

RMIN 4600 Risk Management Fall 2020

Course Administration

Professor: Dr. Yu-Luen Ma
Class Periods: Tuesday and Thursday 2:00-3:20pm Zoon & online via Canvas
(<https://unt.instructure.com/>)
E-mail: Yu-Luen.Ma@unt.edu
Office Hours: Via Zoom, by appointment

Please keep in mind that I am here to help you achieve success and I am working to create a learning environment that helps you learn more efficiently. I encourage you ask questions and/or for help both in and out of class. Please do not hesitate to contact me via e-mail or make an appointment with me whenever you have any concerns, questions or suggestions for the class.

Textbooks and Materials

1. Risk Management Essentials, 2nd Edition, from National Alliance
2. Video lectures are available via Canvas (<https://unt.instructure.com/>)
3. PowerPoint slides, practice problems, and additional reading materials on Canvas

Professional Designation Credit

Students completing this course with a grade of C or above will be able to apply for a waiver and receive professional credit for the Analysis of Risk exam toward the Certified Risk Manager (CRM) designation. To apply for a waiver for the professional exam, contact Jamie Morgan via e-mail (jmorgan@scic.com). More information about CRM can be found at <https://www.scic.com/crm/>

Course Description

This course is an advanced study of risks faced by firms; various methods used to measure and manage risks; and the process of making risk management decisions. By the end of the semester it is anticipated that the students will have enhanced and further developed specific skills necessary for success in future endeavors. These skills and abilities include critical thinking, teamwork, communication, and spreadsheet and modeling capabilities. Upon completion of the course requirements, students should be able to:

- Identify possible risks in corporate undertaking.
- Define and describe the risk management process.
- Perform risk assessment including loss triangles, loss distributions, regression analysis and net present value analysis.
- Identify and explain major risk control and risk financing techniques.
- Describe risk financing solutions that utilize capital market.
- Work in a team to perform risk management evaluation for a real business.
- Provide risk management solutions for a real business.
- Enhance their written and verbal communication skills, as well as time management skills.

Canvas and Zoom

This is a blended course, which means there are online learning components as well as synchronized Zoom sessions, which replace the traditional face-to-face instructions. You are expected to view lecture videos on Canvas BEFORE each scheduled Zoom session so we can focus on reinforcing lecture concepts and applications of course materials when we meet (a detailed course calendar for the semester can be found on Canvas “Syllabus” section). **You will need a tablet or a laptop with a webcam and reliable internet throughout the entire semester.** If you are having difficulty with getting your computer set up correctly, you can contact UIT Help Desk 940-565-2324 or helpdesk@unt.edu.

In addition to lecture video clips, you can obtain course syllabus, PowerPoint slides, homework assignments, additional practice problems and review notes, as well as taking quizzes and exams via Canvas.

Attendance & Participation

Regular class attendance of all students is expected during Zoom meetings. Students who miss a significant number of Zoom meetings may be withdrawn from the class at the discretion of the instructor. Students who choose not to attend a class are solely responsible for missing any announcements for homework, exams, etc. I encourage you to get to know other students in this class so you can help each other learn and make up missed materials, if any. Study groups are highly recommended.

A portion of your grade will be related to Zoom session attendance and class discussion participation. All students are REQUIRED to attend the Zoom sessions when guest speakers visit our class. **Zoon session attendance will be counted only if you have your webcam turned on and you are visible during the entire Zoom session.** You are strongly encouraged to speak up whenever you have questions. Your active participation on guest days will be weighted heavily when I assign participation marks.

Grading

The student’s grade in this course will be determined using the following system:

Exam 1	60 points
Exam 2	60 points
Quizzes	42 points
Risk Management Group Project	60 points
Homework assignments	70 points
Attendance & Participation	20 points
Total points	312 points

Exam dates can be found on page 5 of the syllabus. **You are required to inform me of any schedule conflict at least two weeks in advance.** A student who misses any of the exams without an excused absence prior to an exam will receive a score of zero for that exam. Same rules apply to assignments. You can expect to receive exam results back during the next meeting immediately following the exam. We will use part of that class period to discuss exam results. The final grades will be based on the total points from all graded material using the following scale:

281 - 312 = A	250 – 280.9 = B	218 - 249.9 = C
187 – 217.9 = D	below 187 = F	

Academic Integrity

All students enrolled in class are expected to maintain high standards of ethical conduct within the classroom and when completing assignments, projects, and/or exams. Plagiarism and other forms of academic dishonesty such as cheating will not be tolerated. Students are expected to provide appropriate citations for non-original writing even if the original work is paraphrased. Penalties for plagiarism and other forms of academic dishonesty may be severe. Any violation of academic integrity will be handled in accordance with the University policy and procedures (<http://vpaa.unt.edu/fs/resources/academic/integrity>).

