



## UNSW Course Outline

# RISK2001 Fundamentals of Risk and Risk Management - 2024

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## General Course Information

**Course Code :** RISK2001

**Year :** 2024

**Term :** Term 1

**Teaching Period :** T1

**Is a multi-term course? :** No

**Faculty :** UNSW Business School

**Academic Unit :** School of Risk and Actuarial Studies

**Delivery Mode :** In Person

**Delivery Format :** Standard

**Delivery Location :** Kensington

**Campus :** Sydney

**Study Level :** Undergraduate

**Units of Credit :** 6

### Useful Links

[Handbook Class Timetable](#)

## Course Details & Outcomes

### Course Description

This course covers various types of risks encountered by individuals and institutions in routine activities. It begins with an exploration of fundamental principles, including the conceptualisation of 'uncertainty' and 'risk', and an overview of risk management frameworks. Participants will be

introduced to analytical tools for measuring risk and strategies for managing it effectively. Regulatory impacts on financial institutions' risk management systems are significant. The course will cover the Basel Accord's principles and standards for managing the key groups of risks such as market, credit, and operational risks. Additionally, challenges and issues within the field of risk management will be addressed.

## **Relationship to Other Courses**

This course aims to introduce students to the complex and diverse range of risks that individuals and organizations must manage in today's fast-changing global environment, as well as the fundamental principles, frameworks, and practices of risk management.

For BCom and BEc students, RISK2001 is an elective course in the BCom and BEc. It is also one of the pre-requisites for RISK2002 and RISK3003, which are part of the Business Analytics Major in BCom and BEc.

For BActSt students, RISK2001 is a compulsory course of the Actuarial Risk Management and Analytics major. The major helps students develop a broad perspective on risks, including modelling, data analysis, and management. It is a course for actuarial students interested in further extending their knowledge of quantitative risk analysis and management of risks and aims to extend students knowledge on the use of risk analysis and decision tools and their applications in practice.

The prerequisite for RISK2001 is ECON1101 (or COMM1100) and COMM1140 (or ACCT1501).

## Course Learning Outcomes

Course Learning Outcomes	Program learning outcomes
CLO1 : Describe and analyse the risks facing individuals and institutions.	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL02 : Problem Solving</li> <li>• PL03 : Business Communication</li> <li>• PL05 : Responsible Business Practice</li> <li>• PL06 : Global and Cultural Competence</li> </ul>
CLO2 : Explain and evaluate how these risks affect individuals and institutions, and the main approaches to measure and manage these risks.	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL02 : Problem Solving</li> <li>• PL03 : Business Communication</li> <li>• PL05 : Responsible Business Practice</li> <li>• PL06 : Global and Cultural Competence</li> </ul>
CLO3 : Explain and assess the basic principles and frameworks of risk management and the role of insurance industry.	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL02 : Problem Solving</li> <li>• PL03 : Business Communication</li> <li>• PL05 : Responsible Business Practice</li> <li>• PL06 : Global and Cultural Competence</li> </ul>
CLO4 : Use and critically assess the standard approaches to enterprise risk management.	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL02 : Problem Solving</li> <li>• PL03 : Business Communication</li> <li>• PL05 : Responsible Business Practice</li> <li>• PL06 : Global and Cultural Competence</li> </ul>

Course Learning Outcomes	Assessment Item
CLO1 : Describe and analyse the risks facing individuals and institutions.	<ul style="list-style-type: none"> <li>• Assignment</li> <li>• Final Exam</li> </ul>
CLO2 : Explain and evaluate how these risks affect individuals and institutions, and the main approaches to measure and manage these risks.	<ul style="list-style-type: none"> <li>• Tutorial Participation</li> <li>• Discussion Questions</li> <li>• Final Exam</li> </ul>
CLO3 : Explain and assess the basic principles and frameworks of risk management and the role of insurance industry.	<ul style="list-style-type: none"> <li>• Tutorial Participation</li> <li>• Assignment</li> <li>• Discussion Questions</li> <li>• Final Exam</li> </ul>
CLO4 : Use and critically assess the standard approaches to enterprise risk management.	<ul style="list-style-type: none"> <li>• Tutorial Participation</li> <li>• Assignment</li> <li>• Discussion Questions</li> <li>• Final Exam</li> </ul>

