

**Fall 2017**  
**Business 344 - Sec 1 – Insurance Operations**  
**Wednesday 16:00 – 18:30**  
**CCC Room 224**

Marcia Tepp  
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Campus Office CPS 474  
Wednesday 2:30 – 3:30  
& by appointment

Home number Preferred: 715.345.0180

**REQUIRED TEXT:**

Insurance Operations, 2nd Edition, American Institute for Chartered Property Casualty Underwriters/Insurance Institute of America.

**Bring your text book to each and every class, we will use it most classes.**

**Course objective:**

The course will provide a comprehensive examination of insurance operations encompassing; insurance regulations, insurance marketing, underwriting property and liability insurance, risk control, rate making, claims, reinsurance and strategic planning. It will provide an understanding of the core functions of an insurance company through exposure to guest speakers from across the insurance industry. During the course, we will cover career opportunities in the insurance industry.

At the end of the course you will:

1. Understand how an insurance company operates.
2. Have knowledge of the critical insurance functions of sales, underwriting and claims
3. Be familiar with regulation of insurance companies.
4. Understand how strategic planning impacts results of an insurance company.
5. Be familiar with actions an insurance company undertakes to reduce risk.
6. Make insurance industry connections.

**Class meetings and attendance:**

Attendance will benefit you and your grade. You are encouraged to be an active participant in class. If you make the choice not to attend class, be aware that there will be no opportunity to make-up in class activities. You will be able to earn 20 points during each class session.

For the best learning experience, it is expected that you read related materials in the text prior to class and be prepared to answer questions in class. We will operate on that premise. See the detailed schedule for the chapters and the order we will be covering the material. We may deviate from the schedule depending on the guest speakers and tours that are involved with the class.

Concepts and policies will be presented by lecture, discussion and assigned activities. There will be activities assigned during the week and during class. Participation will be graded. Be prepared to ask and answer questions in class. I intend to cover the most important concepts from the textbook in class. However, you are still responsible for developing an understanding of other concepts and terms not covered. If you have questions about something not covered in class please ask.

It is expected that students will be prepared to discuss or explain incidents, cases and problems. This follows the education methods used in the development of business employees and we will use this approach.

You will be involved in individual and team activities in class. When operating in teams the team will receive one grade for a given team activity and each member in the team will receive the same grade. If you want to receive a high team activity grade be active in your team and perform.

During class we may access the Internet, so cell phones and other electronic devices that access the Internet are allowed in class. You are discouraged from text messaging during class.

We may have tours of local Stevens Point businesses as part of the class. It is your responsibility to get to the business on time on the assigned date. Missing a tour will be treated the same as missing a class and activities assigned may not be made up.

We will have a number of guest speakers during the semester. It is expected that they be treated as guests, thanked for spending time with the class. They will expect questions during their presentation, so be prepared to ask questions.

Review the UWSP policy on attendance at: <http://www.uwsp.edu/regrec/Pages/Attendance-Policy.aspx>

## Current Events

Each week three students will be asked to present information on a current event they found that is impacting the insurance industry. Potential sources of information are the internet, TV and newspapers. Each student will have the opportunity to present three current events times during the semester. Each presentation is worth 30 points. Each class I will ask for volunteers to present the next week, if there are no volunteers I will select students. Repeats of a previous current event given by another student will not be counted as a current event. No student can present more than one event per class.

## Exams and Assignments:

There will be four exams, worth 100 points each, and six assignments, worth 50 points each, throughout the semester.

The exams will largely be short answer and situational problems. During all exams you will be able to use your in-class notes and the text book. Remember that all exams will be 30 minutes long, so don't rely on the fact that you can use your book to think that you do not have to prepare for an exam. Some exams maybe take home and assigned electronically.

All material presented in class, in tours and in the text may be used in exams. Exams will be given upon completion of the material. Since you have the semester schedule it is up to you to be prepared for each exam. Make up exams will only be given under special circumstances with prior approval.

## D2L:

D2L will be utilized for the class. Assignments will be posted on D2L. It will be your responsibility to check it often for information. Links for insurance industry related websites will be posted and maybe helpful in research. PowerPoints for each chapter will be posted.

