

USC Marshall **RISK 385**
School of Business **Introduction to Risk Management**
 and Insurance

**Peter Arkley Institute for
Risk Management**

Course Syllabus
Fall Semester 2024
Section:
Location: ACC 236
Day/Time: Monday Evening, 6:00-9:30 PM
Units: 4
Professor: Ward Ching
Office: Virtual and By Appointment
Office Hours: TBD and/or See Class Link
Office Phone: 415.314.9878
E-Mail: ward.ching@aon.com, wrching@marshall.usc.edu

Course Description

This course is an introduction to risk management and insurance for undergraduate students. The concept and role of risk management and insurance is rapidly changing in the international market. Globalization, technological advances and the adaptations by enterprises and economies has led to rapid changes in how risks are evaluated and mitigated. The ability to identify/anticipate, measure, financially and operationally manage, mitigate and communicate risk exposures as a portfolio is essential to business success. Moreover, the ability to communicate the impact and consequences of material risk exposures to executive management and other enterprise stakeholders has becoming a mission critical management skill. This course provides a basis for further study for those entering into the fields of enterprise risk management, management consulting, insurance brokerage or underwriting, structured reinsurance, claims management, parametric financial engineering, risk related accounting, auditing (internal and external), and risk management operations. This course exposes students to leading risk professionals across the risk management spectrum.

Learning Objectives

Upon completion of this course, students should be able to:

1. Define the concept of “risk” and how it applies to large enterprises, businesses, organizations and markets;
2. Identify and define significant hazard, operational, human capital risk exposures within an enterprise, business or organization;
3. Understand the basic insurance market and placement process, beginning with exposure identification, coverage definitions, placement and post placement management;

4. Demonstrate a basic understanding of the commonly used risk assessment and management frameworks and tools that apply to the risk management supply and distribution chains;
5. Demonstrate ability to utilize key risk management concepts including risk including assumption, avoidance, limitation, financing and transfer in a commercial context;
6. Be exposed to methods and organizations that evaluate and to implement an enterprise –wide risk management program within an organization;
7. Develop and deliver strategic memorandum communications to senior management level decision-makers; and,
8. Develop and deliver a professional presentation to communicate key risk information to organization stakeholders.

To achieve these learning objectives, a combination of background reading, team based interactive discussion / lecture, access to “real world experts” and cases will be utilized. This course is designed to be highly collaborative “boot camp” and very hands on. Students will more than likely work in assigned teams and will engage with locally based world class companies and experts who represent a variety of risk management and insurance specialties. The objective is to provide the student with the opportunity to encounter real world issues, problems and concepts that are being handled in the international risk management and insurance markets today. Students should come prepared engage, discuss and argue in a constructive and team context.

Recommended Materials

The readings indicated in the assignments are from:

- John R.S. Fraser, Rob Quail, and Betty Simkins, Enterprise Risk Management, Today’s Leading Research for Tomorrow’s Executives, Second Edition (2021), John Wiley & Sons, Incl, New Jersey (LCCN 2021013946).
- Rejda, George E., and McNamara, Michael J., Principles of Risk Management and Insurance Thirteenth Edition (2017) Pearson (978-1-292-15103-8)
- National Alliance Research Academy, (2014). Risk Management Essentials. Texas: National Alliance Research Academy (978-0470559857).

Additional Materials will be distributed via Brightspace including Discussion Boards.

Prerequisites and Recommended Preparation

No formal pre-requirements for this course. Regular reading of a general business periodical or newspaper’s financial section will aid in your business education. The Wall Street Journal can be purchased at a discounted student rate at www.wsjstudent.com. Another common industry periodical is Business Insurance.

In addition, student may want to join various risk management groups online. Several good risk management groups can be found through LinkedIn (www.linkedin.com) or the Business Insurance (www.businessinsurance.com). A good insurance and risk management organization to become familiar with is the Risk & Insurance Management Society (www.rims.org). Reviewing the daily posts relating to risk management can give students with a current view on the issues that risk management professionals are confronting and solving on a daily basis. More information on how to join these groups, if desired, will be provided in class.

Course Notes

Course Communication

Course communication will take place through announcements in class, announcements on Brightspace, and emails sent through Brightspace. It is imperative that all students have a fully operational Brightspace account.

Grading Policies and Sample Grading Detail

Your grade in this class will be determined by your relative performance on the individual projects, case preparation homework, participation in class and the team project. The total class score will be weighted as follows:

| <u>Assignments</u> | <u>Points</u> | <u>% of Grade</u> |
|--------------------------------------|---------------|-------------------|
| INDIVIDUAL STUDENT PROJECT MEMOS (3) | 600 | 60.0% |
| TEAM PROJECT | 200 | 15.0% |
| CLASS PARTICIPATION | 100 | 10.0% |
| FINAL EXAM | <u>100</u> | <u>15.0%</u> |
| TOTAL | | 100.0% |

Assignments and Grading Detail

Students will be organized into one of six **Study/Project Teams** for the duration of the semester. Each Study/Project Team is named after prominent buildings on the USC Main Campus: **Bovard, Doheny, Mudd, Bridge, Town & Gown, and Annenberg.**

The purpose of the Study/Project Teams is to increase the opportunity for course material engagement and class presentations. Each Study/Project Team may be mentored by a recognized industry professional, many of whom are former USC Marshall School or Peter

Arkley Institute for Risk Management graduates. Additionally, teaching assistants will be assigned as coaches to each Study/Project Team.