## Learning and Teaching Technologies

Moodle - Learning Management System

# Learning and Teaching in this course

The philosophy underpinning this course and its Teaching and Learning Strategies are based on Guidelines on Learning that Inform Teaching at UNSW. Specifically, the lectures, tutorials, and assessments have been designed to appropriately challenge students and support the achievement of the desired learning outcomes.

The broad approach to learning and teaching in the course is to combine institutional knowledge, theoretical analysis, and practical examples. With appropriate guidance, students are encouraged to take responsibility for their own learning through a combination of:

- Review of course material, lecture slides, and the lectures/lecture recordings;
- Interactive discussion of issues with the course coordinator;
- Class discussions (face-to-face or via online discussion forums);
- Feedback through exercises, class participation, and comments on class discussions.

This approach equips students to be able to develop the necessary analytical and communication skills to assess new problems encountered, rather than rote learning of particular problems, which are unlikely to be met in precisely the same format in practice. The course text plays an important role in this approach. Students will be expected to have reviewed the relevant chapters in advance of the class and be prepared to discuss exercises from the text in class.

# Assessments

## Assessment Structure

Assessment Item	Weight	Relevant Dates	Program learning outcomes
Tutorial Participation Assessment Format: Individual	5%	Start Date: Weekly	<ul style="list-style-type: none"><li>• PL01 : Business Knowledge</li><li>• PL03 : Business Communication</li><li>• PL02 : Problem Solving</li><li>• PL05 : Responsible Business Practice</li><li>• PL06 : Global and Cultural Competence</li></ul>
Assignment Assessment Format: Individual	25%	Due Date: Week 10	<ul style="list-style-type: none"><li>• PL01 : Business Knowledge</li><li>• PL02 : Problem Solving</li><li>• PL03 : Business Communication</li><li>• PL05 : Responsible Business Practice</li><li>• PL06 : Global and Cultural Competence</li></ul>
Discussion Questions Assessment Format: Individual	20%	Start Date: weekly Due Date: weekly	<ul style="list-style-type: none"><li>• PL01 : Business Knowledge</li><li>• PL02 : Problem Solving</li><li>• PL03 : Business Communication</li><li>• PL05 : Responsible Business Practice</li><li>• PL06 : Global and Cultural Competence</li></ul>
Final Exam Assessment Format: Individual	50%	Start Date: TBA Due Date: TBA	<ul style="list-style-type: none"><li>• PL01 : Business Knowledge</li><li>• PL03 : Business Communication</li><li>• PL02 : Problem Solving</li><li>• PL05 : Responsible Business Practice</li><li>• PL06 : Global and Cultural Competence</li></ul>

## Assessment Details

### Tutorial Participation

#### Assessment Overview

The tutorial sessions aim to reinforce and clarify on the topics covered in the lectures, and to provide a forum for further analysis and discussion of these issues. 5% of the course marks are rewarded for tutorial participation and discussion. To earn these marks, active, meaningful, and constructive participation in the tutorial tasks and conversations is required. The assessment of participation quality is at the discretion of your tutor. A record of attendance at tutorials will be kept.

### Course Learning Outcomes

- CL02 : Explain and evaluate how these risks affect individuals and institutions, and the main approaches to measure and manage these risks.
- CL03 : Explain and assess the basic principles and frameworks of risk management and the role of insurance industry.
- CL04 : Use and critically assess the standard approaches to enterprise risk management.

### Detailed Assessment Description

The tutorial materials are provided in Moodle.

