ACCG930

Enterprise Risk Management - Corporate Governance Perspectives

S1 Evening 2018

Dept of Accounting & Corporate Governance

Contents

General Information

Unit convenor and teaching staff
Lecturer and Unit Convenor
Rogelio Canizales Perez
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By appointment - Fridays 4 to 6 pm (From week 3)

Unit Moderator
James Hazelton
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Credit points
4

Prerequisites
ACCG611 or (admission to MAdvProfAcc or MBkgFin)

Corequisites

Co-badged status

Unit description
This unit examines enterprise risk management, processes and techniques aimed at the cost effective loss prevention of an entity's assets and resources. It provides a strong business foundation that can be applied in business planning and decision making. In the wake of the spate of corporate collapses, a risk-based approach to evaluate and plan business activities is now an accepted paradigm. The unit covers topics of risks: strategic, operational, reputational, contractual, financial and information system, while addressing emerging challenges. The unit is presented with a Corporate Governance focus.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at https://www.mq.edu.au/study/calendar-of-dates

Learning Outcomes

On successful completion of this unit, you will be able to:

Evaluate risk management exposures from a corporate governance (including internal control and ethics) and compliance perspective.

Develop an awareness of the issues associated with the development, implementation and use of enterprise risk management.

Appreciate the social/legal/economic contexts of enterprise risk management frameworks.

Examine the strengths and weaknesses of current Enterprise Risk Management (ERM) frameworks.

Understand and apply the importance of concepts such as risk mapping, risk identification, monitoring risk and appropriate sources of information.

General Assessment Information

Turnitin

All text based assessments must be submitted through Turnitin as per instructions provided in the unit guide. It is the student's responsibility to ensure that work is submitted correctly prior to the due date. No hard copies of assessments will be accepted and only Turnitin records will be taken as records of submission.

Multiple submissions may be possible in some units via Turnitin prior to the final due date and time of an assessment task and originality reports may be made available to students to view and check their work. All identified matching text will be reconsidered carefully. Students should note that the system will not immediately produce the similarity score on a second or subsequent submission - it approximately takes 24 hours for the report to be generated. This may be after the due date so students should plan any resubmissions carefully. Please refer to these instructions on how to submit your assignment through Turnitin and access similarity reports and feedback provided by teaching staff. Should you have questions about Turnitin or experience issues submitting through the system, you must inform your unit coordinator immediately. If the issue is technical in nature may also lodge OneHelp Ticket, refer to the IT help page.

It is the responsibility of the student to retain a copy of any work submitted. Students must produce these documents upon request. Copies should be retained until the end of the grade appeal period each term. In the event that a student is asked to produce another copy of work submitted and is unable to do so, they may be awarded zero (0) for that particular assessment task.

Assessment Tasks

Name	Weighting	Hurdle	Due
Class Test	20%	No	Week 7
Case study	20%	No	As scheduled
Participation	10%	No	Ongoing
Final Examination	50%	No	Examination period

Class Test

Due: **Week 7**
Weighting: **20%**

Marking criteria:

The Class Test will be 20 questions and marked out of a possible 20 marks. This is a diagnostic test which means it assesses students on progress to date and allows time to address potential challenges in subsequent classes. The questions will be based on the learning covered during classes during weeks 1- 6 inclusive (week 5 is public holiday - no class) to ensure students have a thorough understanding of the framework of ERM, corporate governance perspectives, corporate risk culture and basic ERM tools and techniques.

Submission method:

Students will complete the test in class, in Week 7 and the Unit Convenor will collect the papers from students.

Extension and Penalties:

No extensions will be granted. Students who have not completed the test on the day will be awarded a mark of 0 for the task, except for cases in which an Application for Special Consideration is made and approved (in accordance with the policies and procedures). If approved the student will do the test at a later time.

Preparation:

The Class test is designed so that a student working on average 4-6 hours per week both in attendance at class plus additional reading will be able to achieve satisfactory marks.

This Assessment Task relates to the following Learning Outcomes:

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• Appreciate the social/legal/economic contexts of enterprise risk management frameworks.

• Examine the strengths and weaknesses of current ERM frameworks.

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- Examine the strengths and weaknesses of current Enterprise Risk Management (ERM) frameworks.

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Case study

Due: **As scheduled**
Weighting: **20%**

Submission method:

In-class 15 minutes-presentation and report in week allocated. Students work individually. The purpose of this assessment is to allow students to consider an actual company with an enterprise risk situation and communicate their level of understanding of key risk concepts and theories to the issue. Students will be expected to demonstrate how their case has multiple dimensions of risk. Each case study requires an oral presentation, a submitted power point presentation, plus a written report which summarises the key issues raised by the case study. Actual case study examples will be allocated to each student.

Submission will only be accepted through Turnitin. (Refer details above) However, on the date of your presentation, a copy of the Powerpoint presentation and material is also to be provided in a manner expected of that of a business report to the Board of an ASX company. Developing critical presentation skills is an important aspect of verbal and non-verbal presentations.