Each Study/Project Team is assigned a specific company to study throughout the semester. The Study/Project Team will present an enterprise risk assessment of the assigned company as a Capstone Assignment/Team Project at the end of the semester.

Study/Project Team company assignments:

- Bovard – Disney
- Doheny – Nvidia
- Annenberg – Alphabet/Google
- Mudd – Pfizer
- Town & Gown – Trader Joe's
- Bridge - Mattel

The objective of the Team Project is to assume the role of a risk analyst looking to present an enterprise level risk assessment of the company and the industry vertical the company operates in. The intent is for the team to analyze the industry vertical and company to describes their decision and rationale to regarding a go forward risk management strategy. Each Team will present their project findings and recommendations in class to their class peers at the end of the semester. Each team member must be part of and deliver the oral presentation. A presentation document and power point demonstration document are required. A team grade will be assigned to each participant equally. The various teams will work with teaching assistants to organize, prepare, rehearse and deliver their project results and recommendations.

Details of the **Individual Student Project Memos (individual project memos)** will be discussed in class two weeks prior to the due date and the specifics of the assignments will also be posted on Brightspace. The individual project memos are intended to be strategy memorandums that help the student to examine specific aspects of the insurance industry business model and risk management organizational development.

The first individual project memos are related to possible private equity investment into the insurance market - Chubb.

The second individual project memo will focus on a review of a corporate insurance portfolio to determine strengths and weaknesses and appropriate questions a new CFO might ask to clarify her understanding of the company's risk finance program.

The third individual project memo focuses on the creation of a risk management department.

Each individual project will be 1500 words in length. Project memos may be presented in class. Project memo grading may allow for revision for higher grades.

Students will be required to **follow a publicly traded company** and develop a specific Red Sheet that collects and reports on the firm's key risk management performance indicators and data.

Students will periodically present updates on their companies and demonstrate work on their Red Sheets.

Final grades represent how you performed in the class as an individual and relative to other students.

The grade of “W” is allowed only if a student withdraws after the official add period and before the end of the drop period during the semester. The grade of incomplete (IN) can be assigned only if there is work not completed because of a documented illness or unforeseen emergency occurring after the drop period of the semester that prevents the student from completing the semester. An “emergency” is defined as a serious documented illness, or an unforeseen situation that is beyond the student’s control, that prevents a student from completing the semester. Prior to the end of the drop period, the student still has the option of dropping the class, so incompletes will not be considered. Arrangements for completing an IN must be initiated by the student and agreed to by the instructor prior to the final examination. All work required to replace the IN with a final grade must be completed within one calendar year from the date the IN was assigned. If the student does not complete the work within the year, the IN will automatically be converted to a grade of F.

Assignment Submission Policy

Assignments must be turned in on the due date/time electronically via email and/or Brightspace. Any assignment turned in late, even if by only a few minutes, may receive a grade deduction (for example, if your work is a B+ grade, you will be given a C+ grade). If your internet breaks down on the due date, you must deliver a hard copy at the beginning of class on that day. If you are unable to attend class on that day, make arrangements for it to be delivered via internet to Professor Ching’s Aon or Marshall email box by the start of class. Late or not, however, you must satisfactorily complete all assignments.

Students are permitted and encouraged to discuss with others their ideas for completing assignments.

However, once a student begins writing the deliverable, all work must be individual and independent. Students may seek help from anyone outside the class, including but not limited to former students of this course, friends, family, tutors and on forums. Students are encouraged to engage their Study/Project Team mentors and Teaching Assistant coaches. Students may consult course materials and web resources. Failure to abide by the above guidelines may constitute a case of suspected plagiarism or cheating, which will be reported and investigated. Please see the “Academic Integrity and Conduct” section below for further details. For more information about unauthorized collaboration, visit: <https://libraries.use.edu/tutorial/academic-dishonesty> or http://lib-php.use.edu/tutorials/academic-dishonesty/story_html5.html.

Evaluation of Your Work

As a student in this class, you should regard each of your submissions as an “exam” in which you apply what you have learned according to the assignment. Professor Ching will do his best to make expectations for the various assignments clear and to evaluate them as fairly and

objectively as he can. If you feel that an error has occurred in the grading of any assignment, you may, within one week of the date the assignment is returned to you, write Professor Ching an internet email memo in which you request that Professor Ching re-evaluate the assignment. Professor Ching's intention is that all students be given the opportunity to improve their grade by reediting or accomplishing the assignment. Attach the original assignment to the memo and explain fully and carefully why you think the assignment should be re-graded or attach the revised assignment document. Be aware that the re-evaluation process can result in three types of grade adjustments: positive grade change or no change from current grade.

