

Title: Risk and Disaster Management
Credit Hours: 3

Code: MGMT 334
Year /Semester: II/III

48 Hours

Course Objective:

This Course aims at making students competent for managing the financial and natural uncertainties and risks standing across a business enterprise.

Unit 1 Introduction to Risk

10 Hours

Introduction, Classification of risk, The cost of risk, Degree of risk, Meaning, Scope & Objective of Risk Management, Personal risk management, Corporate risk management, Risk Management Process, The Administration of Risk Management Process, Risk Identification, Risk Evaluation, Risk Control, Risk avoidance, Risk reduction, Evaluation of risk reduction measures, Risk Financing, Retention, Determination of retention levels, Self Insurance- Risk Retention Group

Unit 2 Forms of Risks

12 Hours

Enterprise Risk Management: Meaning of ERM, Sources, Pure risk, Speculative risk, Strategic risk, Operational risk, Market risk, Credit risk, Risk management models, Integrated risk assessment, Frontiers of ERM Role of Chief Officer, Prerequisite for ERM

Market Risk Management: Importance, Exposure in financial markets, Methods to handle & control Market risk

Credit Risk Management: Need, Securitization for credit risk, Credit derivatives, Methods for credit risk management

Operational Risk Management: Importance, Measurement of Operational risk, Stages of Operational Risk Management

Strategic Risk Management: Strategic out look to risk management, Strategic planning to manage risk, Managing risk in Merger & Acquisitions

Project Risk Management: Meaning, Source & Classification of project risk, Cost & Effect of project risk operation, Reason, Scope of Project Risk Management, Phases of Project Risk Management, Prerequisite of risk response, Characteristics of risk response, Type of risk handling Strategies, Risk management in different types of project

Unit 3 Financial Risk Management

18 Hours

Operational Risk Management: Meaning,- Sources & Classification of Operational Risk, Operational Events, Regulatory issues of Operational Risk Management-Measurement of Operational Risk, Objectives of Operational Risk Management, Stages of Operational Risk Management, Roles of Supervisor, Disclosure Requirement, Insurance & Operational Risk Management

Financial Risk Management: Definition, Source of financial risk, Need & Importance of Financial Risk Management, Tools for Financial Risk Management: Derivatives, Futures, Swaps, Options, Role of Chief Risk Officer, Integrated Risk Program, Double trigger option

Treasury Risk Management: Money market- Trends in Security Market, Trends in Interest Rates, E-Finance, Integrated treasury in Public Sector Banks, Volatility trading, Floating, Capital Adequacy, Liquidity Management, Tools for Treasury Risk Management: Currency future, Financial future, Commodity future, Steel future, Options, Real Options, Weather derivatives Insurance

Unit 4 Disaster Management

8 Hours

Definition of disaster; General Effects of disaster; Causal factors, Disasters and development (cause and effect), Types of disasters/hazards: Natural, Anthropogenic, Sociological Technological, transport, climate change, Social and Psychological dimensions of disasters, coping with stress, anxiety and fears, Technology and disaster management and latest technological equipment, Disaster Management Agencies and their functions

Reference Books:

1. M. Saravana Kumar: *Disaster Management*: Himalaya Publishing House
2. Satish Modh: *Introduction to Disaster Management*: Macmillan
3. John C. Hull, *Risk Management and Financial Institutions*, Willey Finance