



**Introduction to Risk
Management
RM 357E
Spring 2007**

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Office Hours: 2 - 3 PM, M-W-F

Class location: GSB 2.124, M W F, 11-12 AM
(#03960), and 12-1 PM (#03965)

[calendar](#)

[syllabus](#)

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Calendar - Spring 2007

Textbook: Rejda, George E., *Principles of Risk Management and Insurance (9th Ed.)*, Addison Wesley publishers, Boston, Mass., 2004 (required)

- This course will examine the way in which business and society make an assessment of, control and transfer risk.
- It is designed for the student with no previous knowledge of risk management.

Reading and Homework Assignments

- Reading and homework assignments are shown below, by date due.
- Reading assignments will be drawn primarily from the textbook - supplemented by articles and website readings from other publications.
- Homework will be assigned from time to time, and generally will be due the following class session.

Evaluation & grading - see [syllabus](#)

DATE	TOPIC	READING ASSIGNMENTS, REFERENCE AND LEARNING MATERIALS
January 17	Syllabus Overview	Slideshow: Intro slideshow ; Rejda public website ; fun with risk management
Part One: Introduction to Risk Management		
January 19	Risk in Our Society	Reading: Chapter 1 Slideshow: slideshow , fire slideshow Other Resources: Chapter 1 quiz ; outline ; Evolution of Risk Management ; Hartford: Managing Your Risk
January 22	Insurance and Risk	Reading: Chapter 2 Slideshow: slideshow Other Resources: outline , History of Risk Management ; Chapter 2 puzzle , clues ; Online quiz
January 24	Introduction to Risk Mgmt	Reading: Chapter 3 Slideshow: slideshow Other Resources: outline ; interactive

		catastrophe-risk map of US
January 26	Homework chapters 1 - 3	
Part Two: Legal Principles in Risk and Insurance		
January 29	Adv'd Topics in Risk Mgmt	Reading: Chapter 4 Slideshow: slideshow Other Resources: outline , & Quiz ~ T/F, III's forecast 2006 ; facts and figures ; "Running with Risk" heat map ; ERM, Corporate Risk Management , SwissRe sigma's , overview for 2006
January 31	Adv'd Topics in Risk Mgmt (cont'd)	Reading: ERM, Corporate Risk Management , PartnerRe , latest III forecast , SwissRe sigma's
February 2	In-class quiz	chapter 4
February 5	Fundamental Legal Principles	Reading: Chapter 5 Slideshow: slideshow Other Resources: outline ; Tort Excess , AAIS Update ; waiver (& sample)
February 7	Analysis of Insurance Contracts	Reading: Chapter 6 Slideshow: slideshow Other Resources: outline and sample event agreement (Westin) ;
February 9	Analysis of Insurance Contracts (cont'd)	Tort versus contract - remedies?
February 12	C.O.P.E. and building code / location / jurisdiction (increased cost of construction due to code, risk financing)	Review construction, fire protection, occupancy/classification and exposures, see "safety" - see coverage and classification listing , safety checklist (STEP 2003 - Safety Training and Evaluation Process)
February 14	In-class quiz	chapters 5 - 6
February 16	Exam #1	chapters 1 - 6 + selected readings
Part Three: Personal Property and Liability Risks		
February 19	The Liability Risk Homework (due XXXXXX)	Reading: Chapter 7; Alternative Dispute Resolution (RIMS mag. 10/06) Slideshow: slideshow Other Resources: outline ; auditors and privilege
February 21	Homeowners Insurance, Sec. I	Reading: Chapter 8 Slideshow: slideshow Other Resources: outline and homeowners endorsements slideshow
February 23	Homeowners Insurance, Sec. II	Reading: Chapter 9 Other Resources: outline and crossword clues, solution, & puzzle
February 26	In class quiz	chapters 7 - 9
February 28	Automobile Insurance	Reading: Chapter 10 Slideshow: slideshow Other Resources: outline , practice exam , and True/False
March 2	Automobile Insurance and Society Homework (due XXXXXX)	Reading: Chapter 11 Slideshow: Slideshow

