

SUBJECT:	Risk and Insurance in International Business	
HOURS:	15+15	ECTS: 5

Name/title of the author:	
Course Description:	<p>The course presents basic principles and procedures applicable in management of risk in international business. It is intended to provide students with several analytical tools and make them familiar with the most authoritative information sources which are necessary to evaluate the risk in international business. After a brief introduction of some basic terms, rules connected with risk, the course moves into more detailed matters involving detailed classification of risk and description of its dimensions (political risk, country risk, sovereign risk, transaction risk, transport risk, foreign exchange risk). The next important problems that are taught in the course include instruments and techniques used in risk mitigation as well as institutions and organizations supported traders on international market. Finally, the course emphasizes practical aspects that help students to identify, analyses and manage the potential risks in international business.</p>
Learning Outcomes (Goals and Objectives of the course):	<p>On the successful completion of this course, students should be able to understand the concept of risk in international business management, become acquainted with specialist terms using in business practice, have knowledge of various techniques available to assess and mitigate risks and be able to adopt to the future employment in an international environment.</p>
Entrance qualifications:	<p>Basic knowledge concerning micro & macroeconomic, international economic relations, international transactions, international settlements.</p>
Course Content:	<ul style="list-style-type: none"> - General course introduction: organizations issues, terms and definitions connected with risk and insurance in international business, objectives of risk management; - Political risk analysis: identification of political risk, elements of political risk, aggregated indexes, rating agencies activity, political risk evaluation tools and techniques; - Transaction risk analysis: identifications of transaction risk, elements of transaction risk, sources of information on potential partner, business intelligence activity, transaction risk evaluation techniques and tools; - Transport risk analysis: means of transport in international business, identification of transport risk, insurance in international transport, INCOTERMS in the context of risk mitigation; - Foreign exchange risk analysis: identification of foreign exchange risk, types of foreign exchange risk, external and internal instruments for currency risk management; - Institutions and organizations supported international business: export credit agencies, export – import banks, chambers of commerce, etc.
Assessment policy (examination):	<p>Team projects during the semester (case studies) – 50% Written exam (multiple choice test) – 50%</p>
Course materials/bibliography:	<ul style="list-style-type: none"> - Singh M.P. & Chopra V.S., (2005), Risk Management in International Trade, Universal Publishers, 1st

Edition.

- Luk K.W., (2011), International trade finance. A practical guide, City University of Hong Kong Press, Hong Kong.
- Skipper H.D. & Kwon W.J., (2007), Risk Management and Insurance. Perspectives in a Global Economy, Blackwell Publishing.
- Palepu K.G. & Healy P.M. & Bernard V.L., (2004), Business Analysis & Valuation. Using Financial Statements, Thomson Learning South-Western.
- Other papers supported during the course.

Methods of Instruction:

The teaching methods are: lecture with presentation, classes in computer labs, online course (case studies, working in groups, discussions).