Quizzes and Exams

To facilitate class discussion and allow us time to work on application questions during class, students are expected to watch the video lecture, finish reading assignments and take the online quiz prior to each Zoom discussion session. There are a total of 7 quizzes: one quiz per lecture. Each quiz contains 3 questions. The quizzes are timed (with a time limit of 10-15 minutes, depending on the quiz) and only one attempt is allowed for each quiz. Quiz questions are directly related to the materials contained in the corresponding video lecture. Note that each quiz is available on a limited time basis and every student is required to take the quiz before the deadline. To provide you with the greatest flexibility, all quizzes are open now and will be **due by 1:50pm of the day of our Zoom session** for the corresponding topic. You are encouraged to take the quiz whenever you have finished reviewing the materials and not to wait until close to the deadline to take the quiz. Please note that technical issues (e.g. computer breakdown, internet connection issues, etc.) will NOT be acceptable reasons for not being able to finish quizzes before the deadline. If you know of a valid conflict for these scheduled quizzes, you should let me know **at least two days** before the quiz due date. No make-up quiz will be given if you miss the deadline without following prior communication as noted above.

There are two open-book exams during the semester and each exam contains 30 multiple choice questions. All exam questions are directly related to the materials contained in the corresponding course contents. You have up to 100 minutes for each exam and you can take the exam anytime between 12:00pm and 4:00pm on the exam date. If you know of a valid conflict for these scheduled exams, you should let me know as soon as possible. **No make-up exams will be given if you miss the deadline without communicating with me in advance.**

You will need to have the LockDown Browser and a webcam on your laptop or tablet in order to take quizzes and exams. Student edition of the browser is available on [UNT CLEAR webpage](https://clear.unt.edu/supported-technologies/respondus-lockdown-browser) (<https://clear.unt.edu/supported-technologies/respondus-lockdown-browser>). Please note that technical issues (e.g. computer breakdown, internet connection issues, etc.) will NOT be acceptable reasons for not being able to finish quizzes before the deadline. Contact the student helpdesk at 940-565-2324 immediately if you encounter any technical issues. Be sure to obtain a ticket number from the helpdesk, and send me the helpdesk report via e-mail ASAP. Without a ticket number I will not be able to follow up with the issues. **You should use direct broadband (not wireless) connections when taking quizzes and exams to avoid internet connection issues.**

Homework

During the course of the semester homework assignments will be given. **All assignments are due by 1:50pm on the due date.** You are required to type your answers and submit your completed assignments via Canvas before the deadline. Late submission *may* be accepted within 24 hours after the due date with a 25% penalty assessed. Penalties begin immediately after the deadline has passed. Late submission will

not be accepted once solution has been posted. You should have plentiful amount of time for each assignment and thus I expect you to have all questions addressed BEFORE the assignment is due. No questions will be answered after 6:00pm prior to the due date of assignments or exams for the corresponding materials.

Accommodation for Students with Disabilities

Students in need of special accommodation should contact the staff in the Office of Disability Accommodation (Tel: 940-565-4323). Information regarding how to obtain academic accommodations can be found at <https://disability.unt.edu/>

Extra Credit

Occasionally extra credit opportunities may be offered to the entire class. This usually relates to your attendance at [Gamma Iota Sigma \(GIS\)](#) meetings and your other involvement in risk and insurance related activities. **GIS members are eligible for many scholarships and other benefits. You are strongly encouraged to become a GIS member and participate in GIS sponsored events.** You are strongly encouraged to become a GIS member and participate in GIS sponsored events. For each qualified event that you participate, you earn 2 extra points. A maximum of 20 points may be earned. I will announce either **during Zoom sessions** and/or via e-mail ahead of time of each opportunity.

COVID-19 Impact on attendance

If you are experiencing cough, shortness of breath or difficulty breathing, fever, or any of the other possible [symptoms of COVID-19](https://www.cdc.gov/coronavirus/2019-ncov/symptoms-testing/symptoms.html) <www.cdc.gov/coronavirus/2019-ncov/symptoms-testing/symptoms.html> please seek medical attention from the Student Health and Wellness Center (940-565-2333 or askSHWC@unt.edu) or your health care provider. While participation is an important part of succeeding in this class, your own health, and those of others in the community, is more important.