## Final:

The final exam will be comprehensive. The final exam is scheduled for December 22nd 12:30 – 14:30. It will not be given early nor can the time for the exam be changed for the class or individuals.

## STUDENT EVALUATION:

The final grade will be based on the following weighting of results.

Exams (100 points each)	400 points
Assignments (50 points each)	300 points
In-Class Participation (20 point each class)	280 points
Current Events (30 points each event)	90 points
Final Exam	100 points
Total	1,170 points

Students who wish to receive a particular grade must earn the following points:

	From	TO
A	1170	1122
A-	1121	1076
B+	1075	1030
B	1029	983
B-	982	971
C+	970	889
C	888	842
C-	841	796
D+	795	749
D	748	702
D-	701	655
F	654	0

Be ready to submit items, via D2L or in class, as requested. Items slipped under my office door or placed in my mailbox by the office door are not considered submitting them to me and will be considered late. Assignments or take home exams that are submitted after the date and time for submission will have a **four point reduction in grade for each day an assignment is late.** Once grades are posted, late items will receive a 30 point reduction in the earned grade.

### **Emergency Response**

Be familiar with what you should do in the event of an emergency.

**Medical Emergency** – In the event of a medical emergency call 9-1-1 or use the Emergency Phone located next to room 227. Offer assistance if trained and willing to do so. Guide emergency responders to victim.

**Tornado Warning** – In the event of a tornado warning move to room 227 or 213, they are interior rooms without window exposure.

**Fire Alarm** – In the event of a fire alarm evacuate the building in a calm manner. Meet across Fourth Ave, in front of the HEC building.

**Active Shooter/Code React** – Run/Escape, Hide, Fight. If trapped, hide, lock doors, turn off lights, spread out and remain quiet. Call 9-1-1 when it is safe to do so. Follow instructions of emergency responders.

See UWSP Emergency Procedures at [www.uwsp.edu/mgt/Pages/em/procedures/default.aspx](http://www.uwsp.edu/mgt/Pages/em/procedures/default.aspx)

### **Academic Misconduct**

This course is part of the UW-Stevens Point academic community, an academic community that is bound together by the traditions and practice of scholarship. Honest intellectual work – on examinations and on written assignments is essential to the success of this community of scholars. Using classmates' responses to answer exam questions or disguising words written by others as your own undermines the trust and respect on which our course depends.

The work in this course is challenging and will demand a good deal of each of you. I have every confidence that each of you can succeed. Doing your own work will enhance your sense of accomplishment when the semester comes to a close.

Additionally, the classroom environment is a unique opportunity for students to share ideas, opinions, discuss classroom and course content. As each student is entitled to contribute in class, specific expectations are necessary to ensure a thriving classroom environment. Expectations include: arriving to class on time, being prepared for class, no electronic devices, unless authorized to do so, any loud shouting, excessive side conversations, arriving to class under the influence of any alcohol or drugs, profane language, and verbal or physical threats, intimidation of any kind, or any other behavior that may be disruptive to the professor or other students. If any of this behavior is exhibited, you may be asked to leave the class for the day. Any continued disruptive behavior may result in a referral to the Dean of Students Office.

### **Academic Honesty**

No plagiarism or cheating will be tolerated and can result in an F grade for the class. All written work submitted to the drop box in D2L will be evaluated by turnitin.com.

### **Student Rights and Responsibilities/Academic Misconduct**

Please be sure to review the information on student rights at the following:

<http://www.uwsp.edu/acadaff/Pages/gradeReview.aspx>

### **ADA Statement**

If you need an accommodation or special services for this class please see me or call the service at 346-2002. You must have a completed approved form to qualify for an accommodation. See the information on ADA at:

<http://www.uwsp.edu/disability/>

### **HELP:**

In addition to Wednesday office hours, I will be available by special appointment. My schedule is flexible. Feel free to call me at my home phone number or contact me via e-mail and schedule time. Do not wait until the last minute to e-mail me questions before an exam. If you need to contact me on the day of class use the day contact phone number.