Use of Artificial Intelligence

Marshall School Position on the use of AI: AI Usage Encouraged within Limits

Students can use AI (e.g., ChatGPT and image generation tools) in this class. Learning to use AI is an emerging skill. Students should keep in mind the following:

- AI tools may help students brainstorm topics or revise work they have already written.
- If students provide minimum-effort prompts, they will obtain low-quality results. Students will need to refine their prompts to obtain good outcomes. They will still need to meet any grading rubric requirements. This will take work.
- Students should proceed with caution when using AI tools and not assume the information provided is accurate or trustworthy. If an AI tool gives students a number or fact, they should assume it is incorrect unless they either know the correct answer or can verify its accuracy with another source. Students will be responsible for any errors or omissions provided by the tool. It works best for topics students understand.
- AI is a tool, but one that students need to acknowledge using. They must include a paragraph at the end of any assignment that uses AI explaining how (and why) they used AI and indicate/specify the prompts they used to obtain the results. Failure to do so is a violation of academic integrity policies.
- Students should be thoughtful about when AI is useful. They should consider AI's appropriateness for each assignment or circumstance. The use of AI tools requires attribution. Students are expected to clearly attribute any material generated by the tool used.

Students should ask the instructor if they are unsure about what constitutes unauthorized assistance on an assignment, or what information requires citation and/or attribution.

- Collaboration. In this class, students are expected to submit work that demonstrates students' individual mastery of the course concepts.
- Group work. Unless specifically designated as a 'group project,' all assignments are expected to be completed individually.
- Computer programs. Plagiarism includes the submission of code written by, or otherwise obtained from someone else.

If found responsible for an academic violation, students may be assigned university outcomes, such as suspension or expulsion from the university, and grade penalties, such as an “F” grade on the assignment and/or in the course.

Professor Ching's Position on the use of AI:

The use of Artificial Intelligence (AI) tools, techniques and capabilities have emerged as a potentially powerful and pervasive academic and presentation tool. In its current form, AI may assist students to more efficiently access information, perform specified calculations, draw insightful inferences from data, and construct useable written content.

For purposes of this class, AI should be considered a tool to assist the student to explore issues and generate informational or presentation output that is supplemental to the core student research or document production process. AI tool output, in all forms, should never be positioned or conveyed as “original student work product.”

All uses of AI need to be properly identified and footnoted using standard footnote technique. In the body of a text, report or presentation, where an AI tool was used to produce research results or document output, the manufactured content must be *italicized*, footnoted and clearly identified as “AI Assisted Research.”

Substituting AI tool output and portraying it as original student research or written work, is prohibited. If AI supplemented student work is misrepresented as original and not properly footnoted, the penalty will be that a failing grade or loss of grading points will be assigned to that student work product. The student’s overall grade in class may be adversely impacted as well.

Professor Ching’s perspective on AI, while consistent and supportive of the Marshall School AI statement, will be the framework used in this class.

Any deviation from this framework needs to be discussed with Professor Ching prior to project or presentation use.

Add / Drop Process

Most Marshall classes are open enrollment (R-clearance) through the Add deadline. If there is an open seat, you can add the class using Web Registration. If the class is full, you will need to continue checking Web Registration or the *Schedule of Classes* (classes.usc.edu) to see if a space becomes available. Students who do not attend the first two class sessions (for classes that meet twice per week) or the first-class meeting (for classes that meet once per week) may be dropped from the course. There are no formal wait lists for Marshall undergraduate courses, and professors cannot add students or increase the course capacity. If all sections of the course are full, you can add your name to an interest list by contacting the Office of Undergraduate Advising & Student Affairs; if new seats or sections are added, students on the interest list will be notified.

Students may drop via Web Registration at any time prior to **TBD**. Please note that if you drop

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with The Office of Disability Services and Programs (www.usc.edu/disability) which provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

USC Statement on Academic Conduct and Support Systems

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. *SCampus*, the Student Guidebook, (www.usc.edu/scampus or <http://scampus.usc.edu>) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: <http://www.usc.edu/student-affairs/SJACS/>. Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

Academic Conduct

Students are expected to make themselves aware of and abide by the University community's standards of behavior as articulated in the [Student Conduct Code](#). Plagiarism – presenting someone else's ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, "Behavior Violating University Standards" <https://policy.usc.edu/scampus-part-b/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us>. This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7

confidential support, and the sexual assault resource center webpage <http://sarc.usc.edu> describes reporting options and other resources.

Support Systems

Counseling and Mental Health - (213) 740-9355- 24/7 on call

<https://studenthealth.usc.edu/counseling/>

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 - 24/7 on call

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press "0" after hours - 24/7 on call

<https://studenthealth.usc.edu/sexual-assault/>

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED)- (213) 740-5086 | Title IX - (213) 821-8298

equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298

https://usc-advocate.symplicity.com/care_report/

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity |Title IX for appropriate investigation, supportive measures, and response.

