



**McCOMBS SCHOOL
OF BUSINESS**
The University of Texas at Austin

**Property - Casualty Risk
Management & Planning
Spring 2007**

RM 377

Professor: Patricia M. Arnold, CPCU, ALCM

[calendar](#)

Office: GSB 5.126A

[research paper](#)

Phone: 475-6728

[syllabus](#)

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

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Class location: GSB 2.124, 9-10 AM, M-W-F
(#03970)

Course Syllabus

TEXT

1. ***Risk Management and Insurance*** by Scott Harrington and Greg Niehaus, Irwin McGraw Hill Publ. (required)
2. Class handouts and **assigned reading**.

COURSE OBJECTIVES

The ability to transfer risk through the insurance mechanism is one of the primary reasons allowing for the growth of the capitalistic market system of enterprise. Without this ability, banks would not loan corporations (or individuals) money and firms would run the risk of insolvency due to random accidents, fires, lawsuits, and other vagaries beyond their control.

One need only look to the economic repercussions of the 9-11-01 tragedy to see the impact of loss of insurance on the real estate and large office space developing industry, or the effects of medical malpractice lawsuits on the cost and availability of health care, or the impact of liability lawsuits on the availability of products (e.g., asbestosis, certain pharmaceuticals, even hot coffee to-go, in a drive-through).

The management of risks using techniques other than the insurance vehicle is very important - examples include emphasis on loss control/prevention and safety.

This course will examine methods by which firms and individuals can control and handle risks which are **not** associated with mortality and morbidity (these latter risks being covered in depth in another course, **RM 369K** offered each Fall semester).

Among the risks considered in this class will be good faith & legal liability, workers' compensation and employment risk management, corporate governance, emergency planning and risk financing, contracts & indemnification, and environmental impairment liability.

The course also addresses a number of other important public policy issues, such as regulation, sustainability, global challenges & competition, and the concept of a *fair and justified* price for consumers (a topic of substantial interest to the Texas legislature, associated with the affordability and availability of homeowners insurance policies, underserved markets, and the cost of including mold liability claims in the policy coverage).

The course is designed to be accessible to students with no previous course work in *RM*.

In addition to the class **readings**, **guest speakers** will bring a "real world" perspective to the class. A **research project will be completed by each student**, using a problem-solving format similar to the National Science Foundation's "[case files](#)".

EVALUATION

Your final grade will be determined as follows:

<u>COMPONENT</u>	<u>PERCENT</u>
Homework and class participation	10%
Three Examinations worth 25% each	75%
Research Paper	15%

Homework will include a written summary of the guest speakers' presentations as well as assigned homework.

The **research paper** is tentatively scheduled to be due the week of **April 23nd**.

There will be no final exam.

Actual letter grades for the course will be determined on the basis of

- (1) the performance of the student relative to the class, and
- (2) certain minimum standards.

You may reach me at my e-mail address pat.arnold@mcombs.utexas.edu if you have

any questions.

Use of Blackboard in Classes

This course uses Blackboard, a Web-based course management system in which a password-protected site is created for each course. (Student enrollments in each course are updated each evening.)

Blackboard can be used to distribute course materials, to communicate and collaborate online, to post grades, to submit assignments, and to take online quizzes and surveys.

You will be responsible for checking the Blackboard course site regularly for class work and announcements. As with all computer systems, there are occasional scheduled downtimes as well as unanticipated disruptions. Notification of these disruptions will be posted on the Blackboard login page. Scheduled downtimes are not an excuse for late work. However, if there is an unscheduled downtime for a significant period of time, I will make an adjustment if it occurs close to the due date.

Blackboard is available at <http://courses.utexas.edu>. Support is provided by the ITS Help Desk at 475-9400 Monday through Friday 8 am to 6 pm, so plan accordingly.

Syllabus additions outlining policies for students with disabilities, the new student e-mail policy, the honor code and more are available at: <http://www.utexas.edu/academic/blackboard/answers/syllabus.html>

Special Accommodations:

The University of Texas at Austin provides, upon request, appropriate academic accommodations for qualified students with disabilities. For more information, contact the Office of the Dean of Students at 471-6259 (471-4641 TTY)

Drop Policy:

If the University policies permit, a student may withdraw or drop this class with approval by the withdraw/drop deadlines set by the University. After the deadline, students who withdraw/drop the course receive a grade based on what they have earned in the course at that point in time.

Scholastic Dishonesty Policy:

The University defines academic dishonesty as cheating, plagiarism, unauthorized collaboration, falsifying academic records, and any act designed to avoid participating

honestly in the learning process. Scholastic dishonesty also includes, but is not limited to, providing false or misleading information to receive a postponement or an extension on an exam or other assignment, and submission of essentially the same written assignment for two different courses without permission of faculty members. The McCombs School of Business has no tolerance for acts of academic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the Policy Statement on Scholastic Dishonesty for the McCombs School of Business. By teaching this course, I have agreed to observe all of the faculty responsibilities described in that document. By enrolling in this course, you have agreed to observe all of the student responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear, it is your responsibility to ask me for clarification.

Policy on Scholastic Dishonesty: Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced.

Students should refer to the Student Judicial Services (<http://www.utexas.edu/depts/dos/>) or the General Information Catalog to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Religious Holidays

Religious holy days sometimes conflict with class and examination schedules. If you miss an examination, work assignment, or other project due to the observance of a religious holy day you will be given an opportunity to complete the work missed within a reasonable time after the absence. It is the policy of The University of Texas at Austin that you must notify each of your instructors at least fourteen days prior to the classes scheduled on dates you will be absent to observe a religious holy day.

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Updated 1/8/2007