

Department of Management						
Module Title	Innovation and Project Management					
Course Number	Mgmt 3193					
Course Title	Risk Management and Insurance					
Credit Hours	3/5					
Student workload	<i>Lecture</i>	<i>Discussion</i>	<i>Assignment</i>	<i>Home Study</i>	<i>Assessment</i>	<i>Total</i>
	48	20	18	29	20	135
Course Objectives	After accomplishment of this course, students will be able to:- <ul style="list-style-type: none"> ➤ Know basic concepts of risk ➤ Explain the basic classification of risk ➤ Understand the principles of insurance ➤ Understand insurance Industry in Ethiopia ➤ Explain the nature and application of reinsurance ➤ Identify and measure business loss exposures. ➤ Discusses how to select among the major tools of risk management ➤ Measure, if not eliminate, exposures to loss or risk and analyze various class of insurance contracts 					
Course Description/Course Contents	Risk affects every aspect of an organization. The effects of risk are not confined within any predictable boundaries; a single event can easily influence several areas of an organization at once, producing consequences far beyond the immediate impact. The pervasiveness and complexity of risk presents strong challenges to managers, one of the most important being the coordination of risk management across areas within the organization. It deals with: the nature and management of pure risks, insurance and reinsurance; risk concepts, classification of risks, management of pure risks through various risk handling tools, industrial safety, general principles of insurance and major classes of insurance, reinsurance and development & regulation of the insurance Ethiopia					
Week	Topics and Sub Topics		Course Objectives and Competences to be Acquired			
Week 1 & 2	CHAPTER ONE RISK AND RELATED TOPICS <ul style="list-style-type: none"> 1.1. Risk defined 1.2. Risk Vs uncertainty 1.3. Risk and probability 1.4. Risk, peril and hazard 1.5. Classification of risk 		After completing this unit, students will be able to: <ul style="list-style-type: none"> ➤ Define and understand the concept of risk ➤ Understand the difference between risk, uncertainty and probability ➤ Understand the word hazard and peril and its relationship with risk ➤ Identify the different types of risk 			
Week 3, 4 & 5	CHAPTER TWO: THE RISK MANAGEMENT <ul style="list-style-type: none"> 2.1 Risk management defined 2.2. Objectives of risk management 2.3. Steps in risk management process <ul style="list-style-type: none"> 2.3.1. Risk identification 2.3.2. Risk measurement 2.3.3. Selecting the appropriate tools of risk management 2.3.4. Risk administration 		After completing this unit, students will be able to: <ul style="list-style-type: none"> ➤ Explain the meaning and definition of risk management ➤ Elaborate steps in risk management process 			
Week 5, 6, & 7	CHAPTER THREE:-INSURANCE <ul style="list-style-type: none"> 3.1 Insurance Defined 3.2 Basic characteristics of insurance 		At the end of this unit, students will be able to: <ul style="list-style-type: none"> ✓ Define insurance and its basic characteristics 			

	3.3 Fundamentals of insurable risk 3.4 Insurance and gambling compared 3.5 Insurance and Speculation compared. 3.6 Benefits and costs of insurance 3.6.1 Benefits of insurance to the society 3.6.2 Cost of insurance to society	✓ Understand the difference between insurance and gambling and insurance with speculation ✓ Understand the benefits and costs of insurance
Week 8 & 9	<p style="text-align: center;">CHAPTER FOUR LEGAL PRINCIPLE OF INSURANCE CONTRACT</p> 4.1. Principle of indemnity 4.2. Principle of insurable interest 4.3. Principle of subrogation 4.4. Principle of utmost good faith 4.5. Principle of contribution 4.6. Doctrine of proximate cause	At the end of this chapter students will be able to: ➤ Understand the principle of insurance and their concept
Week 10 & 11	<p style="text-align: center;">CHAPTER FIVE LIFE AND HEALTH INSURANCE</p> 5.1. Underwriting life insurance 5.2. Types of life insurance policies 5.3. Premium determination 5.4. Worker's compensation insurance 5.5. Personal accident insurance	At the end of this unit students will be able to: ➤ Understand the concept of underwriting ➤ Describe types of life insurance ➤ Determine premium ➤ Understand about Worker's compensation insurance and Personal accident insurance
Week 12 & 13	<p style="text-align: center;">CHAPTER SIX NON-LIFE INSURANCE</p> 6.1. Motor insurance 6.2. Burglary and housekeeping insurance 6.3. Fire and lighting insurance 6.4. Marine insurance 6.5. Aviation insurance 6.6. Liability insurance 6.7. Pecuniary insurance 6.8. Fidelity guarantee insurance 6.9. Engineering insurance	At the end of this lesson students will be able to: ✓ Explain different types of non-life insurance and their concepts
Week 14	<p style="text-align: center;">CHAPTER SEVEN RE-INSURANCE</p> 7.1. Meaning of Re-insurance 7.2. Reason for Re-insurance 7.3. Types of Re-insurance	At the end of this lesson students will be able to: ➤ Understand the meaning and reason of re-insurance ➤ Explain about different types of life insurance
Week 15	<p style="text-align: center;">CHAPTER EIGHT THE INSURANCE BUSINESS IN ETHIOPIA</p> 8.1. Development of insurance in Ethiopia 8.2. Regulation of insurance companies 8.2.1. Proclamation No.68/1975 8.2.2. Proclamation No.86/1994	At the end of this lesson students will be able to: ➤ Understand the Development of insurance in Ethiopia ➤ Explain regulation of insurance companies
Reference:	➤ TeklegiorgisAssefa (2004), Risk Management and Insurance, Mega Printing PLC, MU ➤ Hailuzeleke, Risk and insurance note, lecturer, AAU.	