The Office of Disability Services and Programs - (213) 740-0776

dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs (www.usc.edu/disability). DSP provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

USC Campus Support and Intervention - (213) 821-4710

<https://uscса.usc.edu/>

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call

dps.usc.edu Non-emergency assistance or information

Emergency Preparedness / Course Continuity

In case of a declared emergency if travel to campus is not feasible, the *USC Emergency Information* web site (<http://emergency.usc.edu/>) will provide safety and other information, including electronic means by which instructors will conduct class using a combination of USC's Brightspace learning management system (Brightspace.usc.edu), teleconferencing, and other technologies.

For additional information, please see the following:

RSK/INS

USC Emergency – (213) 740-4321

USC Emergency Information – (213) 740-9233

USC Information – (213) 740-2311

KUSC Radio – 91.5 FM

MARSHALL GUIDELINES**Learning Goals**

In this class, emphasis will be placed on the USC Marshall School of Business learning goals as follows:

| Goal | Description | Course Emphasis |
|------|--|-----------------|
| 1 | Our graduates will have an understanding of the key business areas and their reciprocity <i>to effectively manage different types of modern enterprise.</i> | Medium |
| 2 | Our graduates will have a global mindset <i>demonstrating an understanding of the interplay of local, regional, and international markets, and economic, social and cultural issues.</i> | Medium |
| 3 | Our graduates will demonstrate critical thinking skills, decision-making, and problem-solving abilities <i>to strategically navigate complex demands of business environments.</i> | Strong |
| 4 | Our graduates will demonstrate leadership skills <i>aspiring to be informed, sensible, future-oriented leaders and innovators.</i> | Strong |
| 5 | Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities <i>and aspire to add value to society.</i> | Medium |
| 6 | Our graduates will be effective communicators in speaking and writing <i>to facilitate information flow in organizational, social, and intercultural contexts.</i> | Medium |

Fall 2024 Course Calendar and Homework Assignments

Class Session 1

August 26, 2024

Introduction to Risk Management and Insurance – Course Introduction

Description of Course:

- What will you learn?
- Class Session Structure
 - Discussion Board pre-work and reading
- Individual Projects
 - Project Format
 - Grading
- Final Team Project
 - Project Format
 - Grading
 - Red Sheet
- The Art of the Memorandum: How to communicate with Senior Management
 - Preparing for Memo #1 – Buy, Sell, Hold – Chubb Investment

What is Risk? What is Risk Management? What is the Risk Management Process?

Guest Lecturers:

Vince Monastersky, Fox

Class Discussion:

Fox Entertainment

- The Risk Management Process at Fox
- Contracts as the basis of Risk Management

Evolution and the Future of Risk Management and Insurance: A preview of upcoming attractions.

Labor Day Holiday - No Class

September 2, 2024

Class Session 4

September 9, 2024

Panda Express Risk Management Field Trip

- The Panda Express Approach to Risk Management, Risk Finance and Supply Chain Management
- Evaluation of Reputation and Brand Management
- Tour Panda Express Facility

Guest Lecturers:

Melinda Yee Dong, Corporate Risk Manager, Panda Express And class

Class Session 5

September 16, 2024

Casualty Risk Management and Finance – Possible Field Trip to Chubb LA Offices

Guest Lecturers:

Ryan Montes, Aon
Erin Parker, Chubb

Class Discussion

Casualty Risk Management

- Definitions and Overview of Casualty Insurance
- Insurance Lines of Coverage
- In Class Study Team Exercise and Presentations: Underwriting Scenarios, Program Pitch, Underwriting Review from Chubb

- Review Results of Memo #1 – Study Group Presentations to Chubb

Individual Project Memo #1

Prepare a strategy memorandum for Private Equity Partner outlining the basics of an insurance business and the possible investment in Chubb. Make recommendation to: Pursue Due Diligence; Investment? Buy, Sell, Hold investment? Provide rational.

1500-word limit.

Class Session 6

September 23, 2024

Retail Brokerage Field Trip to Marsh – LA

Guest Lecturers:

Bito Borovinsky, Managing Director, Pacific South Global Risk Management, Marsh and various Property, Casualty, Financial Lines and Brokerage Team Members

- Team Case Study Assessment – TBD
- In Class Session – Study teams will participate in a Pre-Renewal series of solution line expert presentations designed to prepare for a discussion with the Case Study Client Risk Management Team. Question: What insurance renewal strategy should the Case Study Client be considering? How does Marsh propose to communicate and the client and the various insurance markets on the account?