## **Assignment**

### Assessment Overview

The assignment is structured to cultivate your critical thinking abilities. For comprehensive details on the assignment, please visit the course website.

### Course Learning Outcomes

- CL01 : Describe and analyse the risks facing individuals and institutions.
- CL03 : Explain and assess the basic principles and frameworks of risk management and the role of insurance industry.
- CL04 : Use and critically assess the standard approaches to enterprise risk management.

### Detailed Assessment Description

Please refer to the course website in Moodle for more information about the assignment.

## **Discussion Questions**

### Assessment Overview

This course includes weekly discussion sessions designed to apply and practice the concepts you've studied. For additional details on the discussion topics, please refer to the course website.

### Course Learning Outcomes

- CL02 : Explain and evaluate how these risks affect individuals and institutions, and the main approaches to measure and manage these risks.
- CL03 : Explain and assess the basic principles and frameworks of risk management and the role of insurance industry.
- CL04 : Use and critically assess the standard approaches to enterprise risk management.

### Detailed Assessment Description

The discussion questions will be uploaded weekly.

# Final Exam

## Assessment Overview

The Final Exam is designed to evaluate your comprehension of the entire course contents, including all topics discussed throughout the course, as well as the exercises and questions covered in tutorial sessions. The Final Exam will be held during the University examination period and will last 2 hours.

## Course Learning Outcomes

- CL01 : Describe and analyse the risks facing individuals and institutions.
- CL02 : Explain and evaluate how these risks affect individuals and institutions, and the main approaches to measure and manage these risks.
- CL03 : Explain and assess the basic principles and frameworks of risk management and the role of insurance industry.
- CL04 : Use and critically assess the standard approaches to enterprise risk management.

## Detailed Assessment Description

The final exam date will be availability around week 9.

## Assessment Length

2 hours

## Assessment information

Please refer to the course website in Moodle for more information about the final exam.

# General Assessment Information

Detailed assessment information will be available on the course website in Moodle.

As a student at UNSW you are expected to display [academic integrity](#) in your work and interactions. Where a student breaches the [UNSW Student Code](#) with respect to academic integrity, the University may take disciplinary action under the Student Misconduct Procedure.

To assist you in understanding what academic integrity means, and how to ensure that you do comply with the UNSW Student Code, it is strongly recommended that you complete the [Working with Academic Integrity](#) module before submitting your first assessment task. It is a free, online self-paced Moodle module that should take about one hour to complete.

## Grading Basis

Standard

## Requirements to pass course

In order to pass this course students must:

- Achieve a composite mark of at least 50 out of 100
- Engage actively in course learning activities and attempt all assessment requirements
- Meet any additional requirements specified in the assessment details
- Meet the specified attendance requirements of the course

## Course Schedule

Teaching Week/Module	Activity Type	Content
Week 1 : 12 February - 18 February	Topic	Introduction to Risk and Risk Management
Week 2 : 19 February - 25 February	Topic	Insurance and Risk
Week 3 : 26 February - 3 March	Topic	Insurance Industry
Week 4 : 4 March - 10 March	Topic	Personal Risks and Life Insurance
Week 5 : 11 March - 17 March	Topic	Financial Risks for Organizations
Week 6 : 18 March - 24 March	Other	Flexibility Week: No Lecture
Week 7 : 25 March - 31 March	Topic	Enterprise Risk Management and Country Risk
Week 8 : 1 April - 7 April	Topic	Market Risk Management
Week 9 : 8 April - 14 April	Topic	Credit Risk Management
Week 10 : 15 April - 21 April	Topic	Regulations

## Attendance Requirements

Students are strongly encouraged to attend all classes and review lecture recordings.

## General Schedule Information

### Lectures

The purpose of lectures is to provide a logical structure for the topics that make up the course and to emphasise the important or difficult concepts and methods of each topic. Lectures commence in Week 1.

### Tutorials

Tutorials begin in Week 1 and are an integral part of the course. The tutorial questions and exercises provide a vehicle for discussion of applications and case studies of the concepts and theories introduced in lectures.



