FIL 354 Risk Management

Section 1

Syllabus

Fall 2026

Instructor: Dr. Yayuan Ren
Office: SFHB 418
E-mail: yren2@ilstu.edu
Office Phone: 309-438-7779
Office Hours: 1:15-2:00pm on Wednesday; in-person or virtual meetings available by appointment**.**

College of Business Mission

Through our shared commitment to excellence in teaching, research, and service, we prepare students to be skilled and ethical business professionals who will make significant positive contributions to organizations, to communities, and to our larger society.

Academic Integrity

You are expected to be honest in all academic work, consistent with the academic integrity policy as outlined in the Code of Student Conduct and any additional syllabus language. All work is to be appropriately cited when it is borrowed, directly or indirectly, from another source. Unauthorized and/or unacknowledged collaboration on any work, or the presentation of someone else's work as your own, is a form of academic dishonesty under the Code of Student Conduct.

Content generated by an Artificial Intelligence third-party service or site (AI-generated content) without proper authorization and attribution is a form of academic dishonesty. If you are unsure about whether something used in your work requires attribution, please reach out to me to discuss it as soon as possible. Allegations of academic dishonesty will be referred to Student Conduct and Community Responsibilities, for review under the Student Code of Conduct. Students found responsible for academic dishonesty may also be assigned a grade penalty by the instructor.

Artificial Intelligence (AI) Use Policy

To support learning and academic integrity in this course, the use of generative AI tools (e.g., ChatGPT and similar tools) is governed by the following rules:

- Exams and quizzes: Use of AI tools is NOT permitted on any quizzes or exams. Using AI during an assessment constitutes academic misconduct.

- Assignments (default rule): Unless an assignment explicitly states otherwise, the use of AI tools is not allowed for course assignments.
- Assignments where AI is permitted: When an assignment does allow AI use, you must follow the specific instructions provided for that assignment, including what tools may be used and for what purposes. In those cases, you will be required to acknowledge and document your AI use at the end of your submission (e.g., describing the tool used, how it was used, and what you changed or verified).
- Responsible and ethical use: Students are expected to understand the limits and risks of AI (including errors, fabricated information, bias, and privacy concerns). You are responsible for the accuracy and integrity of anything you submit. AI output does not replace your own judgment, course learning, or proper citation practices.

Failure to follow this policy will be handled according to the course and university academic integrity procedures. When it does not conflict with the rules above, students are encouraged to use AI as a learning aid—for example, for brainstorming ideas, proofreading, clarifying concepts, creating study guides, and reviewing for exams. These uses should support (not replace) your own thinking and work.

Course Description

This course is an advanced study of risks faced by firms, various methods used to measure and manage risks, and the process of making risk management decisions. Upon completion of the course requirements, students should be able to

- identify possible risks in corporate undertaking.
- define and describe the risk management process.
- perform risk assessment including loss triangles, loss distributions, regression analysis and net present value analysis.
- identify and explain major risk control and risk financing techniques.
- describe risk financing solutions that utilize capital market
- work in a team to perform risk management evaluation for a real business.
- provide risk management solutions for a real business.

Course Prerequisite

- Grade of C or better in FIL 350 and 352

Course Modality

This is a fully online, asynchronous course with no scheduled meeting times. All coursework and communication will take place through Canvas and via your ISU email. Although the course is entirely online, it includes interactive activities designed to help students connect with peers and the instructor. Students are responsible for completing all the learning activities, including lectures, assignments, and quizzes, in a timely manner. Staying current with these activities is essential for success in this course.

Course Materials

- Textbook: Risk Management Essentials, 3rd Edition, from Risk and Insurance Education Alliance
- Additional materials: lecture notes, extra readings, in-class exercises, homework and solutions will be posted on Canvas.

Exams

There are two exams, one in-class exam and one online exam through the semester. If you know of a valid conflict for these scheduled exams, you should let me know **AT LEAST TWO WEEKS** before the exam date. Only under these conditions will a makeup exam be provided. A student who misses any of the exams without an excused absence prior to an exam will receive zero for that exam.