Class Session 6

September 30, 2024

Property Insurance and Risk Finance

Guest Lecturers:

Eva Gutierrez, Aon

Class Discussion

Property Risk Management

- Definitions

- Lines of Coverage

General Dynamics Underwriting Presentation – Zoom Recording

Class Session 7

October 7, 2024

Disney Studios Field Trip – Disney Studios Burbank

Meet with Steve Wilder, SVP, Corporate Risk Manager and Staff

Class Discussion:

- The Disney Approach to Risk Management
- Disney's Focus on Brand Management
- Tour Disney Studio Back Lot

Class Session 8

October 14, 2024

The Risk Management Implications of Generative AI and Social Inflation – Virtual Class

Guest Lecturer:

Eric Boyum, former Technology Practice Leader, Aon

Robert Reville, President and Chief Executive Officer, Praedicat

Class Discussion:

- What is the potentially disruptive impact of Generative AI on Risk Management?
- Describe the risk management frameworks associated with disruptive generative AI applications.
- Describe the impact of Generative AI on the insurance industry
- What is social inflation and how is Praedicat's unique approach creating a key solution?
- Define social inflation and explain the contributors to social inflation
- Describe the evidence supporting the concept of social inflation.

Individual Project Memo #2:

Risk Analysis of Case Study. Make recommendation to: Pursue specific area of insurance; Possible program improvements; Management recommendations. Provide rational.

1500-word limit.

Class Session 9

October 21, 2024

Risk Pooling, Captive Insurance

Guest Lecturers

John Chino, AJ Gallagher

Kathryn Christensen, The Disney Corporation

Class Discussion:

- What is Risk Pooling and How is it Applied?
- What is a captive insurance company? What are captives used for and what is the feasibility study process?

Class Session 10

October 28, 2024

Cyber Risk Management

Guest Lecturers:

Annice Ma, Marsh Cyber Practice

Kyle Nicholas, Marsh Cyber Practice

Bito Borovinsky, Head of Office, Marsh, Los Angeles

Sam Tashima, Lead Actuary, Cyber Liability Practice, Aon - Recorded Lecture

Class Discussion

- Definitions
- Lines of Coverage
- How the Bad Guys Do What They Do
- Risk Mitigation and Hygiene
- In Class Exercise

Class Session 11

November 4, 2024

Actuarial and Analytics

Guest Lecturers

Zoe Rico, Chief Technology Practice Actuary, Aon

Yanisa Cheepensuk, Consulting Actuary, Aon

Loren Nickel, Head Of Risk Google/Alphabet

David Ellis, VP – Chief Actuary, USIG and BFM

Class Discussion:

- What is an actuary?
- What do actuaries do?
- How does one train to become an actuary?
- Various in class exercises

Individual Project Memo #3:

Prepare a strategy memorandum for Corporate CFO describing how risk management and insurance department should be organized within corporate structure. Focus on insurable hazard risks including Workers' Compensation. Recommend structure and core duties/responsibilities.

1500-word limit

Class Session 12

November 11, 2024

**Innovation in Risk Management
Human Capital Risk Finance**

Guest Lecturers:

Eric Watkins, Global Lead Partner, Aon Enterprise Client Group
Marshann Varley, Senior Vice President, Public Storage
Shelley Yim, Managing Director, EPIC Insurance

Class Discussion

- Public Storage – Insurance Program Innovation and Use of the PS Captive Insurance Company to drive growth and competitive advantage
- What is Human Capital? Why is it so critical to business?
- Health, Welfare and Wealth Coverages and Program Designs
- In Class Study Team Human Capital Exercise and Presentations

Class Session 13

November 18, 2024

Alterative Risk Finance

Guest Lecturers:

Scott Carpinteri, President, K2 Parametrics
Peter Lacovara, Managing Director, Alternative Risk Transfer, Aon
Mitchell Rosenberg, Partner, Managing Director, Howden Tiger Risk – Via

Zoom Recording

Class Discussion:

- What are CAT Bonds and Parametrics? What problems are they looking to solve?
How did considered innovations in the Risk Capital space?
 - What is a Catastrophic Bond?
 - What prompted the creation of CAT Bonds?
 - Who are the participants in the CAT Bond market?
 - What is a Parametric? What problem is it trying to solve?
 - How are Parametrics underwritten? What is the Market future?

