

Economics Finance and Insurance (LM16)

(Lecce - Università degli Studi)

Teaching RISK MANAGEMENT

GenCod A004418

Owner professor VINCENZO GENTILE

Teaching in italian RISK MANAGEMENT **Course year** 1
(IN INGLESE)

Teaching RISK MANAGEMENT

Language ENGLISH

SSD code SECS-P/11

Curriculum PERCORSO COMUNE

Reference course Economics Finance
and Insurance

Course type Laurea Magistrale

Location Lecce

Credits 6.0

Semester Second Semester

Teaching hours Front activity hours:
48.0

Exam type Oral

For enrolled in 2017/2018

Assessment Final grade

Taught in 2017/2018

Course timetable

<https://easyroom.unisalento.it/Orario>

REQUIREMENTS

Nessuno

COURSE AIMS

1. Understand the meaning of risk. 2. Understand the role and purpose of risk management. 3. Understand the core elements of the risk management process. 4. Understand the different categories of risk. 5. Understand current trends in risk management. 6. Understand the position of insurance within risk management. 7. Understand the key risk management lessons learnt from major loss events.

TEACHING METHODOLOGY

Lectures, Research groupworks, Class discussions, Management game.

ASSESSMENT TYPE

Oral exam

The student who is disabled, and or DSA, which intends to make use of an individualized intervention for the conduct of the examination should contact the Disability Integration Office of University of Salento at paola.martino@unisalento.it

FULL SYLLABUS

1. Understand the meaning of risk

- 1.1 Explain the difference between risk and uncertainty
- 1.2 Explain the basics of probability theory
- 1.3 Discuss risk perception
- 1.4 Explain the difference between pure and speculative risk

2. Understand the role and purpose of risk management

- 2.1 Explain the evolution of the discipline of risk management
- 2.2 Outline the benefits of risk management

3. Understand the different categories of risk

- 3.1 Define and categorise risk (e.g. various financial, operational, insurance risks, strategic and reputation)
- 3.2 Discuss difficulties to categorise risks
- 3.3 Examine the link between cause, events and effects

4. Understand risk management techniques in financial institutions

- 4.1 Define and categorise risk in financial institutions
- 4.2 Explain risk management techniques for liquidity risk
- 4.3 Explain risk management techniques for solvency risk
- 4.4 Explain risk management techniques for market risk
- 4.5 Explain risk management techniques for operational risk

5. Understand the position of insurance within risk management

- 5.1 Explain the role of insurance as a risk transfer mechanism
- 5.2 Explain the role of an insurance intermediary in supporting risk management
- 5.3 Discuss alternatives to insurance (captives, alternative risk transfer, self-insurance)

6. Understand the key risk management lessons learnt from major loss events

- 6.1 Explain why risk management systems can fail
 - 6.2 Explain the consequences of the failure of risk management systems
 - 6.3 Discuss examples of relevant loss events
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REFERENCE TEXT BOOKS

(Attendants)

The Economics of Money, Banking, and the Financial Market **Part IV**

Commercial Banking Risk Management Regulation in the Wake of the Financial Crisis **Articles at page 3,35 and 169**

The picture of ART **Full**

(Not attendants)

Financial Institutions Management, a risk management approach. A. Saunders, M. M. Cornett, Sixth edition, Mc Graw Hill.