# Course Resources

## Prescribed Resources

The website for this course is on [Moodle](#). The website includes: all course handouts; lecture slides; designated readings; the tutorial program, discussion questions, and readings for Major Assignment. To access the course website online support site for students, follow the links from that website to UNSW Moodle Support/Support for Students. Additional technical support can be obtained from [itservicecentre@unsw.edu.au](mailto:itservicecentre@unsw.edu.au) (02 9385 1333).

It is important that you visit the course website regularly to see any notices and documents posted there, as it will be assumed that they are known to you within a reasonable time.

### Recommended Textbook and Readings

- Anthony Saunders and Marcia Millon Cornett, "Financial Institutions Management, A Risk Management Approach". Tenth edition, McGraw Hill
- Fundamentals of Risk and Insurance, 11th edition, Emmett J. Vaughan, Therese M. Vaughan, October 2013, 2014, Wiley, Paperback ISBN : 978-1-118-53400-7, E-Text ISBN : 978-1-118-80558-9.

Additional materials (e.g. required and recommended readings) are provided on the course website via Moodle.

## Course Evaluation and Development

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the *myExperience survey* , which

provides a key source of student evaluative feedback. Your input into this quality enhancement process is

extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action

towards enhancing educational quality.

Each year feedback is sought from students and other stakeholders about the courses offered in the

School and continual improvements are made based on this feedback. We take student feedback and

evaluations very seriously and respond to comments and suggestions made by students in future course

design and assessments.

# Staff Details

Position	Name	Email	Location	Phone	Availability	Equitable Learning Services Contact	Primary Contact
Convenor	Shirley Huang		School of Risk and Actuarial Studies		TBA on Moodle	No	Yes

# Other Useful Information

## Academic Information

### COURSE POLICIES AND SUPPORT

The Business School expects that you are familiar with the contents of this course outline and the UNSW and Business School learning expectations, rules, policies and support services as listed below:

- Program Learning Outcomes
- Academic Integrity and Plagiarism
- Student Responsibilities and Conduct
- Special Consideration
- Protocol for Viewing Final Exam Scripts
- Student Learning Support Services

Further information is provided on the [key policies and support](#) page.

Students may not circulate or post online any course materials such as handouts, exams, syllabi or similar resources from their courses without the written permission of their instructor.

### STUDENT LEARNING OUTCOMES

The Course Learning Outcomes (CLOs) – under the Outcomes tab – are what you should be able to demonstrate by the end of this course, if you participate fully in learning activities and successfully complete the assessment items.

CLOs also contribute to your achievement of the Program Learning Outcomes (PLOs), which are developed across the duration of a program. PLOs are, in turn, directly linked to [UNSW graduate capabilities](#). More information on Coursework PLOs is available on the [key policies and support](#) page. For PG Research PLOs, including MPDBS, please refer to the [UNSW HDR Learning](#)

## Academic Honesty and Plagiarism

As a student at UNSW you are expected to display [academic integrity](#) in your work and interactions. Where a student breaches the [UNSW Student Code](#) with respect to academic integrity, the University may take disciplinary action under the Student Misconduct Procedure. To assure academic integrity, you may be required to demonstrate reasoning, research and the process of constructing work submitted for assessment.

To assist you in understanding what academic integrity means, and how to ensure that you do comply with the UNSW Student Code, it is strongly recommended that you complete the [Working with Academic Integrity](#) module before submitting your first assessment task. It is a free, online self-paced Moodle module that should take about one hour to complete.

## Submission of Assessment Tasks

### SPECIAL CONSIDERATION

You can apply for special consideration when illness or other circumstances beyond your control interfere with your performance in a specific assessment task or tasks, including online exams. Students studying remotely who have exams scheduled between 10pm and 7am local time, are also able to apply for special consideration to sit a supplementary exam at a time outside of these hours.