Marking Criteria:

The marking criteria will be published on iLearn together with detailed instructions.

How feedback will be provided:

- Attaching marking rubric on Grademark
- Online feedback

Extension and Penalties:

No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for Special Consideration is made and approved.

This Assessment Task relates to the following Learning Outcomes:

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Participation

Due: **Ongoing**
Weighting: **10%**

Active participation is expected of ACCG930 students. ERM is a dynamic field and thus interaction about risk in the context of the topic is essential.

Submission method:

Students should be engaged with the issues relevant to the seminar and be involved in tutorial activities, particularly, responding to, and asking questions – being active is an important aspect of both study and professional practice and tutorials will be of more benefit to all students if each individual is willing to participate. Awareness of current events as they relate to risk for an enterprise is critical and active reading of the business press is expected. Participation includes class work and online forums.

Estimated student workload:

Students are expected to spend approximately 2 to 4 hours reviewing their weekly reading and material before attending class.

Marking criteria:

Ongoing participation (out of 10):

0/10 – No participation - No substantial contribution to class discussions and online forum

1-4/10 - Limited participation - for example, occasionally contributing to class discussions and

online forum

5-8/10 – Good participation – for example, regularly contributing to class discussions and online forum

9-10/10 – Excellent participation – for example, regularly contributing to class discussions and sharing relevant examples from current media or personal experience and initiating online forum discussion threads.

The mark for participation includes the aspect of attendance that students who do not attend obviously do not participate and this will be reflected in their mark but participation is more than mere attendance. Examples of conduct that may indicate participation include: preparing for class, reading appropriate material, being prepared to contribute to discussion of tutorial questions; bringing relevant materials (including assignments) to class; asking questions relevant to the material being discussed; responding to questions or requests and displaying an understanding of the relevant examples and concepts; forming and expressing an opinion in relation to the issues arising from the material being discussed; being engaged in the progress of the seminar and following the seminar discussion.

This Assessment Task relates to the following Learning Outcomes:

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• Understand and apply the importance of concepts such as risk mapping, risk identification, monitoring risk and appropriate sources of information.

On successful completion you will be able to:

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Final Examination

Due: **Examination period**
Weighting: **50%**

A final examination is included as an assessment task to provide assurance that: 1. the product belongs to the student and 2. that the student has attained the knowledge and skills tested in the exam A final two hour examination for this unit will be held during the University Examination Period. All material covered in the unit is examinable. It is a closed book examination. Further details will be made available via iLearn. Details of the examination time and place will be in the University Examination Timetable: www.timetables.mq.edu.au

Submission method:

Submitted in hard copy at end of examination. The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable special consideration. In such circumstances students may wish to apply under the Special Consideration policy. Further details are available here: https://staff.mq.edu.au/work/strategy-planning-and-governance/ university-policies-and-procedures/policies/special-consideration

Marking Criteria:

The examination represents 50% of the student's overall assessment for this unit. Questions are designed to test student's ability to demonstrate knowledge of the key topics, cases studied and issues discussed in the unit. Students do not have to pass the final examination in order to achieve a passing grade for the unit.

Penalties:

Students will not receive any marks for this assessment task if they fail to sit the examination. If a Supplementary Examination is granted as a result of an approved application under the Special Consideration policy the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary exam will be of similar format to the final exam.

This Assessment Task relates to the following Learning Outcomes:

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Delivery and Resources

Classes Students are expected to attend one 3 hour face-to-face seminar per week. The timetable for classes can be found on the University web site at: http://www.timetables.mq.edu.au/

A typical 3 hour session will be as follows:

a) Lecture and class discussions (90 minutes)

b) Class activities and discussions relating to cases or other pre-assigned reading material and questions (45 minutes)

c) Case study presentation by students (in certain weeks) (15 minutes presentation and 10 discussion)

(a) Lecture and class discussions.

The lecturer will introduce key themes and their practical applications for each week's topic. The lecturer will then facilitate discussions on key issues, challenges and solutions relating to the topic. Students are required to pre-read assigned material and be prepared to lead discussions in turn. Students are expected to read the course materials for at least two to three hours per week. A week-by-week list of the topics to be covered is at the end of the unit outline.

(b) Class activities and discussions.

Each week, all students will be asked to prepare and contribute to the discussion relating to cases or reading material and questions. These tasks will be assigned in advance. The amount of time spent on these discussions will be decided by the lecturer. Contribution to class discussions is part of the learning outcomes and contributes to developing an understanding of the key issues (please see the section 'Relationship between Assessment and Learning Outcomes' below).

(c) Case study presentation.

Prior to the mid-term break, the lecturer will assign students to an actual ERM case study. This will be presented in the second half of the Semester after the midterm break in a week to be assigned.

Required and Recommended Texts and/or Materials

Prescribed textbook

No text is prescribed for the course. A reading list will be provided for each week. Students are

expected to read the business pages of the media such as the Sydney Morning Herald (www.smh.com.au) daily or the Australian Financial Review (www.afr.com.au) as this helps to familiarise yourself with business issues, political developments and the companies we will be discussing in class.