Assignments

Weekly assignments will be posted on Canvas by Monday morning and are due on Friday (by midnight). All assignments must be submitted electronically via Canvas by the specified deadline. If an incorrect or blank file is submitted, the student will be notified and asked to resubmit the correct file; however, a 50% penalty will be applied to the assignment grade. Late submissions will receive a deduction of 2 points (out of 10) per calendar day past the deadline, unless the student has obtained prior written permission from the instructor.

Quizzes

There are in total five online quizzes scheduled through the semester. The format of the quizzes may be a mix of multiple-choice and short-answer questions. Quizzes should be completed online within the specified time window. Each quiz is a timed and open-book assessment that must be completed online within the specified time window. The quizzes can be found in the "Quizzes" tab on Canvas and will be linked from the corresponding Lesson pages. Quiz feedback will be available after the quiz due date.

Group Project

During this semester, you will have the opportunity to work on a risk financing project in a group. Each student will complete a peer-evaluation form, to provide me with feedback on the group's experience. Instructions of the project and the peer-evaluation form will be provided at a later time during the semester.

Assessment

Weight of assessment items:

The lower exam grade	10%
The higher exam grade	20%
In-class exercises	20%

Assignments	20%
Group project	20%
Prep Participation	10%
Total:	100%

Your final letter grade will be determined as follows:

A	90-100 points
B	80-89.9
C	70-79.9
D	60-69.9
F	≤ 60

Extra Credits

Extra credits worth up to a maximum total of 3 points toward the final grade (with a full mark of 100 points) will be available to students throughout the semester. The common way to earn these points is to attend workshops or other events related to the course. These opportunities will be announced in class and/or via e-mail as they become available. Attendance at each extra-credit event is worth 1 point. You can also earn extra credits by completing extra-credit assignments, which will be available in mid of the semester. Each extra-credit assignment is worth 1 point.

Accommodation for Students with Disabilities

Any student needing to arrange a reasonable accommodation for a documented disability and/or medical/mental health condition should contact Student Access and Accommodation Services at 308 Fell Hall, Office Phone (309) 438-5853, Video Phone (309) 319-7682, or visit the website at StudentAccess.IllinoisState.edu.

Attendance and Absence

You are responsible for attending class and completing all assigned academic work. You are also responsible for communicating any absences. If you need to miss class due to the loss of a family member, active military duty, or required quarantine/isolation for a serious communicable disease, contact the Dean of Students Office to request that a formal excused absence notice be sent to your instructors. For other absences including routine illness, you need to make arrangements with me in advance. Documentation may be required for any absence to be considered excused.

Grade Appeals

Any student wishing to appeal the way an exam or an assignment is graded must put the appeal in writing and contact me within **ONE WEEK** after they are returned. Appeals must fully explain why the disputed

Course Outline and Schedule*

The class will meet in the classroom every Wednesday except for a special announcement.

Week	Meeting Dates	Topic	Readings
1	8/18	Introduction and course overview	
2	8/25	Why manage risk	
3	9/1	Risk Management Process Risk Identification	Ch. 1, 2
4	9/8	Risk Analysis (I)	Ch. 5, 6, 8
5	9/15	Risk Analysis (II)	Ch. 8, 9
6	9/22	Risk Control	Ch.7, 10
7	9/29	**Exam One: in-class exam**	
8	10/6	Spring break, no class	
9	10/13	Risk Financing (I)	Ch. 18
10	10/20	Risk Financing (II)	Ch. 17
11	10/27	Alternative Risk Transfer	Ch. 18, 26
12	11/3	Transferring Financial Risk	
13	11/10	**Exam Two: online exam, no class**	
14	11/17	Making Risk Financing Decisions	
15	11/24	Risk financing project	
16	12/1	Risk financing project	

* Note: This schedule is subject to changes and/or additions at the professor's discretion.