Special consideration is primarily intended to provide you with an extra opportunity to demonstrate the level of performance of which you are capable. To apply, and for further information, see Special Consideration on the UNSW [Current Students](#) page.

Special consideration applications will be assessed centrally by the Case Review Team, who will update the online application with the outcome and add any relevant comments. The change to the status of the application immediately sends an email to the student and to the assessor with the outcome of the application.

Please note the following:

1. Applications can only be made through Online Services in myUNSW (see the UNSW [Current Students](#) page). Applications will not be accepted by teaching staff. The lecturer-in-charge/

course coordinator will be automatically notified when your application is processed.

2. Applying for special consideration does not automatically mean that you will be granted a supplementary exam or other concession.
3. If you experience illness or misadventure in the lead up to an exam or assessment, you must submit an application for special consideration, either prior to the examination taking place, or prior to the assessment submission deadline, except where illness or misadventure prevent you from doing so.
4. If your circumstances stop you from applying before your exam or assessment due date, you must apply within 3 working days of the assessment or the period covered by your supporting documentation.
5. Under the UNSW Fit To Sit/Submit rule, if you sit the exam/submit an assignment, you are declaring yourself well enough to do so and are cannot subsequently apply for special consideration.
6. If you become unwell on the day of – or during – an exam, you must stop working on your exam, advise your course coordinator or tutor and provide a medical certificate dated within 24 hours of the exam, with your special consideration application. For online exams, you must contact your course coordinator or tutor immediately via email, Moodle or chat and advise them you are unwell and submit screenshots of your conversation along with your medical certificate and application.
7. Special consideration requests do not allow the awarding of additional marks to students.

Further information on Business School policy and procedure can be found under “Special Consideration” on the [key policies and support](#) page.

## **LATE SUBMISSION PENALTIES**

For assessments other than examinations, late submission will incur a penalty of 5% per day or part thereof (including weekends) from the due date and time. An assessment will not be accepted after 5 days (120 hours) of the original deadline unless special consideration has been approved. An assignment is considered late if the requested format, such as hard copy or electronic copy, has not been submitted on time or where the ‘wrong’ assignment has been submitted.

For assessments which account for 10% or less of the overall course grade, and where answers are immediately discussed or debriefed, the LIC may stipulate a different penalty. Details of such late penalties will be available on the course Moodle page.

## **FEEDBACK ON YOUR ASSESSMENT TASK PERFORMANCE**

Feedback on student performance from formative and summative assessment tasks will be provided to students in a timely manner. Assessment tasks completed within the teaching period

of a course, other than a final assessment, will be assessed and students provided with feedback, with or without a provisional result, within 10 working days of submission, under normal circumstances. Feedback on continuous assessment tasks (e.g. laboratory and studio-based, workplace-based, weekly quizzes) will be provided prior to the midpoint of the course.

## Faculty-specific Information

### PROTOCOL FOR VIEWING FINAL EXAM SCRIPTS

UNSW students have the right to view their final exam scripts, subject to a small number of very specific exemptions. The UNSW Business School has set a [protocol](#) under which students may view their final exam script. Individual schools within the Faculty may also set up additional local processes for viewing final exam scripts, so it is important that you check with your School.

If you are completing courses from the following schools, please note the additional school-specific information:

- Students in the **School of Accounting, Auditing & Taxation** who wish to view their final examination script should also refer to [this page](#).
- Students in the **School of Banking & Finance** should also refer to [this page](#).
- Students in the **School of Information Systems & Technology Management** should also refer to [this page](#).

### COURSE EVALUATION AND DEVELOPMENT

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the [myExperience survey](#), which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action towards enhancing educational quality.

### QUALITY ASSURANCE

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All

material used for such processes will be treated as confidential.

## TEACHING TIMES AND LOCATIONS

Please note that teaching times and locations are subject to change. Students are strongly advised to refer to the [Class Timetable website](#) for the most up-to-date teaching times and locations.