NAME OF THE COURSE	RISK MANAGEMENT					
Code	ECS507	Year of study	2nd			
Course teacher	Dujam Kovač, Assistant Professor; Marijana Ćurak, Full Professor; Sandra Pepur, Associate Professor;	Credits (ECTS)	6			
Associate teachers		Type of instruction (number of hours)	L	S	E	F
			26		26	
Status of the course	Compulsory	Percentage of application of e-learning	30 %			

COURSE DESCRIPTION

Course objectives	Provide knowledge for risk exposure assessment, measurement of risk and selecting optimal risk management method for both financial and non-financial businesses.
Course enrolment requirements and entry competences required for the course	Requirements for the course enrolment are regulated by the Statute of the Faculty of Economics, Business and Tourism and by the Rulebook of study programs and studying system.
Learning outcomes expected at the level of the course (4 to 10 learning outcomes)	Course learning outcome: 1. Manage risks of both financial and non-financial companies. Particular learning outcomes: 1. Present risks and process of risk management. 2. Select method of risk identification and quantification. 3. Propose method of hazard risk management. 4. Select method of financial risk management. 5. Manage operational/strategic risks.

Course content broken down in detail by weekly class schedule (syllabus)

Lectures		Exercises	
Topics	Hours	Topics	Hours
Risks and types of risks.	2	Risks – case studies. Risks and types of risks.	2
Risk management process.	2	Case study - ERM.	2
Risk identification and quantification.	2	Risk identification and quantification examples. Case study presentation. Computer-based assignments.	2
Pooling and diversification.	2	Pooling and diversification examples. Case study presentation. Computer-based assignments.	2
Risk avoidance, risk mitigation, risk retention.	2	Examples of risk management methods. Case study presentation. Computer-based assignments.	2

	Traditional method of risk transfer.	2	Insurance - case studies. Case study presentation. Computer-based assignments.	2
	Alternative risk transfer (ART).	2	Examples of alternative risk transfer (ART). Case study presentation.	2
	Credit risk management.	2	Credit risk management - tasks for exercise. Loan sales and securitisation examples. Case study presentation. Computer-based assignments.	2
	Liquidity risk management.	2	Liquidity risk management - tasks for exercise. Case study presentation. Computer-based assignments.	2
	Management of interest rate risk.	2	Management of interest rate risk - tasks for exercise. Case study presentation. Computer-based assignments.	2
	Derivatives as tools of risk management.	2	Protection against risk (hedging) with derivative instruments. Case study presentation. Computer-based assignments.	2
	Operational risk management	3	Operational risk management – studije slučaja. Case study presentation. Computer-based assignments.	3
	Strategic risk management.	1	Strategic risk management. Case study presentation.	1

Format of instruction	☑ lectures ☑ seminars and workshops ☑ exercises ☐ *on line* in entirety ☑ partial e-learning ☐ field work	☑ independent assignments (computer-based tasks involving the use of software tools) ☐ multimedia ☐ laboratory ☐ work with mentor ☑ case study ☐ visiting lecture
Student responsibilities	The requirements to get the right to take the final exam: regular attendance (for full-time students: minimum 60% of lectures and 60% of exercises; for part-time students: half of the conditions defined for full-time students), successfully written and presented case study and completion of at least 50% of the computer-based tasks involving the use of software tools (a total of 4 weeks are planned for the evaluation of these tasks).	