**Assignment & Exam Outline Subject to change based on class progress**

Exam dates and assignment dates are tentative based on expected class progress. Dates are subject to change. The best way to know when an exam will take place is to attend class

<b>Insurance Operations Bus 344</b>		<b>Date</b>	<b>Class Activity</b>
<b>Overview of Insurance Terminology</b>		September 6	
<b>Chapter 1: Overview of Insurance Operations</b> Classification of Insurers Constraints on Achieving Insurer Goals Measuring Insurer Performance Functional View of Insurance	Assignment	September 6 & 13	
<b>Chapter 2: Insurance Regulation</b> Reasons for Insurance Regulation Insurance Regulators Licensing Insurers and Insurance Personnel Monitoring Insurer Solvency Regulating Insurance Rates Regulating Insurance Policies Market Conduct and Consumer Protection Unofficial Regulators in Insurance	Exam	September 13 & 20	<b>Sept 13 – Sentry Regulatory Team</b>  <b>Sept 20 – Brewery tour</b>
<b>Chapter 3: Insurance Marketing and Distribution</b> Property-Casualty Insurance Marketplace Insurer Marketing Activities Insurance Distribution Systems and Channels Functions of Insurance Producers Distribution System and Channel Selection for Insurance Marketing	Assignment	September 20 & 27	<b>Sept 27 Church Mutual</b>
<b>Chapter 4: Underwriting Function</b> Purpose of Underwriting Underwriting Activities Underwriting Authority Constraints in Establishing Underwriting Policy Implementing the Underwriting Policy	Exam	October 4 & 11	<b>Oct 4 M3 Insurance Brokers</b>  <b>Oct 11 Cheryl</b>

Steps in the Underwriting Process Measuring Underwriting Results			<b>Kryshak</b> <b>Church Mutual</b>
<b>Chapter 5: Risk Control and Premium Auditing</b> Insurer Risk Control Goals Risk Control Services Provided by Insurers Cooperation Between Risk Control and Other Insurer Functions Reasons for Premium Auditing Premium Auditing Process Importance of Accurate Premium Audits Premium Auditing Contributions	Exam	October 11 & 18	<b>Oct 18</b> <b>Spectrum Insurance - Clark</b>
<b>Chapter 6: The Claim Function</b> Overview of the Claim Function Claims Department Structure, Personnel, Performance Measures to be Used to Ensure Regulatory Compliance Activities in Claim Handling Process Framework for Coverage Analysis Applying the Claim Handling Process and the Framework for Coverage Analysis	Exam	October 18 & 25	<b>Oct 25</b> <b>Sentry Claims</b>  <b>Nov 1 – Allstate claims</b>
<b>Chapter 7: Actuarial Operations</b> The Actuarial Function Insurer Ratemaking Goals Rate Components and Ratemaking Terms Factors that affect Ratemaking Ratemaking Methods Ratemaking Process Overview Ratemaking Factor Variances for Different Types of Insurance Loss Reserves and Analysis	Assignment	November 1 & 8	<b>Nov 8</b> <b>West Bend</b>
<b>Chapter 8: Reinsurance</b> Reinsurance and Its Function Reinsurance Sources Reinsurance Transactions	Assignment	November 8 & 15	<b>Nov 15</b> <b>Jurgella &amp; Steve Termat</b>  <b>Sentry Insurance</b>

Types of Pro Rata and Excess of Loss Reinsurance Alternatives to Traditional Reinsurance Reinsurance Program Design Reinsurance Program Design Case			<b>Reinsurance</b>
<b>Chapter 9 : Business Needs and Information Technology Alignment</b> Importance of Information Technology to an Insurer Importance of Data Quality in Meeting Insurer Information Needs Types of Business Information Systems Security and Control in Information Systems Aligning Insurer and IT Strategy	Assignment	November 22 & 29	<b>Nov 29</b> <b>Travel Guard Tour</b>
<b>Chapter 10 : Insurer Strategic Management</b> Strategic Management Process The Five Forces and SWOT Methods of Analyzing the Environment Determining Strategy at Different Organizational Levels Insurers Global Expansion Strategic Management Case Study	Assignment	December 6 & 13	<b>Dec 6</b> <b>Ameriprise</b>  <b>Dec 13</b> <b>Sentry Panel Discussion</b>

**Final December 22, 2017 12:30-14:30**

**Final exam will include material covered over the entire semester.**

**Information and dates in this syllabus are subject to change as needed through the semester.**