

# Risk Management and Insurance

## Course Syllabus

**YEAR COURSE OFFERED:** 2015

**SEMESTER COURSE OFFERED:** Spring

**DEPARTMENT:** Finance

**COURSE NUMBER:** 4354

**NAME OF COURSE:** Principles of Risk Management and Insurance

**NAME OF INSTRUCTOR:** Nick Kapatos

The information contained in this class syllabus is subject to change without notice. Students are expected to be aware of any additional course policies presented by the instructor during the course or required by the University of Houston.

### **General Information:**

This course examines the nature of risk and how it can be managed. Insurance is one of the tools we use to respond to risk, but it is only one of the multitudes of options available to manage risk within our risk tolerance. We open with the basic principles of risk management and continue with the major forms of insurance and risk management programs in today's business world. We survey of the insurance delivery systems as well as insurance company operations. We cover legal principles as they relate to insurance, explore government regulation of insurance, and examine insurance contracts. Life and health plans, personal and commercial policies all receive attention in this course. As an introductory course, students will become familiar with a number of concepts, programs and insurance policies found in personal and business application today.

Overall course objectives include familiarization with:

- Classification and definitions of risk
- Characteristics of an insurable risk
- Steps in the risk management process
- Techniques of risk management
- Role of insurance in risk management
- Insurance market operations
- Insurance company operations
- Government regulation of insurance
- Legal principles of risk transfer

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Analysis of an insurance contract  
Enterprise risk management  
Root cause analysis  
Loss scenario analysis  
Life insurance  
Health insurance  
Liability insurance  
Property insurance  
Home insurance  
Automobile insurance  
Crime & other specialized insurance products

### **Required Textbook:**

Principles of Risk Management and Insurance – 12th edition  
Rejda McNamara  
ISBN 978-0-13-299291-6 Available at the University Bookstore

### **Suggested Reading:**

Against the Gods, The Remarkable Story of Risk, Bernstein, Peter L., New York, Wiley 1996  
Business Insurance Magazine (access provided via course link to University Library)  
Risk Management Magazine

### **Attendance:**

**Attendance will be taken. If you accumulate more than four unexcused absences from class, your letter grade will be reduced by one letter.**

### **Class Participation:**

Active class participation will increase your learning experience and will benefit others. **Class participation and homework makes up 15% of your grade.** You are expected to come to class prepared to participate. This means that you have completed the assigned readings before class, are ready to contribute, and will share your ideas when appropriate. Do your best!

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### Style Guide:

Please prepare all writing assignment in a word processing program. All documents must be double spaced, 12 point font, and have one inch margins. All documents must comply with formatting in accordance with either MLA or APA guidelines presented in the respective style guide. It is good practice to stick to one guide throughout the semester.

<b>Grading:</b>	93.00-100.00 = A	80.00-82.99 = B-	67.00-69.99 = D+
	90.00-92.99 = A-	77.00-79.99 = C+	63.00-66.99 = D
	87.00-89.99 = B+	73.00-76.99 = C	60.00-62.99 = D-
	83.00-86.99 = B	70.00-72.99 = C-	

### Exams & Assignments:

1. Three tests – 60% (3 X 20%) of final grade
2. Final exam – 25% of final grade

Three (3) progress tests will be given. These tests will consist of multiple choice, fill in the blank, or essay questions and are designed to insure continuous mastery of course material leading up to the final exam.

3. Daily Work – 15% of final grade – Class participation and homework assignments

Homework will be assigned prior to lectures. These assignments must be completed and submitted using Blackboard Learn prior to the stated expiration date. Homework assignments will be accepted as “late” if they are turned in within one week following the originally required date. However, 10 points will be automatically deducted from homework assignments that are turned in late. **Homework assignments turned in more than one week beyond the due date will be given a grade of “0.”**

Critical thinking and writing are an important part of any college program. Businesses want individuals who can think and write well. Your homework assignments will be written assignments related to our classes. Credit will be given only if the submission is:

- Clearly written (spelling, grammar, and logical organization);
- Links the class topic to one or more of the following: the guest lecturer, case study, readings from the text or other sources, or the class discussion; and
- Reflective and explains what you learned or found most beneficial from the class.

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5. Term paper is optional for extra credit that will be added to your final average. It must be 8 pages (double spaced) excluding cover and bibliography. A choice of topics will be provided. You must **select your topic by March 15, 2015** and notify me via email. A printed copy of the **term paper must be turned in by April 25, 2015**. No late papers will be accepted.

**Points added to final average grade: A = +4 B = +3 C = +2 D = +1**

Note: Requests to enter the designation for “Incomplete” after the drop course without grade deadline must be in writing and will only be honored in the presence of very unusual circumstances accompanied by a written recommendation from your curriculum advisor.

### **Make-up exams or homework:**

To be entitled to make up examinations or homework, a written request must be submitted to the instructor prior to the test date. The request will state the reason for the absence and provide the name and contact information of at least one individual who can verify the circumstances. For absence due to medical reasons, a note from the attending physician is recommended. Permission to make up an examination will be granted only if the circumstances involved constitute an “excused absence” based on University of Houston policy. Excused absences involve serious illness, family emergencies, legal requirements and other circumstances clearly beyond the control of the student. Skipping class for reasons of personal convenience or to study for another exam are examples of circumstances that are not deemed to be “excused absences.” Makeup exams will be more difficult and more extensive than the regularly scheduled exams.

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### **Blackboard Learning:**

The University of Houston's Blackboard system will be an important communication link for students in this class. Announcements are posted and reflect schedule changes, articles and other resources needed to fully understand the topics discussed.

Students should use the Discussion Board to post any class material questions. This process allows the entire class community to benefit from these information exchanges, and will limit repetitive questioning from individual sources. I will also post articles on occasion and start discussions about them. Participation in these discussions is a part of your participation grade discussed above.

Blackboard Learn will be used in this class as a course management tool to post announcements, the course syllabus and journal entries. All assignments for the course will be submitted through Assignments.

To access Blackboard for this class, you will need your Cougar Net ID to login. Make sure your Cougar Net account is active and that you are able to log in with it. To test, you can log in at <https://accessuh.uh.edu/login.php>. If you need to reset your password you can do so online at [http://www.uh.edu/infotech/php/template.php?account\\_id=57](http://www.uh.edu/infotech/php/template.php?account_id=57).

If your account has become inactive due to non-use, you can activate it by calling 713-743-1411. If you have questions about Blackboard Learn or need technical assistance, you can click on the "get help" link on the Blackboard website, or call the helpline at 713-743-1411 (M-F 8am-8pm).

### **Academic Honesty:**

The University of Houston Academic Honesty Policy is strictly enforced by the C. T. Bauer College of Business. No violations of this policy, such as plagiarism or cheating, will be tolerated in this course. A discussion of the policy is included in the University of Houston Student Handbook. Students are expected to be familiar with this policy. Students are expected to produce original work in the course. Previous course-work from other classes cannot be submitted for credit in this course for any class assignment or project. At the instructor's discretion, work will be submitted to "Turn It In."

### **Accommodations for Students with Disabilities:**

The C. T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. To receive academic accommodations, students must register with the Center for Students with Disabilities (CSD), telephone 713-743-5400, and present approved accommodation documentation to their instructor.