

# USII1Y - Risk Management

## Présentation

### Prérequis

- Bachelor's Degree holder or equivalent
- 3 years of professional experience
- Proficiency in English: (TOEFL IBT 90 or IELTS: 6.5 or TOEIC 800)
- This module is in the MBA study track: Business Unit Management

### Objectifs pédagogiques

The purpose of this course is to provide tools and conceptual frameworks for the analysis of situations of risk, and to stimulate reflection about individual and collective strategies in the face of risks. Of course "risk" is ubiquitous in all walks of life, including business. But, not all risks are equal: risky situations are perceived differently and have widely different significations for the persons concerned.

The course begins with a survey of common definitions of risk, and of the ways that uncertainty is presented in different domains of business and public policy. The themes of "the risk society" and "new risks" (including biotechnologies, information technologies and nanotechnologies with their various environmental and health dimensions) are then explained, and set in dialectical relation to the preoccupations of "sustainable development".

Different approaches to risk analysis and risk management, at individual, corporate and public policy levels, are then presented with attention, on the one hand, to the epistemological (and ontological) presumptions of each approach, and, on the other hand, to the roles of ethics and culture for concepts of acceptability and justification. These dimensions of risk management are brought out by didactic contrast between "probabilistic" approaches to risk in terms of expected values and expected utility and, approaches to "unquantifiable" risks that put the accent on reflexivity and collective deliberation.

The pertinence and the limits of the different approaches is then discussed in different contexts of business and public policy decision-making (investment, insurance, principles of precaution and responsibility...). The controversies around appropriate strategies of individual corporate and public "risk governance" are thus a core element in the — contested — ethical, scientific and political visions of our times.

#### Course objectives

This course is intended to build understanding and practical capacities in the complex and ubiquitous domain of "risk management". It is intended to complement a variety of specialized modules within the MBA Programme.

It aims, more particularly, to provide the MBA students with analysis, facilitation and judgement skills useful to orient decision-making in the business world, in situations where "uncertainty" about outcomes and the (unequal) exposure — and vulnerability — to risks is a matter of conflict or controversy for environmental and social responsibility. These challenges have a history and, are played out in theatres of strategy, politics and conflict at all scales around the world.

### Compétences

At the end of this course:

Students will have a firm grasp of common definitions of "risk", "uncertainty" and "indeterminacy", and of corresponding notions of "rationality", "reason" and "responsibility", and their application in different business and public policy contexts.

They will show proof, through their course work, of their ability to explore and analyse real-world situations (including but not limited to business strategy) in terms of the risk analysis and risk management challenges that they express.

They will be familiar with the basic concepts and operational tools for probabilistic analysis of situations of risk, including principles of insurance.

They will have working experience — based on short projects carried out individually or collectively — with the application of multi-criteria and multi-stakeholder frameworks for evaluation

Mis à jour le 07-04-2020



**Code : USII1Y**

Unité spécifique de type cours

3 crédits

**Responsabilité nationale :**

EPN15 - Stratégies / 1

**Contact national :**

EPN 15 Stratégies - IIM

2 rue conté

75003 Paris

01 40 27 26 36

Emmanuelle Rochefort

[emmanuelle.rochefort@lecnam.net](mailto:emmanuelle.rochefort@lecnam.net)

of risks and their acceptability in situations of social choice or social responsibility.

They will develop confidence and communication skills for bridging from academic to practical subjects, including the application of “science based” approaches to risk analysis as inputs to deliberation about the pros and cons of different risk management strategies.

# Programme

## Contenu

- Concepts, Definitions and Significations of “Risk” (with allusions to Beck, Borges, Giddens, Hegel, Laplace, Renn ...)
- “Complex Systems”, Indeterminacy and the (Uneven) Social Distribution of ‘Bads’ — rallying science & social science of “risks”.
- “Uncertainty is a Great Opportunity” (?) — Business, Entrepreneurship & Risk-taking ...
- Externalities, Natural Disasters, Weak Signals and “New Risks” — Collective Risks and the (impossible) Challenges of Public Policy & Governance in the “Risk Society”.
- CSR as Corporate Risk Management Strategy: The evolution from Business prudence to Stakeholder dialogues.
- Risk and Probability: Expected Value: concepts and exercises
- Enthusiasm for Risk and Aversion to Risk (From information to Signification): concepts and exercises
- Scientific Approaches to Risk Assessment: (I) Typology and Examples.
- “Post Normal” approaches to Risk Assessment: (II) Information, Participation & Deliberation.
- Risk and Misfortune. Roles of Insurance. (Risk is a Great Opportunity; but for whom?). Who is (are) the insurer(s) of last resort? Risk Governance : the (re)distribution of risks.
- Principles of Responsibility (Hans Jonas and others): For What, To Whom? Why?

## Modalités de validation

- Contrôle continu
- Projet(s)