Risk Management Minor

The business world is increasingly faced with risks from cyber-risk to health care fraud to terrorism, identity theft and financial risks from longevity of life. These risks all have financial consequences. The management of risk is increasingly important in the USA and worldwide. For-profit and not-for-profit enterprises (from charities to government) find themselves confronting risks and the resulting financial consequences daily. Business managers from all areas of expertise need to be prepared to prevent and address risks in order to survive—the ultimate goal of most enterprises.

This minor provides a student with a tool kit for contemplating, identifying, prioritizing, and formulating approaches to manage varying types of risks inevitably faced. The minor allows for free electives (inside or outside of McCombs) as there are many types of risk a particular student might be faced with (e.g., *financial crisis risk*, *natural disasters* (from hurricanes, tsunami to volcanoes and fires), *cyber risk* (from identify theft, fraud, mobile commerce risks to phishing and hacking, etc.), *risk of political and other crises disrupting supply chains*, *terrorism* and the *reality that all enterprises operate in an increasingly vulnerable and connected infrastructure*). For example, over 90% of the Fortune 500 companies have created an insurance company subsidiary designed to help them manage their risks internally (a captive insurer). This allows for some degree of managerial control and risk transfer to protect the firm. Companies need increasingly active risk management expertise to survive.

Who Should Consider The Risk Management Minor

The minor is designed for both business and non-business majors who expect to someday work in a management position, including entrepreneurs. Examples include all Business majors who plan to pursue an entry-level job in supply chain, finance, manufacturing, insurance, management information systems, marketing or other business functions. Non-business majors can be students in liberal arts, economics, actuarial science, petroleum engineering, retailing, communications, health care, or students from any other discipline who want to understand the impact of risk and the management of risk for their future employer.

Admission

This minor is both structured and flexible to allow the student to pursue interests in discipline-specific risks as well as general risks that any enterprise might face.

Admission to the minor requires upper-division standing and is based on a student's overall academic record, including but not limited to, number of hours completed, rigor of courses taken in residence, and the overall University grade point average.

Total Hours Required: 18

Requirements

Requirements are listed in the table below. Additional requirements may follow the table, so be sure to read the entire page. Some required courses listed below may also satisfy General Education requirements, including Core Curriculum. Students should also review the University's Undergraduate Minor and Certificate Requirements and Policies.

Code	Title	Hours
R M 357E	Introduction to Risk Management	3
or URB 321R	Introduction to Risk Management	
R M 377	Property-Liability Risk Management and Planning	3
or R M 369K	Managing Employee Risks and Benefits	
Accounting Requirement		
Hours chosen from:		3
ACC 310F	Foundations of Accounting (for non-business students)	
ACC 311	Fundamentals of Financial Accounting (for business students)	
ACC 311H	Fundamentals of Financial Accounting: Honors (for BHP majors)	
Finance Requirement		
Hours chosen from:		3
FIN 320F	Foundations of Finance (for non-business students)	
FIN 357	Business Finance (for business students)	
FIN 357H	Business Finance: Honors (for BHP majors)	
Elective Courses		
Hours chosen from: (Please note that no more than one can be a course offered by the McCombs School of Business)		6
R M 377	Property-Liability Risk Management and Planning (Whichever was not used to fulfill the minor requirement above)	
or R M 369K	Managing Employee Risks and Benefits	
M 329F	Theory of Interest	
Any three hours Actuarial Foundations (ACF)		
CMS 354	Conflict Resolution (Can be taken second summer only as open enrollment is only available then – web-based course)	
CMS 371K	Practicum in Conflict Mediation (If student can access via open enrollment as majors have preference)	
Any three hours Economics (ECO)		
FIN 377.2	Financial Risk Management	
Any three hours upper-division Legal Environment of Business (LEB)		
M 339D	Introduction to Financial Mathematics for Actuaries	
M 339J	Probability Models with Actuarial Applications	
M 339U	Actuarial Contingent Payments I	
M 339V	Actuarial Contingent Payments II	
M 349P	Actuarial Statistical Estimates	
MKT 372T.27	Reputational Risk and Crisis Management	
College Requirements - Business		
Undergraduate Minor and Certificate Requirements and Policies		
Total Hours		**18**

Additional Requirements and Policy

- R M 377 and R M 369K are offered in alternating Fall semesters.
- Risk Management Minor students must be able to enroll in an elective through their majors and have the required prerequisites - the Risk Management Minor Program cannot grant or request exceptions to restricted courses, or to prerequisites for elective courses.
- Other courses may be considered for substitution, as approved by the Risk Management Minor. Courses dealing with conflict resolution, health management, health infrastructure, public policy,

governmental regulation, risk management, or security are likely candidates.

- Registration in courses does not require admission to the Risk Management Minor.
- Please contact the Risk Management program or Dr. Patrick L. Brockett, Director of the Risk Management Minor Program, for additional questions and further information.