



# International Diploma in Risk Management

## Environmental Risk

### Module aims

This module provides students with a thorough-going introduction to the rapidly changing field of environmental risk management. Through an innovative case study-based approach, students will come to understand the multi-disciplinary nature of this field. Specifically, the module's aims are:

- To provide students with the multi-disciplinary perspective necessary to become effective managers of environmental risks
- Specifically, to help students understand the a) managerial, b) scientific, c) legal, d) political and e) social dimensions of environmental risks
- To assist students in the development of an appreciation of the relationship of environmental risk management to corporate governance and strategy
- To enable students to understand the building blocks of effective environmental risk management programs in a commercial setting
- To provide students with a thorough exploration of the environmental risk financing challenge and to specifically develop a solid understanding of environmental insurance
- To help students develop competence in analysing real world environmental problems and to construct practical and effective solutions
- To help students better understand the current dynamics and likely future trends in the field
- And, to enable students to effectively fit environmental risk management knowledge and practice into the broader Enterprise Risk Management framework

### Module Syllabus

**Prologue - Understanding the Environmental Risk Environment** - A basic introduction to the module, wherein the 'multi-disciplinary framework' is introduced.

**Unit One: What is (Commercial) Environmental Risk (Base, Intermediate and Strategic Level)** - This unit focuses on clarifying key terminology and concepts related to environmental risk and risk management.

**Unit Two: So What is Commercial Environmental Risk? (Strategic Level)** - Environmental risk exhibits many specific and unique characteristics when placed in a commercial setting. Unit Two presents an introduction to most of those features.

**Unit Three: A Hypothetical Model of the Development and Growth of the Environmental Risk and Liability Risk Concept over Geography and Time (Strategic Level)** - A comparative and historical review of the development of our modern understanding of environmental risk, with a specific reference to its legal implications.

**Unit Four: The Commercial Migration of the Environmental Risk Concept (Strategic Level)** Unit Four focuses on the specific modern evolution of thinking with respect to environmental risk management in commercial settings.

**Unit Five: Environmental Risk Drivers (Base and Intermediate Level)** - An introduction to the dynamics of modern environmental risk management—the issues, problems, and challenges.

**Unit Six: The role of the corporate environmental risk manager in environmental risk management OR Environmental Risk Management – Is NOT About Saving the Earth (Strategic Level)** - A presentation of the distinction between commercial motivations and the corporate social responsibility motivation—with specific treatment of the challenge of reconciling competing motives.

**Unit Seven: Internal Sources and Resources (Base Level)** - An introduction to the tools and methods that reside within organizations as a means of managing environmental risks.

**Unit Eight: The use of external Consultants and Advisors (Base Level)** - A review and evaluation of the wide variety of technical and professional expertise that is available to manage environmental risks—with special reference to their strengths and limitations.

**Unit Nine: Environmental Risk Within the Context of Environmental Insurance, Alternative Risk Finance / Transfer and Self Insurance (including Captive Insurance): Past and Future Trends (Base Level)** - An introduction and analysis of the financing side of environmental risk management. What tools are available for financing the cost of environmental risk?

**Unit Ten: Environmental Insurance (Base Level)** - A deeper exploration of a specific financing tool—environmental insurance.

**Unit Eleven: Environmental Risk Management and Insurance in a Merger and Acquisition Situation (Intermediate and Strategic Level)** - An application of the principles covered in previous units, set in a specific case study context.

**Unit Twelve: Environmental Risk and the Economic Cycle beyond 2008(?) (Strategic Level)**

A look ahead at emerging issues, problems, challenges and opportunities.

**Unit Thirteen: Polluted Property Risk – a 360 degree Approach to Contaminated Land, its Remediation and the Sustainable Communities of our Future and their Predictive role in Strategic Environmental Risk Management (Base, Intermediate and Strategic Level) - A summarising exercise that enables students to pull together the various topics of the module.**