

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 INGLESE

SSD code SECS-P/11

Curriculum PERCORSO COMUNE

Reference course Economics Finance and Insurance

Course type Laurea Magistrale

Location Lecce

Credits 6.0

Semester Secondo-Semestre

Teaching hours Ore-Attività-frontale: 48.0

Exam type Orale

For enrolled in 2019/2020

Assessment Voto-Finale

Taught in 2019/2020

Course timetable

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

BRIEF COURSE DESCRIPTION

The course is related to the measurement and management of risks involved in Financial intermediaries' activities.

REQUIREMENTS

Economia degli intermediari finanziari - Economia e gestione della banca - Economia del mercato mobiliare

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. CODICE TEAMS y6so0ts

ASSESSMENT TYPE

Oral exam

The exams of April and May 2020 will be held in oral form (with the possibility of short exercises and multiple choice questions) on line via windows teams platform according to the instructions provided by DR 197/2020. Further information if necessary will be sent by e-mail to exam's participants.

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

Anthony Saunders, Marcia Millon Cornett - Financial Institutions Management. A Risk Management Approach - McGraw-Hill

Chapters: 1,2,3,7,8,9,10,11,12,13,14,15,16,17,18,20,23,24,25,26,27.

Chapters are the same for non-attending students.