References:

• Taleb, Nassim N., 2005, "Fooled by Randomness: The Hidden Role of Chance in Life and in the Markets", Random House Trade Paperbacks.

The above book is suggested since it is a comprehensive analysis of the way that probability and statistical representation is used and abused in the area of risk management. It is not compulsory but you will find it invaluable, and I hope, interesting. Nassim Taleb has also written other interesting works on risk management that is worth considering.

The following are also highly recommended: • Hampton, John, J., 2015, "Fundamentals of Enterprise Risk Management - How Top Companies Assess Risk, Manage Exposure and Seize Opportunity", American Management Association (2nd Edition).

• Hubbard, Douglas, W., 2009, "The Failure of Risk Management - Why It's Broken and How to Fix It", John Wiley & Sons Inc.

On-line sources, articles, and other reference material will be advised for different topics before these topics are covered in the class. It is essential that you have a good knowledge and understanding of such material.

Unit Web Page Course material is available on the learning management system (iLearn). The web page for this unit can be found at: http://mq.edu.au/iLearn/index.htm

Technology Used and Required

Students are expected to have:

· Proficiency in Word, Excel and PowerPoint

· Knowledge of the library research databases – for accessing additional research material. Expectations and Workload Students are expected to spend 150 hours working on this unit. As a guide a student should spend these approximate amounts of time on each of the following activities:

No.	Activities	Hours
1	Weekly Seminars (note if a class is on Good Friday it is cancelled)	36
2	Class Test Week 7	12
3	Presentation and report	40
4	Weekly readings/self-study/preparation for exam	62
	TOTAL	150

Requirements to satisfactorily complete the unit

Satisfactory completion of ACCG930 is an overall passing grade. There is no requirement to achieve a passing grade in each individual assessment component, including the final exam. However, since each assessment component contributes to the overall learning outcomes of the unit, students are expected to complete each assessment task in order to maximise their educational experience.

Unit Schedule

Week	Starting	Topic
1	02/03/2018	Course Overview An introduction to ERM and creating enterprise value
2	09/03/2018	Corporate governance, internal control and ERM frameworks
3	16/03/2018	Risk culture and developing risk strategy
4	23/03/2018	ERM techniques and tools - risk appetite
5	30/03/2018	Public Holiday - No class
6	06/04/2018	ERM techniques and tools - risk profile and maps
7	13/04/2018	**Class test - One Hour** Financial Risk, Measuring strategic and operational risk
	16/04/2018 to 27/04/2018	Mid-Semester Break
8	04/05/2018	Financial Risk Management and Test Revision
9	11/05/2018	Reputation and Information Risk
10	18/05/2018	Project Risk and Environmental Risk - Presentations
11	25/05/2018	Business lifecycle risk - Presentations
12	01/06/2018	Presentations
13	08/06/2018	Implementing an ERM strategy, challenges and future developments Course summary and Exam Revision

Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central (https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central). Students should be aware of the following policies in particular with regard to Learning and

Teaching:

- Academic Appeals Policy

- Academic Integrity Policy

- Academic Progression Policy

- Assessment Policy

- Fitness to Practice Procedure

- Grade Appeal Policy

- Complaint Management Procedure for Students and Members of the Public

- Special Consideration Policy *(**Note:** The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.)*

Undergraduate students seeking more policy resources can visit the Student Policy Gateway (https://students.mq.edu.au/support/study/student-policy-gateway). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit Policy Central (https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central).

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/study/getting-started/student-conduct

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in eStudent. For more information visit ask.mq.edu.au.

Grades

Macquarie University uses the following grades in coursework units of study:

• HD - High Distinction

• D - Distinction

• CR - Credit

• P - Pass

• F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at: http://www.mq.edu.au/policy/docs/grading/policy.html

Student Support

Macquarie University provides a range of support services for students. For details, visit http://students.mq.edu.au/support/

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- Workshops
- StudyWise
- Academic Integrity Module for Students
- Ask a Learning Adviser

Student Services and Support

Students with a disability are encouraged to contact the Disability Service who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

IT Help

For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University's IT, you must adhere to the Acceptable Use of IT Resources Policy. The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

PG - Capable of Professional and Personal Judgment and Initiative

Our postgraduates will demonstrate a high standard of discernment and common sense in their professional and personal judgment. They will have the ability to make informed choices and decisions that reflect both the nature of their professional work and their personal perspectives.

This graduate capability is supported by:

Learning outcomes

- Evaluate risk management exposures from a corporate governance (including internal control and ethics) and compliance perspective.
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Assessment tasks

- Class Test
- Case study
- Participation
- Final Examination

PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

Learning outcomes

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Assessment tasks

- Class Test
- Case study
- Participation
- Final Examination

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- Evaluate risk management exposures from a corporate governance (including internal control and ethics) and compliance perspective.
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Assessment tasks

- Class Test
- Case study
- Participation
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Changes from Previous Offering

The course content has been updated to reflect the very latest developments in enterprise risk management.