FINN 4275-009  
Corporate Risk Management  
Fall 2018

Class Meetings  
Tuesdays and Thursdays, 10:00am-11:15am, Friday 111

Instructor: Faith R. Neale, Ph.D.  
Phone: 704-687-7636  
E-mail: frneale@uncc.edu  
Office: 351A Friday Building  
Office Hours:  
- Tuesdays: 11:30-12:30; 1:30-2:30pm  
- Wednesdays: 1:00-2:00pm

Course Description  
This course provides an in-depth discussion of risk management in non-financial firms including analysis of techniques that firms use to manage 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.

Student Conduct  

Course Objectives  
1. Facilitate a comprehensive 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. Understand the challenges confronting risk managers in the current environment and the tools available to assist in analysis.  
4. Apply the risk management process to a commercial enterprise and present an organized analysis of that application.

Required Text  

The ebook version can be purchased from McGraw-Hill by following the steps below.  
1. Go to http://create.mcgraw-hill.com/shop/  
3. Add the book to your cart and pay using a credit card or access code.
Required Resource


International Risk Management Institute, Inc. (IRMI) provides a significantly discounted annual subscription to IRMI-Online to authorized colleges and universities and a free subscription to GIS members. 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 students of approved university programs who are not GIS members is $25 for a one-year subscription. All students are required to obtain 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 two examinations (55% of the course grade), a project (25%), assignments and quizzes (15%) and class participation/attendance (5%). The exams account for 27.5% 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 are not given except for medical or family emergencies involving urgent medical care or treatment.
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. Other discourteous or otherwise unprofessional behavior may automatically result in loss of extra credit class participation points.

Assignments and Quizzes

In-class and out of class assignments and quizzes will be required throughout the course. Students must come to class or get assignments from classmates if an assignment or quiz is discussed during class. Assignments may not always be posted 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 Project

There are multiple 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 names of all contributing team members. The final project grade for each student will be adjusted based on group member evaluations.

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 or on the syllabus 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.

Attendance

Roll will be taken at the beginning of class. Students must be present when the roll is called and stay for the entire class to get credit for class attendance. Students are allowed two missed classes for any reason. Subsequent missed classes will result in a loss of attendance points. 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.
Class Policies

Special accommodations: Students needing special accommodations should inform the instructor of the type of accommodation needed during the first week of class.

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. Violations of this policy may be considered violations of the Students Conduct Codes discussed above.

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 obtain/purchase this subscription by the end of the second week of class to avoid falling behind in the reading assignments. Failure to obtain/purchase this subscription will result in 2 points deducted from your final course grade for each day you do not purchase the subscription beginning the Monday of the 3rd week of class, including partial weeks 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 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.
Exams: Undergraduate exams generally include short answer and 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.

Vericite As a condition of taking this course, all required papers and assignments may be subject to submission for textual similarity review to Vericite through Canvas for the detection of plagiarism.

Poll Everywhere Poll Everywhere may be used in class. Students must become familiar with this application and bring a wifi enabled device to every class to participate in polls and assignments. Failure to bring a polling device to class will result in a zero grade(s) for that day. For more information go to http://teaching.uncc.edu/academic-technologies/student-response-system/student-guides.

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.

*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.*
## Class Schedule for FINN 4275, Fall 2018

