

«RISK MANAGEMENT»

Course syllabus

Code and name of specialty	073 – Management	Institute	Institute of Education and Science in Economics, Management and International Business
Program name	Business Administration	Department	Management
Type of program	Educational and Professional	Language of instruction	English

LECTURER

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DSc (Economics), Associate Professor, Associate Professor of Management Department (NTU «KhPI»). Authored and co-authored over 100 scientific publications.

GENERAL DESCRIPTION OF THE COURSE

Summary	Formation of students' theoretical knowledge and practical skills to: identification, analysis, risk assessment; determining the factors of influence on the crisis situation; choose methodological approaches to reduce risks, manage of them.
Course objectives	Obtaining theoretical knowledge and practical skills on the following issues: the concept and definition of risks; risk classification; risk indicators and their measurement; risk management methods; management of economic, financial risks; risk improvement
Types of classes and control	Lectures, workshops, consultation. The course end with an exam.
Term	8

Credits / Type of course	6/ elective	Lectures (hours)	20	Practical (hours)	20	Independed work	140
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Program competences

GC03. The ability to abstract thinking, analysis, synthesis.
 GC08. Skills of information and communication technology usage.
 GC09. The ability to learn and to master modern knowledge.
 GC11. The ability to adapt and perform in a new situation.
 SC02. The ability to analyze the results of organization activity, to compare them with the factors of the external and internal environment.
 SC14. To understand the principles of psychology and use them in a professional activity.
 SC16. The ability to assess the performed works, to ensure their quality and to motivate the staff of organization.
 SSC2.2. The ability to identify areas of investment and to justify the effectiveness of real and financial investments.
 SSC2.3. To understand the principles and methods of business evaluation and to use them in professional activities.
 SSC2.4 The ability to formulate the main tasks related to the implementation of risk management and insurance in business.

Programme learning outcomes	Learning and teaching methods	Forms of assessment (continuous assessment CAS, final assessment FAS)
LO 06. To show skills of search, collecting and analysis of information, calculation of indicators to substantiate management decisions	Interactive lectures with presentations, discussions, practical cases	Written essays (CAS), practical assessment (CAS), small group presentations (CAS), online tests (CAS), exam (FAS)
LO 10. To demonstrate skills of interaction, leadership, and teamwork.	Interactive lectures with presentations, discussions, practical cases, individual tasks	Written essays (CAS), practical assessment (CAS), small group presentations (CAS), online tests (CAS), exam (FAS)
LO 12. To evaluate the legal, social, and economic implications of an organization`s functioning	Interactive lectures with presentations, discussions, research	Written essays (CAS), small group presentations (CAS), online tests (CAS), exam (FAS)
LO 16. To demonstrate skills of independent work, flexible thinking, openness to new knowledge, be critical and self-critical	Interactive lectures with presentations, discussions, practical cases	Written essays (CAS), small group presentations (CAS), online tests (CAS), exam (FAS)
LO 17. To conduct research individually and/or in a group under the leadership of the leader	Interactive lectures with presentations, discussions, research, practical cases	Written essays (CAS), small group presentations (CAS), online tests (CAS), exam (FAS)
LO2.2. To evaluate the business and its elements (including securities) using modern methods	Interactive lectures with presentations, discussions, research, practical cases	Written essays (CAS), small group presentations (CAS), online tests (CAS), exam (FAS)

RATING SYSTEM

Ranges of points corresponding to grades	Total Score (points) for all types of learning activities	ECTS grading scale	The national grading scale	Allocation of grade points	100 % Final assessment as a result of exam (40 %) and Continuous assessment (60 %). 40 % exam 60 % Continuous assessment: 40 % practical assessment; 20 % mid-term control.
	90-100	A	excellent		
	82-89	B	good		
	74-81	C			
	64-73	D	satisfactory		
	60-63	E			
	35-59	FX	Unsatisfactory (with the exam retake option)		
	0-34	F	Unsatisfactory (with mandatory repetition of the course)		

Course policy

Students are expected to attend classes regularly, to get to class on time and stay for the duration on the class. In the case of absence, students will be required to submit all assignments to make up for the missed classes. Students are also expected to come to class having read all the required material and being ready to productively participate in the class discussions. Written assignments should be submitted before the specified deadlines.

COURSE STRUCTURE AND CONTENT

Lecture 1-2	The notion and definition of risks. Risk classification	Practice 1-2	1. What determine of risk do you know? 2. What is the ISO standard for risk management? 3.What Management Standard do you know? 4.Systematic andUnsystematic risk. 5.Types of Strategic Risk.	Independent work	1.Benefits of Risk Management. 2.Elements of Risk Management process (Identify the Risk, Analyze the Risk, Evaluate or Rank the Risk, Treat the Risk, Monitor and Review Risk). 3.Levels of risk. 4.Types of risk factors.
Lecture 3-4	Methods of risk management	Practice 3-4	1.Calculation of the Laplace`s criterion. 2.Calculation of the expected value.		1.What are the five methods used to manage to treat risk? 2.Hierarchy of control measures. 3. Excel Decision Tree