Emergency Evacuation Procedures for Business Leadership Building

In the event you are in the Ryan College of Business and severe weather strikes, all building occupants should immediately seek shelter in the designated shelter-in-place area in the building. If unable to safely move to the designated shelter-in-place area, seek shelter in a windowless interior room or hallway on the lowest floor of the building. All building occupants should take shelter in rooms 055, 077, 090, and the restrooms on the basement level. In rooms 170, 155, and the restrooms on the first floor.

Bomb Threat/Fire In the event of a bomb threat or fire in the building, all building occupants should immediately evacuate the building using the nearest exit. Once outside, proceed to the designated assembly area. If unable to safely move to the designated assembly area, contact one or more members of your department or unit to let them know you are safe and inform them of your whereabouts. Persons with mobility impairments who are unable to safely exit the building should move to a designated area of refuge and await assistance from emergency responders. All building occupants should immediately evacuate the building and proceed to the south side of Crumley Hall in the grassy area, west of parking lot 24.

Course Schedule

You are required to watch the video lecture, take online quiz as well as finishing the reading materials **BEFORE** coming to each discussion session.

Date	Topic	Quiz / Assignments
8/25	Course overview (Zoom)	
8/27	Video 1.1: Cost of Risk Video 1.2: Utility Reading: Chapter 1 + Utility article	
9/1	Discussion 1 (Zoom)	Quiz 1 due by 1:50pm
9/3	Project Research 1 (Zoom breakout rooms)	
9/8	Video 2: Risk Management Process Reading: Chapters 2, 20	Assignment 1 due by 1:50pm
9/10	Discussion 2 (Zoom)	Quiz 2 due by 1:50pm
9/15	Video 3: Risk Measurement 1 Reading: Chapter 5-6, 9	
9/17	Discussion 3 (Zoom)	Quiz 3 due by 1:50pm Assignment 2 due by 1:50pm
9/22	Video 4: Risk Measurement 2 Reading: Chapter 8	
9/24	Discussion 4 (Zoom)	Quiz 4 due by 1:50pm Assignment 3 due by 1:50pm
9/29	Project Research 2 (Zoom breakout rooms)	
10/1	Guest speaker (Zoom)	Assignment 4 due by 1:50pm
10/6	Exam 1 (Covers topics 1-3)	
10/8	Pivot Tables (Zoom)	
10/13	Video 5: Regression Reading: Chapter 8	
10/15	Discussion 5 (Zoom)	Quiz 5 due by 1:50pm
10/20	Project Research 3 (Zoom breakout rooms)	
10/22	Video 6: Risk Control Reading: Chapters 7 & 10	Assignment 5 due by 1:50pm
10/27	Discussion 6 (Zoom)	Quiz 6 due by 1:50pm
10/29	NPV Analysis Assignment (Zoom)	
11/3	Video 7: Risk Financing Reading: Chapters 17-18	Assignment 6 due by 1:50pm
11/5	Discussion 7 (Zoom)	Quiz 7 due by 1:50pm
11/10	Project Research 4 (Zoom breakout rooms)	
11/12	Guest speaker (Zoom)	Assignment 7 due by 1:50pm
11/17	Exam 2 (Covers topics 4-7)	

11/19	Project Research 5 (Zoom breakout rooms)	
11/24	Project Day	
12/1	Project Presentations (Zoom)	
12/3	Project Presentations (Zoom)	

Risk Management Group Project

You should work on this project in teams of four to five students. Your task is to conduct a risk management analysis on a company of your choice. The purpose of this project is for you to apply the material learned from this subject to an existing organization. Each group is required to present the completed project to the class during the last week of the semester. The due date for the completed written project is **December 1, beginning of the class**. In preparing for the project, you should assume the role of independent risk management consultants hired by the organization you are reviewing (you should reflect this on your writing style). The project should contain the following sections:

1. Cover page
2. Table of contents
3. Executive summary
4. Introduction
 - a) Company overview
 - b) Mission statement
 - c) Risk management structure (e.g. do they have a risk management department? Include an organizational chart that shows the reporting relationship)
5. Identification and evaluation of risks
 - a) Risk assessment: Assess the major risks that the firm is faced with and discuss the probability and impact of each risk using a risk map
 - b) Current strategies: Discuss the current risk management strategies for each risk (e.g. what is the company doing now to prevent this risk or reduce its impact? Are the current strategies effective in preventing this risk or reducing its impact to an acceptable level?)
 - c) Recommendations: Make comments or suggestions for improvements and support your suggestion with reasons (e.g. what else can the company do to prevent the identified risk or reduce its impact?)
 - d) Risk register: Create a risk register for identified risks
6. Retention capacity analysis
7. Conclusion
8. The reference section should list *all* the sources (including directories of web links) you've used in preparing your project. Resources for documenting sources are available at <https://writing.colostate.edu/guides/index.cfm?categoryid=11&title=2>

Please be precise and clear in your writing. Your analysis should be specific to this organization. **DO NOT** repeat the text or lecture notes. Cite references appropriately in the main content whenever applicable. I expect the written project to be done in a professional manner. There is no minimum requirement as to the length of the project. However, I would expect no more than 30 pages (double-spaced).

In order to make sure you are making reasonable progress in your assignment, there are a couple of deadlines you have to keep in mind.

- You should form your group by **September 1**. You can either select your group members or I will assign you to a group. **If I do not hear from you before the end of September 1 about the group you are in, I will assign you to a group on September 2.** Part of successfully completing this project is learning to work effectively within a group of people. To help ensure the success of your group, you must first outline the expectations of your group members. As a group, send me an e-mail before **11:59pm on September 1** (and copy this e-mail to everyone in the group) with the subject line "RMIN 4600: Group Expectations". The e-mail should contain the following information:
 - ✓ Names, e-mail addresses, and telephone numbers of all group members

- ✓ A designated contact person for the group. (i.e. One person I can contact if I need to deliver a message to your group. That person will be responsible for relaying the message to the rest of the group.)
- ✓ A list of expectations for the group members. Examples of issues to consider include meeting times, meeting frequency and initial responsibilities/division of labor of your group members. Feel free to add other issues.

If you are assigned to a group on September 2, your group should (re)submit the Group Expectation on September 3rd after meeting on the Project Research Day.

- By **11:59pm on September 18**, you should have decided which organization on which you want to perform the analysis. The submission should include the company name and identify the resources and/or the methods information/data have already been identified for this company. In the subject line of your e-mail submission, enter “RMIN 4600: *Company Name*”. Access to company information should be an important factor in your choice of companies. I’ll deduct 5% of your project grade (the written component) if you change your targeted company at later date *so make sure you have done some research on this company before making your decision*. You are strongly encouraged to take a look at sample projects before you determine your target firm.
- The first progress report is due by **11:59pm on October 2**. This report should describe what has been done and what remains to be completed. In the report you should mention the contribution by each group member thus far as well as each individual’s responsibility for the rest of the project. By this time you should have already conducted your first interview (or at the very least have made an appointment for an interview) and/or collected some information about the company. In the subject line of your e-mail submission, enter “RMIN 4600: *Company Name*: Progress Report 1”.
- A second progress report is due by **11:59pm on October 23**. In the subject line of your e-mail submission, enter “RMIN 4600: *Company Name*: Progress Report 2”. The content will be similar to the previous progress report, and the purpose is to update your progress. By this time you should have finished risk identification and evaluation, and started your research on risk management strategies. Include the complete list of risks you have identified, among other things, in your submission.
- A third progress report is due by **11:59pm on November 13**. In the subject line of your e-mail submission, enter “RMIN 4600: *Company Name*: Progress Report 3”. You should update your progress and outline your initial findings. I expect to see a draft of your project that includes an outline of the actual paper with headings of different sections, and at least some bullet points under each section, etc. This report should also contain what you have done in your previous progress report.
- The completed project is due by **1:50pm on December 1**. In your e-mail submission enter “RMIN 4600: *Company Name*: completed project” in the subject line.
- As an individual, everyone is required to evaluate the contribution of each group member in your group. Assign the percentage of contribution toward the finished project by each group member and submit the evaluation form to me before **4:00pm on December 4**. In your e-mail submission enter “RMIN 4600: *Company Name*: peer evaluation” in the subject line. Adjustments may be made to an individual's grade based, in part, on this evaluation.

With the exception of the peer evaluation, all e-mail submissions should also be copied to everyone in the group. I will respond to your progress reports with comments and suggestions. **Failure to meet any of the above deadlines or requirements will result in a reduced grade.**