**Instructor:** Faith R. Neale, Ph.D.

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<tr>
<th>Week of</th>
<th>Topic</th>
<th>Reading</th>
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<tr>
<td>Week 1</td>
<td>Overview of Class &amp; ERM, Project Discussion</td>
<td>CH 1 [H&amp;N], IRMI PRM Topic A-1, A-11</td>
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<td>The Risk Management Process, Risk Register &amp; Landscape</td>
<td>CH 2 [H&amp;N], IRMI PRM Topic A-25</td>
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<td>Risk Identification, Total Cost of Risk</td>
<td>IRMI PRM Topic A-3, A-16</td>
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<td>Confirmation of IRMI subscription due for assignment grade, due 5pm</td>
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<td>Legal Foundations of Liability</td>
<td>CH 3 [H&amp;N], IRMI PRM Topic E-1, E-2</td>
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<td>Week 2</td>
<td>Products Liability – Underground Storage Tanks</td>
<td>IRMI PRM Topic G-13, G-15</td>
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<td><strong>Project Part 1: Business summary &amp; initial risk ID due by 5pm</strong></td>
<td>IRMI PRM Topic A-3 (Liability Risks)</td>
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<td><strong>Friday – Tour Coca Cola Bottling Consolidated: CCBCC Overview, ERM &amp; Risk Culture</strong></td>
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<td>Week 3</td>
<td>Objectives of Tort System</td>
<td>CH 12 [H&amp;N] (12.4-12.7)</td>
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<td>Executive Risk &amp; Employment Practices – Vonni Davis</td>
<td>IRMI PRM Topic G-31,-32, -36 to -39</td>
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<td>Week 4</td>
<td>Worker’s Compensation</td>
<td>CH 18 [H&amp;N], IRMI PRM G-3</td>
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<td>Cyber Risk</td>
<td>IRMI PRM Topic G-21</td>
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<td><strong>Saturday: Project Part II Due: Summary of Significant Risks and Supporting Documents, 5pm</strong></td>
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<td>Week 5</td>
<td>CCBCC visits class – discuss their significant risks, Claims &amp; Safety – Mandatory Class</td>
<td>CH 11 [H&amp;N]</td>
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<td>Loss Control</td>
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<td>SE RIMS Conference – Group work – Class Roll will be taken</td>
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<td>Week 6</td>
<td>Analytical Tools and Measurement</td>
<td>CH 26 [H&amp;N]</td>
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<td>Fleet Safety, GIS Annual Conference (4th)</td>
<td>IRMI PRM Topic D-2</td>
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<td>Week 7</td>
<td><strong>CCBCC Understanding Balance Sheet &amp; Financials – Mandatory Class</strong></td>
<td>CH 20 &amp; 22 [H&amp;N]</td>
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<td>Risk Management, Shareholder Wealth, Retention &amp; Reduction Decisions</td>
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<td>Week 8</td>
<td>Lloyd’s of London</td>
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<td><strong>Mid-Term</strong></td>
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<td>Commercial Insurance Contracts/Policies</td>
<td>CH 23 [H&amp;N], IRMI PRM A-4</td>
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<td>Week 9</td>
<td><strong>CCBCC Insurance Coverages - Mandatory Class</strong></td>
<td>CH 4 [H&amp;N]</td>
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<td>Pooling and Diversification</td>
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<td>Week 10</td>
<td>Alternative Risk Transfer</td>
<td>CH 25 [H&amp;N]</td>
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<td><strong>Due: Project Part III, Summary of Risk Management Techniques - Full Risk Register</strong></td>
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<td>Week 11</td>
<td>Understanding the Actuarial Process</td>
<td>IRMI PRM B-25</td>
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<td>Executive Risk &amp; Employment Practices – Vonni Davis</td>
<td>IRMI PRM Topic G-31,-32, -36 to -39</td>
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<td>Week 12</td>
<td><strong>Mandatory Class</strong></td>
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Nov 13th  Hedging
Nov 15th  Communication and Related Technology in Risk Management

Week 13
Nov 20th  EXAM 2

Executive Summary Due November 24th, 11:59pm

Week 14
Nov 27th  Presentation Development – Mandatory Class
Nov 29th  Presentation Development – Mandatory Class

Week 15  Presentation Practice
Dec 4th   Mandatory Class

Week 16
Dec 13th  Presentation Preparation
8am – Presentation Preparation
9am – 10:30am  Formal Project Presentation to CCBCC
Final group evaluation due

This schedule is tentative and subject to change.

Class meetings: Tuesdays & Thursdays
10-11:15am, Friday 111