

PELLISSIPPI STATE TECHNICAL COMMUNITY COLLEGE  
MASTER SYLLABUS

**LOSS EXPOSURE & RISK MANAGEMENT**  
**INP 1700**

**Class Hours: 3.0**

**Credit Hours: 3.0**

**Laboratory Hours: 0.0**

**Date Revised: Spring  
00**

**Catalog Course Description:**

The study of the treatment of loss exposure using insurance and other techniques in determining how a person or business can use the risk management approach to treat loss exposure.

**Entry Level Standards:**

None

**Prerequisites:**

None

**Textbook(s) and Other Reference Materials Basic to the Course:**

*Principles of Risk Management and Insurance*, latest edition, Volume I & II.  
*CPCU Course Guide--American Institute of Property and Liability Underwriters*

**I. Week/Unit/Topic Basis:**

<b>Week</b>	<b>Topic</b>
1	Loss Exposures and Risk Management
2	Controlling Loss Exposures
3	Financing Loss Exposures
4	Measuring Loss Exposures
5	Measuring Loss Exposures (continued)
6	Insurance and Society Insurance and the Government
7	Insurable Interest
8	Review and Midterm
9	Structure of Insurance Contracts; Insured Entities
10	Insured Events

- 11 Policy Limits and Loss Valuation Provisions
- 12 Loss Sharing Provisions
- 13 Multiple Sources of Recovery
- 14 Contract Conditions Affecting Insurance Coverage
- 15 Review
- 16 Final Exam

## II. Course Objectives\*:

- A. Determine what loss exposures are, the importance of treating them, and the nature of risk management.
- B. Define probability and explain how it may be interpreted temporarily.
- C. Describe factors that should be considered when attempting to develop a definition of insurance.
- D. List and discuss the different parts of an insurance contract
- E. Analyze a given property or liability insurance policy by evaluating insured events, policy limits, and other policy conditions.

\*Roman numerals after course objectives reference goals of the Business and Community Services department.

## III. Instructional Processes\*:

Students will:

- 1. Take part in course assignments such as team discussions; team case studies; team projects; experiential exercises; oral, written, PowerPoint, and/or email presentations; Internet research; etc. to help develop teamwork, leadership, and followership skills. *Communication Outcome, Personal Development Outcome, Cultural Diversity & Social Adaptation Outcome, Information Literacy Outcome, Transitional Strategy, Active Learning Strategy*
- 2. Use critical thinking skills to interpret and evaluate the financial statements of existing companies and make informed judgements about these statements to facilitate in decision making and problem solving strategies. *Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies*
- 3. Exhibit professional behavior by attending class regularly, arriving punctually with the appropriate materials, and being prepared for active class participation each day. *Personal Development Outcome, Transitional Strategy*
- 4. Use email to communicate problems, questions, and issues to the instructor. *Communication Outcome, Informational Literacy Outcome, Technological Literacy Outcome*

\*Strategies and outcomes listed after instructional processes reference Pellissippi State' s goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the

classroom, and encouraging students to take active and responsible roles in the educational process.

#### **IV. Expectations for Student Performance\*:**

Upon successful completion of this course, the student should be able to:

1. Explain the terms "Risk Management" and "Loss Exposure". A
2. Compare risk management techniques and explain advantages and disadvantages of each. A
3. List and compare financing techniques and explain steps necessary to implement and monitor each technique. B
4. Explain what measurements are needed to evaluate a given loss exposure and why they are needed. C
5. Describe how the information obtained from a probability distribution can be used by a risk manager. C
6. State the characteristics of an ideally insurable exposure. D
7. Trace the development of insurance regulation in the United States. E
8. Describe the legal basis on which an insurable interest may vest for property and liability insurance. D
9. Describe and give examples of specific ways of describing the interest insured in property and liability insurance policies. C
10. Explain and compare different property insurance approaches to indicating which perils are covered and which are excluded. D
11. Describe, compare, and give reasons for the major types of policy provisions dealing with valuation of insured property losses. B
12. Explain the purpose of insurance-to-value requirements. C
13. Describe and explain the purpose and process of subrogation. E
14. Explain the following legal doctrines affecting the interpretation of insurance contracts provision; doctrine of adhesion, reasonable expectations, substantial performance, unconscionable advantage, and waiver and estoppel. C
15. Analyze property and liability insurance policy by evaluating aspects of the policy. C

\*Letters after performance expectations reference the course objectives listed above.

#### **V. Evaluation:**

##### A. Testing Procedures:

Midterm	25%
Unannounced Quiz	20%
Final	25%

##### B. Laboratory Expectations:

N/A

C. Field Work:

Case Studies 20%

D. Other Evaluation Methods:

Attendance 10%

E. Grading Scale:

90 - 100 A

80 - 89 B

70 - 79 C

60 - 69 D

Below 60 F

**VI. Policies:**

Attendance Policy:

Pellissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course.