<table>
<tr><td rowspan="6">Screening student work (name the proportion of ECTS credits for each activity so that the total number of ECTS credits is equal to the ECTS value of the course)</td><td>Class attendance</td><td>1</td><td>Research</td><td></td><td>Practical training</td><td></td></tr>
<tr><td>Experimental work</td><td></td><td>Report</td><td></td><td>Self-assessment test</td><td>1</td></tr>
<tr><td>Essay</td><td></td><td>Seminar paper</td><td></td><td>Case study</td><td>0.5</td></tr>
<tr><td>Midterm exams</td><td>3.5*</td><td>Oral exam</td><td></td><td>(Other)</td><td></td></tr>
<tr><td>Written exam</td><td>3.5*</td><td>Project</td><td></td><td>(Other)</td><td></td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Grading and evaluating student work in class and at the final exam</td><td colspan="6">
The final grade in the course is based on a total of 120 points, earned through the following components:

<table>
<tr><th>Grade component</th><th>Number of points by segment</th></tr>
<tr><td>Midterm exams / final written exam</td><td>100</td></tr>
<tr><td>Computer-based tasks (software tools)</td><td>10</td></tr>
<tr><td>Case study (preparation and presentation)</td><td>5</td></tr>
<tr><td>Class participation</td><td>5</td></tr>
</table>

During the semester, two midterm exams will be organized in the form of written assessments, carrying a maximum of 100 points. All students enrolled in the course can take the first midterm exam. A passing grade on the first midterm exam is a prerequisite for taking the second midterm exam. Alternatively, students may take a written final exam during the examination period, which also carries a maximum of 100 points.

Written assessments consist of 10 questions, 5 of which cover theoretical topics and 5 numerical tasks. Each correct answer to a theoretical question is worth 12 points, while each correct answer to a numerical task is worth 8 points. To pass a written assessment, a student must earn at least 33 points on the theoretical part and 22 points on the numerical part.

Computer-based tasks are a mandatory component of assessment, carried out over 4 weeks of exercises using software tools for quantitative data analysis, and contribute a maximum of 10 points.

The case study is compulsory for all students and carries a maximum of 5 points, while class participation is evaluated with up to 5 points.

<table>
<tr><th>Points</th><th>Grade</th></tr>
<tr><td>0 - 65</td><td>insufficient (1)</td></tr>
<tr><td>66 - 83</td><td>sufficient (2)</td></tr>
<tr><td>84 - 95</td><td>good (3)</td></tr>
<tr><td>96 - 107</td><td>very good (4)</td></tr>
<tr><td>108 - 120</td><td>excellent (5)</td></tr>
</table>

Students who achieve passing grades on both midterm exams are not required to take the final written exam.

* A student who has achieved a passing grade from the first and second midterm exam has completed the module and thus is not required to take the final written exam.
</td></tr>
<tr><td>Required literature (available in the</td><td colspan="3">Title</td><td>Number of copies in the library</td><td>Availability via other media</td></tr>
</table>