Class Session 14

November 25, 2024

TBD – Tentative Mattel Field Trip

Class Session 15

December 2, 2024

Study Team Capstone Presentations in Class

Final Examination

December 9, 2024

Grades Posted

December 2, 2024

| How ACCT 499 (Introduction to Risk Management and Insurance) Contributes to Student Achievement of USC Marshall's Six Undergraduate Programs Learning Goals | | |
|---|---|--|
| Marshall Undergraduate Programs Learning Goals | Degree of Emphasis (1=Low, 2=Moderate, 3=High) | RSK 4XX Objectives that support this goal |
| Learning goal #1: Our graduates will understand types of markets and key business areas and their interaction to effectively manage different types of enterprises. | 2 | |
| 1.1 Students will demonstrate foundational knowledge of core business disciplines, including business analytics and business economics | 2 | |
| 1.2 Students will understand the interrelationships between functional areas of business so as to develop a general perspective on business management | 3 | |
| 1.3 Students will apply theories, models, and frameworks to analyze relevant markets (e.g. product, capital, commodity, factor and labor markets) | 3 | |
| 1.4 Students will show the ability to utilize technologies (e.g., spreadsheets, databases, software) relevant to contemporary business practices | 2 | |
| | | |
| Learning goal # 2: Our graduates will develop a global business perspective. They will understand how local, regional, and international markets, and economic, social and cultural issues impact business decisions so as to anticipate new opportunities in any marketplace | 2 | |
| 2.1 Students will understand how local, regional and global markets interact and are impacted by economic, social and cultural factors. | 2 | |
| 2.2 Students will understand that stakeholders, stakeholder interests, business environments (legal, regulatory, competitor) and business practices vary across regions of the world | 3 | |
| | | |
| Learning goal 3: Our graduates will demonstrate critical thinking skills so as to become future-oriented decision makers, problem solvers and innovators. | 2 | 1, 2, 3, 4, 5, 6, 7 |
| 3.1 Students will understand the concepts of critical thinking, entrepreneurial thinking and creative thinking as drivers of innovative ideas. | 1 | |
| 3.2 Students will critically analyze concepts, theories and processes by stating them in their own words, understanding key components, identifying assumptions, indicating how they are similar to and different from others and translating them to the real world. | 2 | |
| 3.3 Students will be effective at gathering, storing, and using qualitative and quantitative data and at using analytical tools and frameworks to understand and solve business problems. | 3 | |
| 3.4 Students will demonstrate the ability to anticipate, identify and solve business problems. They will be able to identify and assess central problems, identify and evaluate potential solutions, and translate a chosen solution to an implementation plan that considers future contingencies. | 2 | |

| | | |
|--|----------|-------------------|
| 3.5 Students will demonstrate the ability to be accurate, clear, expansive (thorough, detailed) and fair-minded in their thinking. | 2 | 7 |
| Learning Goal 4: Our graduates will develop people and leadership skills to promote their effectiveness as <i>business managers and leaders</i>. | 2 | 2, 3, 5, 7 |
| 4.1 Students will recognize, understand, and analyze the motivations and behaviors of stakeholders inside and outside organizations (e.g., teams, departments, consumers, investors, auditors) | 2 | |
| 4.2 Students will recognize, understand and analyze the roles, responsibilities and behaviors of effective managers and leaders in diverse business contexts e.g., marketing, finance, accounting, | 2 | |
| 4.3 Students will understand factors that contribute to effective teamwork. | 2 | |
| Learning goal 5: Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities and <i>aspire to add value to society</i>. | 1 | 2, 5 |
| 5.1 Students will understand professional codes of conduct. | 1 | |
| 5.2 Students will recognize ethical challenges in business situations and assess appropriate courses of action | 2 | |
| Learning Goal #6: Our graduates will be effective communicators to facilitate information flow in organizational, social, and intercultural contexts. | 2 | 3, 6, 7 |
| 6.1 Students will identify and assess diverse personal and organizational communication goals and audience information needs. | 2 | |
| 6.2 Students will understand individual and group communications patterns and dynamics in organizations and other professional contexts. | 2 | |
| 6.3 Students will demonstrate an ability to gather and disseminate information and communicate it clearly, logically, and persuasively in professional contexts. | 2 | |

Further detailed explanation of the Marshall School Undergraduate Learning Goals are shown in Appendix I of this Course Syllabus.

Appendix I

USC Marshall School of Business Peter Arkley Institute for Risk Management Leventhal School of Accounting

Undergraduate Program Learning Goals and Objectives (last update 12/21/17)

Learning goal 1: Our graduates will demonstrate critical thinking skills so as to become future-oriented problem solvers, innovators and decision makers in diverse and rapidly changing business environments.

- Students will demonstrate the ability to anticipate, identify and solve business problems. They will be able to identify and assess central problems, identify and evaluate potential solutions, and translate a chosen solution to an implementation plan that considers future contingencies.
- Students will demonstrate the ability to be accurate, clear, expansive (thorough, detailed) and fair-minded in their thinking.
- Students will critically analyze concepts, theories and processes by stating them in their own words, understanding key components, identifying assumptions, indicating how they are similar to and different from others and translating them to the real world.
- Students will be effective at gathering, storing, and using qualitative and quantitative data and at using analytical tools and frameworks to understand and solve business problems.
- Students will understand the concepts of critical thinking, entrepreneurial thinking and creative thinking as drivers of innovative ideas.

Learning Goal 2: Our graduates will develop people and leadership skills to promote their effectiveness as *business managers and leaders in the 21st century's evolving work and organizational structures.*

- Students will recognize, understand and analyze the roles, responsibilities and behaviors of effective managers and leaders in diverse business contexts e.g., functionally diverse, culturally diverse, geographically diverse, etc.
- Students will understand factors that contribute to effective teamwork including how to elicit, manage and leverage diverse perspectives and competencies.
- Students will recognize, understand, and analyze the motivations and behaviors of stakeholders inside and outside organizations (e.g., teams, departments, consumers, investors, auditors)

Learning Goal 3: Our graduates will be effective communicators to facilitate information flow in organizational, social, and intercultural contexts.