			3.Calculation of the Bayesian 4.Information Criterion.		
Lecture 5-6	Operation risk management	Practice 5-6	1. Definition of Operation Risk. 2. Operational risk for a bank. 3. Operational risk in financial and industrial companies. 4.What types of risks do associate with the Basel II?		1.The purpose of Basel II (2004). 2.The purpose of Basel III (2019). 3.Failure of operational risk management.
Lecture 7-8	Financial Risk Management	Practice 7-8	1.Determine the maximum expected return on investment in securities. 2.Consider the state of the economy.		1. What Is Risk Management in Finance, and Why Is It Important?
Lecture 9-10	Reducing the risk	Practice 9-10	1.Five steps to reduce risk. 2.Reduce your income tax reporting risk. 3.How to Reduce Revenue Risk		1.Risk Sharing as an reducing the risk. 2.Loss Control as an reducing the risk.

RECOMMENDED READING

Required	<p>1. Horkin P. Fundamentals of Risk Management: Understanding, evaluating and implementing effective risk management. 2010. 385 p. URL: https://www.pdfdrive.com/fundamentals-of-risk-management-understanding-evaluating-and-implementing-effective-risk-management-e184225889.html</p> <p>2. Enterprise Risk Management: Tools and Techniques for effective implementation. IMA: Institute of management accountants. URL: https://erm.ncsu.edu/az/erm/i/chan/m-articles/documents/IMAToolsTechniquesMay07.pdf</p> <p>3. Kiseleva I.A., Karmanov M.V., Korotkov A.V., Kuznetsov V.I. Risk management in business: concept, types, evaluation criteria. Espacio. 2018. Vol.39 (№27). P.18-36. URL: https://www.revistaespacios.com/a18v39n27/a18v39n27p18.pdf</p> <p>4. Krause, A. Financial Risk-management. https://people.bath.ac.uk/mnsak/Teaching/ES50090/Slides.bho/ES50090%20-%20Lecture%20Slides.pdf</p> <p>5. Risk Managemen Guideline. URL: https://www.state.nj.us/transportation/capital/pd/documents/RiskManagementGuideline.pdf</p> <p>6. Roncalli, Th. 2020. Financial Risk Management. URL:http://www.thierry-roncalli.com/download/FRM-Lecture1.pdf</p> <p>7.Risk Assessment Matrix. Risk Priority Action List. Hierarchy hazard controls. URL: https://www.deakin.edu.au/_data/assets/pdf_file/0007/1238956/OHS-RiskAssessmentGuide.pdf</p>	Additional	<p>1.BS 31100:2011 Risk management. Code of practice and guidance for the implementation of BS ISO 31000 9780580716072. URL: https://dokumen.pub/bs-311002011-risk-management-code-of-practice-and-guidance-for-the-implementation-of-bs-iso-31000-9780580716072.html</p> <p>2.Clampitt, Ph.G. & DeKoch, R.J. Embracing Uncertainty: The Essence of Leadership. Routledge. 240 p.</p> <p>3.Comes, T., Adrot, A. & Rizza C. Decision-making under uncertainty. URL: https://drm.kc.jrc.ec.europa.eu/portals/0/Knowledge/ScienceforDRM/ch04/ch04_subch0402.pdf</p> <p>4.Erickson, K.N. (2014) Financial Risk Management. Length, 102 p.</p> <p>5.How to Reduce Revenue Risk. URL: https://gocardless.com/guides/posts/how-to-reduce-revenue-risk/</p> <p>6.Jean-Marc Bardet Laplace's method and BIC model selection for least absolute value criterion. URL: https://hal.archives-ouvertes.fr/hal-03779838/document</p> <p>7.Kenton W., Brock Th., Bellucco-Chatham A. Is Risk Management in Finance, and Why Is It Important? URL: https://www.investopedia.com/terms/r/riskmanagement.asp</p> <p>8.Reduce your income tax reporting risk. URL: https://www.bdo.com/getattachment/44c170be-a97d-42c5-bb9c-99f9563eccce/attachment.aspx?TAX_ASC740_Reduce-Your-Income-Tax-Reporting-Risk_Infog.pdf</p> <p>9.Sheynin O.B. P. S. Laplace's Work on Probability. URL: https://www.jstor.org/stable/41133466</p> <p>10.Springer Ch.G. (2009) Strategic management of three critical levels of risk. PA Times, 32(10), The American Society for Public Administration. URL: https://digitalscholarship.unlv.edu/sea_fac_articles/324</p> <p>11.Sunchalin, A.M., Kochkarov, R.A., Levchenko, K.G., Kochkarov, A. & Ivanyuk, V.A. Methods of risk management in portfolio theory. Espacios. URL: https://www.revistaespacios.com/a19v40n16/a19v40n16p25.pdf</p> <p>12.What are the Essential Techniques of Risk Management. URL: https://hr.fullerton.edu/risk-management/information-and-document-requests/information-management/essential-techniques-of-risk-management.php</p>
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ACADEMIC INTEGRITY

Students are expected to adhere to the Code of Ethics of Academic Relations and Integrity of NTU «KhPI».

The content of this syllabus is consistent with the Risk-management course program.