		Other Resources: outline ; review Hired auto, Employer's Non-Ownership Liability (ENOL); review FAIR Plan, MAP, JUA's; consumer survey (J D Powers) ; Online Defensive Driving Course listing (TDI) ; crossword
March 5	In-class quiz	chapters 7 - 11
March 7	Other Property and Liability Insurance Coverages, review floaters, umbrellas, flood	Reading: Chapter 12 Slideshow: slideshow Other Resources: outline ; FAIR Plan , MAP, JUA's
March 9	Exam #2 - Part Three	chapters 7 - 12 + selected readings (see "Reading" for 10/9 on ADR)
Part Four: Commercial Property and Liability Risks		
March 19	Commercial Property Insurance: limitations, extensions, conditions, valuation	Reading: Chapter 13 Slideshow: commercial risk management strategies, chapter 13/14 slideshow Other Resources: outline , quiz ,
March 21	Commercial Liability Insurance: excess/umbrella; contractual, exclusions, conditions	sample equipment lease ; sample lease of premises agreement
March 23	Commercial Liability insurance (cont'd): environmental impairment, liquor, auto, own work/product (recall, impaired property/failure to perform, faulty workmanship - "business risk");	Reading: Chapter 14 Slideshow: commercial slideshow Other Resources: outline ; crossword: blank , clues , multiple choice quiz , (quiz with answers); completed crossword ;
March 26	Management liabilities, employment practices, security liability;	EPLI slideshow , audit
March 28	Professional Liability, Medical Malpractice, other liability issues	Resources: Limiting Tort Liability for Medical Malpractice ; Med Mal slideshow ; umbrella slideshow
March 30	In-class quiz	Chapters 13-14
April 2	Crime Insurance & Surety Bonds Homework (due XXXXXX)	Reading: Chapter 15 Slideshow: slideshow Other Resources: outline ; eCommerce slideshow ; Law, Insurance & the Internet ; HRH 2005 Liability Snapshot (Hilb Rogal and Hobbs) ;
April 4	Crime Insurance & Surety Bonds (cont'd)	RFP - State of Maryland : sample services contract RFP
April 6	Social Insurance	Reading: Chapter 24 (workers' compensation sections only) Other Resources: outline ; puzzle - see also: Safety
April 9	In class quiz	chapters 15, 24

Part Six: The Insurance Industry

April 11	ERM and Corporate Social Responsibility	Sustainability and Disaster Risk Financing: Swiss Re ; CPCU Journal
April 13	Types of Insurers & Marketing Systems	Reading: Chapter 25 Slideshow: slideshow Other Resources: outline ; Marsh update incl OIL (7/06)
April 16	Market challenges	Surplus Lines Insurance - the Safety Valve ; III update 10/06 ; Surplus lines and non-admitted markets ; special slideshow: Katrina & Rita
April 18	Insurance Company Operations	Reading: Chapter 26 Slideshow: slideshow Other Resources: outline
April 20	Homework or Guest Speaker(s)	
April 23	Insurance Pricing	Reading: Chapter 27 Other Resources: outline ; rating filing when using modeling ;
April 25	Government Regulation of Insurance; Reinsurance	Reading: Chapter 28 Slideshow: slideshow ; Other Resources: outline ; crossword , SMART - Modernizing Insurance Regulation ;
April 27	In-class quiz	Chapters 25-28, selected readings
April 30	Government Regulation of Insurance; Reinsurance (cont'd)	Reinsurance portions of text; slideshow (courtesy James Kallman, PhD); Reinsurance , Lloyds , captives , and risk purchasing groups
May 2	Exam prep/review	
May 4	Exam #3 - Parts Four and Six	chapters 13-15, 24, 25-28

Updated 1/8/2007