- Students will identify and assess diverse personal and organizational communication goals and audience information needs.
- Students will demonstrate an ability to gather and disseminate information and communicate it clearly, logically, and persuasively in professional contexts.
- Students will understand individual and group communications patterns and dynamics in organizations and other professional contexts.

Learning goal 4: Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities and aspire to add value to society.

- Students will recognize ethical challenges in business situations and assess appropriate courses of action.
- Students will understand professional codes of conduct.

Learning goal 5: Our graduates will develop a global business perspective. They will understand how local, regional, and international markets, and economic, social and cultural issues impact business decisions so as to anticipate new opportunities in any marketplace.

- Students will understand that stakeholders, stakeholder interests, business environments (legal, regulatory, competitor) and business practices vary across regions of the world.
- Students will understand how local, regional and global markets interact and are impacted by economic, social and cultural factors.

Learning goal 6: Our graduates will understand types of markets and key business areas and their interaction *to effectively manage different types of enterprises.*

- Students will demonstrate foundational knowledge of core business disciplines, including business analytics and business economics.
 - Students will understand the interrelationships between functional areas of business so as to develop a general perspective on business management.
 - Students will apply theories, models, and frameworks to analyze relevant markets (e.g. product, capital, commodity, factor and labor markets)
 - Students will be able to use technologies (e.g., spreadsheets, databases, software) relevant to contemporary business practices.
-

Appendix II

**USC Marshall School of Business Peter Arkley Institute for Risk Management
Leventhal School of Accounting**

Undergraduate Accounting Program Student Learning Objectives (last updated 6/13/19)

| | | |
|--------------------|---|---|
| OBJECTIVE 1 | Technical Knowledge | Students will demonstrate technical proficiency in the accounting discipline, including the use of technical accounting knowledge to help solve problems and make decisions. |
| OBJECTIVE 2 | Research, Analysis and Critical Thinking | Students will demonstrate the ability to critically analyze, synthesize, and evaluate information for decision making in the local, regional and global business environment. |
| OBJECTIVE 3 | Ethical Decision Making | Students will demonstrate an understanding of ethics, ethical behavior and ethical decision making. |
| OBJECTIVE 4 | Communication | Students will demonstrate the ability to communicate ideas both orally and in writing in a clear, organized and persuasive manner. |
| OBJECTIVE 5 | Leadership, Collaboration and Professionalism | Students will demonstrate leadership skills and the ability to work cooperatively and productively to accomplish established goals. |
| OBJECTIVE 6 | Technology | Students will demonstrate an understanding of technology issues and utilize relevant technology tools and applications to gather and evaluate information, analyze and solve problems, work interactively with other people, and develop and present conclusions. |

Appendix III Sample Participation Statements

Participation. In-class participation is 10% of the total grade and evaluated based on your level of involvement in class discussions and in-class exercises.

One of the primary goals of this course is to help you develop the ability both to clarify your own position on an issue and to be able to articulate and defend it clearly. Sharing your perceptions and ideas with others is crucial for learning and for understanding how the diverse opinions that you are likely to encounter in an organization are debated. You will find yourself presenting and testing new ideas that are not wholly formulated and assisting others in shaping their ideas as well. You should be prepared to take some risks and be supportive of the efforts of others.

Effective class participation consists of analyzing, commenting, questioning, discussing, and building on others' contributions; it is not repeating facts or monopolizing class time. The ability to present one's ideas concisely and persuasively and to respond effectively to the ideas of others is a key business skill. One of the goals of this course is to help you sharpen that ability.

Outstanding Contribution: Your contributions reflect considerable preparation; they are substantive and supported by evidence from the case, readings, and logic. Your comments or questions create a springboard for discussion by making a critical insight. You synthesize and build upon what has already been said in the discussion. The class learns from you when you speak; in your absence, the discussions would suffer.

Good Contribution. You come prepared with substantiated comments. You demonstrate good insight and clear thinking. You are able to make some connection to what has been said in prior discussion. The class notices when you're not part of the discussion.

Minimal Contribution. You participate but are unprepared. You rarely offer interesting insights into the discussion. It appears that you are not listening to what others are saying during discussion.

No Contribution. You say little or nothing in class. If you were not in the class, the discussion would not suffer.

CLASS PARTICIPATION

Class participation is an extremely important part of the learning experience in this course as the richness of the learning experience will be largely dependent upon the degree of preparation by *all* students prior to each class session.

Additionally, a course that incorporates the frequent use of case analyses to illustrate the practical application of concepts and practices requires the student to prepare cases diligently and thoroughly and actively offer the results of the analyses and conclusions derived as well as recommendations during each class session. It follows that my expectation and that of

your classmates will be that you are prepared for *all* classes and actively participate in and meaningfully contribute to class discussions.

In-class participation is also a critical part of this course's learning experience. Cold calling will take place to encourage active participation and to gain multiple perspectives and points of view, thus lending itself to the richness of the learning experience. In-class participation grading will be based on students' demonstrated willingness to participate, and the quality of the comments expressed, rather than quantity. While some students are far more comfortable than others with class participation, *all* students should make an effort to contribute meaningfully in *every* class.