library and via other media)	Casualty Actuarial Society (2003.): *Overview of Enterprise Risk Management*, Casualty Actuarial Society, Enterprise Risk Management Committee.		x
	Ćurak, M., Jakovčević, D. (2007): *Osiguranje i rizici*, RRIF plus, Zagreb	10	
	Ćurak, M., Kovač, D. (2024.-2025.): *Risk Management, the course materials on Merlin platform*.		x
	Hull, J. C. (2023.): *Risk Management and Financial Institutions*, 6th ed. John Wiley & Sons, Inc.		x
	Miloš Sprčić, D. (2013.): *Upravljanje rizicima – temeljni koncepti, strategije i instrumenti*, Sinergija, Zagreb.	2	
	Rose, P. S. i Hudgins, S. C. (2015.): Upravljanje bankama i financijske usluge, Mate, Zagreb.	2	
	Rejda, G. E., McNamara, M. J., & Rabel, W. H. (2022.): *Principles of risk management and insurance*, 14th ed.. Pearson Education Limited.		x
	Saunders, A., Cornett, M. M. (2006): *Financijska tržišta i institucije*, Masmedia, Zagreb	7	
Optional literature (at the time of submission of study programme proposal)	Bublić, T. (2018.): *Upravljanje aktivom i pasivom u financijskim institucijama,* Računovodstvo, revizija i financije (RRiF), br. 2, str. 229.-236. Bublić, T. (2018.): *Kamatni rizik u bankarskom poslovanju*, Računovodstvo, revizija i financije (RRiF), br. 3, str. 213.-218. Ćurak, M., Kovač, D. (2020.): *Upravljanje rizicima društava za neživotno osiguranje i reosiguranje primjenom tehnike sekuritizacije*, Ekonomski vjesnik, br. 33, No. 1, 2020., str. 287.-303. Fraser J., Simkins, B. (editors) (2010.): *Enterprise Risk Management: Today's Leading Research and Best Practices for Tomorrow's Executives*, John Wiley & Sons, Ltd. Harrington, S. E., Niehaus, G. R. (2002.): *Risk Management and Insurance*, McGraw Hill. Hull, J. C. (2019.): *Risk Management and Financial Institutions*, John Wiley & Sons, Inc. Hunziker (2019): *Enterprise Risk Management - Modern Approaches to Balancing Risk and Reward*, Springer Gabler. Jašić, T. (2017.): *Analiza poslovanja I kreditne sposobnosti društva putem financijskih pokazatelja*, Računovodstvo, revizija i financije (RRiF), br. 10, str. 134.-146. Kovač, D. (2025.): Corporate Risk Monitor in Croatia in 2024 // Corporate Risk Monitor 2024 / Jagrič, Vita (ur.). Pearson Education, 2025. str. 96-119. Kovač, D. (2025.): Special Topic: Cyber Risk and Cyber Risk Management Practices // Corporate Risk Monitor 2024 / Jagrič, Vita (ur.). Pearson Education, 2025. str. 120-145. Merna, T., Al-Thani, F.F. (2008.): *Corporate risk management*, John Wiley & Sons, Ltd.		

	Olson, D. L., Wu, D. (2020): *Enterprise Risk Management Models*, Springer-Verlag GmbH. Pelivan, I., Ćurak, M., Pepur, S. (2018.): *Upravljanje rizicima malih i srednjih poslovnih tvrtki u Republici Hrvatskoj*, Financije – teorija i suvremena pitanja (urednici: Koški, D., Karačić D., Sajter, D.), Ekonomski fakultet, Osijek, str. 351-379. Sajter, D. (2017.): *Osnove upravljanja rizicima u financijskim institucijama*, Ekonomski fakultet, Osijek. Saunders, A., Cornett, M. M. (2013.): Financial Institutions Management – A Risk Management Approach, McGraw-Hill. Sprčić, D. M., Kožul, A., Pecina, E. (2015.): *State and perspectives of Enterprise risk management system development-the case of Croatian companies,* Procedia Economics and Finance, Vol. 30, str. 768-779. Van Greuning, H., Brajović Bratanović, S. (2006.): *Analiza i upravljanje bankovnim rizicima: Pristupi za ocjenu organizacije i upravljanja rizicima i izloženost financijskom riziku*, Mate, Zagreb Vaughan, E., Vaughan, T. (2000), *Osnove osiguranja - Upravljanje rizicima*, Mate, Zagreb Other sources: Artemis, http://www.artemis.bm/ Croatian Financial Services Supervisory Agency, http://www.hnb.hr/ Croatian National Bank, http://www.hnb.hr/ Croatian Banking Association, http://hub.hr/ Croatian Insurance Bureau, http://www.huo.hr/ Insurance, http://osiguranje.hr/
Quality assurance methods that ensure the acquisition of exit competences	• Monitoring the class attendance and execution of other student's obligations (Teacher) • Teaching Supervision (The Vice-Dean for academic and student affairs) • Analysis of the studying performance for all courses of the study program (The Vice-Dean for academic and student affairs) • Student survey on the quality of teachers and teaching for each course of the study program (UNIST, Centre for Quality Improvement) • All learning outcomes of the course are examined by the examination conducted by the course teacher. Periodic examination of the content of the exam is conducted in order to verify the appropriateness of the method of validating the learning outcomes (The Vice-Dean for academic and student affairs).
Other (as the proposer wishes to add)	