

# RISK MANAGEMENT... IN BRIEF

Ruth A. Unks, ARM

Risk Manager

Maricopa County Community College District

(480) 731-8879

[ruth.unks@domail.maricopa.edu](mailto:ruth.unks@domail.maricopa.edu)

# WHAT ARE WE GOING TO DISCUSS?

- Definition of Risk Management
- Five Parts of the Risk Management Process
- Risk Identification
- Risk Control
- Risk Financing
- Risk Administration
- Top Concerns of College Risk Managers

# RISK MANAGEMENT TEXTBOOK DEFINITION

“The process of analyzing an organization’s exposure to risk or loss (by fortuitous or accidental means) and taking steps to minimize those potential or real losses to levels acceptable to the organization.”

Glossary of Insurance and Risk Management Terms

# RISK MANAGEMENT

## SIMPLIFIED DEFINITION

- What can go wrong?
- What can we do to prevent it from going wrong?
- If it does go wrong, how do we pay for it?

# THE RISK MANAGEMENT PROCESS

1. Identify and analyze loss exposures.
2. Examine alternatives.
3. Select the most promising risk management technique.
4. Implement the chosen technique(s).
5. Monitor/improve the risk management program.

# RISK IDENTIFICATION

“The process of examining and determining the potential sources of losses faced by the organization and individuals.”

- Property values
- Revenues
- Liability to others

# HOW DO WE EXAMINE THESE EXPOSURES?

- Surveys/questionnaires.
- Financial statements and other accounting records.
- Personal inspections of premises/operations.
- Consultation with experts outside and within the entity including front line managers and other personnel to the hazards of their own activities.

# RISK CONTROL

“Any action taken to prevent or minimize, at the optimal cost, losses which strike the organization.”

# RISK CONTROL

## Pre-Loss:

- Avoidance
- Prevention
- Reduction
- Segregation (separation or duplication)
- Contractual transfer
- Combination

## Post-Loss:

- Claims management
- Litigation management

# RISK FINANCING

“The acquisition of funds, at the optimal cost, to pay for the losses which strike the organization.”

- Retention
- Transfer
  - Insurance
  - Contractual transfer

# RISK ADMINISTRATION

“The implementation and monitoring of risk management policies and procedures.”

- Five steps of risk management process
- Property/liability & student insurance procurement
- Property/liability claims management
- Contract review
- Safety and loss control
- International studies issues

# TOP CONCERNS OF COLLEGE RISK MANAGERS

- Campus safety/security
- Employment practices
- Occupational safety/regulatory compliance
- Transportation safety
- Computer related risk
- Studies abroad
- Emergency management

# SUMMARY

- Definitions of risk management
- Risk management process
  - Risk identification
  - Risk control
  - Risk financing
  - Risk administration
- Top concerns of college risk managers

# QUESTIONS?

Thanks for your attention and participation!