Regarding readings, speaker questions and debates, students should diligently prepare and share the outcome of their analyses with the class. Students will offer their opinions in group settings many times in their careers; thus, class participation serves to prepare students for this business experience.

The evaluating of in-class participation is based on the following:

- *Relevance* – Does the comment meaningfully bear on the subject at hand? Irrelevant or inappropriate comments can detract from the learning experience.
- *Responsiveness* – Does the comment connect to what someone else has said?

- *Analysis* – Is the reasoning employed consistent and logical? Has data from course materials, personal experience, or general knowledge been employed to support the assertions/findings?
- *Value* – Does the contribution further the understanding of the issues at hand?
- *Clarity* – Is the comment concise and understandable?

During class sessions, I assume the responsibility of a facilitator to encourage a discussion that includes perspectives from a variety of viewpoints and, secondly, to help pull together prevailing analyses and recommendations. The direction and quality of a discussion is the *collective responsibility of the group*. I expect students to provide the initiative for sound and lively discussion.

For each in-class session two (2) points will be awarded to a student for relevant and meaningful participation, one (1) point for modest contributions to the class and zero (0) points for no participation or not attending class. Absences, tardiness and unprofessional conduct will result in the loss of participation credit.

To underscore the importance of participation, _____ percent of the course grade or ____ of ____ points are allocated to class participation.

[Source: Diane Badame]

Participation
Behavioral Anchor Rating Scale

Excellent Performance

- Initiates information relative to topics discussed
- Accurately exhibits knowledge of assignment content
- Clarifies points that others may not understand
- Shares personal experiences or opinions related to topic
- Offers relevant / succinct input to class
- Actively participates in simulations and class exercises
- Demonstrates ability to apply, analyze, evaluate & synthesize course material.
- Demonstrates willingness to attempt to answer unpopular questions
- Builds on other student's contributions

Good Performance

- Regularly participates in discussions
- Shares relevant information
- Gives feedback to classroom discussions
- Consistently demonstrates knowledge of reading assignments
- Demonstrates ability to analyze / apply course material
- Demonstrates willingness to attempt to answer questions

Fair / Average Performance

- Participates in group discussions when asked
- Demonstrates knowledge of course material
- Offers clear, concise, "good" information on class assignments
- Offers input, but tends to reiterate the intuitive
- Attends class regularly

Poor Performance

- Occasional input, often irrelevant, unrelated to topic
- Reluctant to share information
- Not following the flow of ideas
- Personal applications only
- Drains energy from the class

Unacceptable Performance

- Fails to participate even when specifically asked
- Gives no input to discussions
- Does not demonstrate knowledge of the readings
- Shows up to class: does nothing
- Distracts group / class
- Irrelevant discussion

[Source: Tom Olson]

Appendix IV Sample Peer Input/Evaluation Forms

Grades for individual student contributions to team projects are assigned by me, based on my observations of the team's working dynamics, my assessment of the team's project quality, and thoughtful consideration of the information provided through your peer evaluations.

Peer Input/Evaluation Form

Complete one form for each of your teammates/group members, including yourself.

Name of group member:

| <i>Assess your teammate's contributions on a scale of 1-5 (5 is excellent)</i> | 5 | 4 | 3 | 2 | 1 |
|---|----------|----------|----------|----------|----------|
| Attended and was engaged in team meetings from beginning to end | | | | | |
| Asked important questions | | | | | |
| Listened to and acknowledged suggestions from every team mate | | | | | |
| Made valuable suggestions | | | | | |
| Took initiative to lead discussions, organize and complete tasks | | | | | |
| Contributed to organizing the assignment | | | | | |
| Contributed to writing the assignment | | | | | |
| Reliably completed tasks on time in a quality manner | | | | | |
| Demonstrated commitment to the team by quality of effort | | | | | |
| Was cooperative and worked well with others | | | | | |
| I would want to work with this team member again. | | | | | |
| Describe your teammate's (or your) contributions to the assignment: | | | | | |
| How might your teammate (or you) have made more effective contributions to the assignment? | | | | | |
| | | | | | |
| Your name: | | | Date: | | |

PEER EVALUATION FORM

Please identify your team and team members for the ____ Project(s) that you worked on. Then rate all of your team members, *including yourself*, based on the contributions of each team member for the selected assignment according to the criteria listed below. On a scale of 0 – 2 with 0 equal to does not meet expectations, 1 meets expectations and 2 exceeds expectations, rate each person on each of the five criteria. Last, add up the points for each person with the maximum number of points for each person being 10.

| Team Members/ Assessment Criteria of Team Contributions | Team Member 1 | Team Member 2 | Team Member 3 | Yourself |
|--|--------------------------|--------------------------|--------------------------|-----------------|
| 1. Role Performance | | | | |
| 2. Assists Team Members | | | | |
| 3. Listening and Discussing | | | | |
| 4. Research and Information Sharing | | | | |
| 5. Time Management | | | | |
| Total | | | | |

Comments: