative Risk Transfer  CH 25 [H&N]
        April 24th  EXAM REVIEW
        Final Project (Parts 1, 2 & 3 due), beginning of class
        RIMS International Conference (April 21-24th)
        April 29th  Exam 3
        May 8th  Wednesday, 8:00-10:30am – PRESENTATION

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

Class meetings: Mondays and Wednesdays
9:30-10:45am in Friday 122