Isil and I both spend a large portion of our spare time reading. Keeping up on risk management trends and the latest research is a full-time job in and of itself. During some of that recent reading, we came across the story of Jerome Lederer.

Jerome Lederer was an American aviation safety pioneer. Known as Mr. Aviation Safety, he inspected “The Spirit of St. Louis” before Charles Lindbergh’s historic flight and assisted NASA with inspections before the Apollo missions. According to Neil Armstrong, Lederer “recognized that flight without risk was flight without progress. But he spent a lifetime minimizing that risk.” Lederer himself is quoted as saying “risk management is a more realistic term than safety. It implies that hazards are ever-present, that they must be identified, analyzed, evaluated, and controlled or rationally accepted.”

You’re probably thinking, what does a long-dead safety inspector have to do with the challenges facing industries today — supply chain management, cyber security, black swan events, and natural disasters?

Quite a bit actually. Remember, eventually everything connects — people, ideas, objects, and the quality of those connections is the key to quality in all things. The Risk Institute is where thought leaders, seasoned professionals, and students of risk come together.

This year, we focused on expanding our connections to an ever-broadening cross-section of industries, deepening our relationships within The Ohio State University community, and providing an enriched curriculum to students at The Fisher College of Business.

We dove deep into a variety of topics during our Annual Conference and Executive Education sessions. We sponsored a business simulation and case competition to give students insights into being a risk manager for a company like Abbott or DHL. We sponsored more than $100,000 on risk research that will inform executives on how to leverage risk as opportunity.

This year, the Risk Institute will continue to push the envelope of risk management and the spirit of Mr. Lederer will go out ahead of us.

Onward!

Philip S. Renaud, II
Executive Director
The Risk Institute

Isil Erel
Academic Director
The Risk Institute

THE CONVERSATION ABOUT RISK starts here.
Our Mission
The Risk Institute at The Ohio State University Fisher College of Business operates at the intersection of risk research and risk management practice. Focused on an integrated, interdisciplinary approach to risk management.

Our focus this year was on building connections—across the university, across industries, and across the nation.

Rooted in Research: We fund and distribute leading edge risk research in order to leverage risk as opportunity

Committed to Collaboration: We partner with academics, students, and executives from a broad cross-section of industries

Dedicated to Education: We equip students and executives with the knowledge to lead their companies through risk’s threats and opportunities with confidence

## 2017 BY THE NUMBERS

<table>
<thead>
<tr>
<th>Research/Projects</th>
<th>Outreach/Collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 funded research projects</td>
<td>769 attended an RI event</td>
</tr>
<tr>
<td>$120k in research funded</td>
<td>77 average attendees at each event</td>
</tr>
<tr>
<td>5 countries represented</td>
<td>40+ collaborating organizations</td>
</tr>
<tr>
<td>12 class projects facilitated</td>
<td>1,000+ web/social profile visitors</td>
</tr>
<tr>
<td>$120k in research funded</td>
<td>7,545 unique website visitors</td>
</tr>
<tr>
<td>10 RI events hosted</td>
<td>100+ students involved with the institute</td>
</tr>
<tr>
<td>769 attended an RI event</td>
<td>1,000+ web/social profile visitors</td>
</tr>
</tbody>
</table>
COMMITTED TO COLLABORATION

Events
The Risk Institute is committed to bridging the gap between academia and practice. We do this by hosting numerous events — Risk Series, Annual Conference, and others — that bring practitioners and academics together to discuss the latest happenings in risk.

RISK SERIES IV
June 13, 2016
Zika—Can we predict the next pandemic?
November 15, 2016
Political Risk
January 24, 2017
Risk to Resilience: Overcome Your Company’s Weakest Link
March 7, 2017
How Work Culture Impacts Brand Reputation
April 19, 2017
Using Cyber to Your Advantage
May 23, 2017
ERM for Nonfinancial Institutions

> Visit go.osu.edu/riskseries for more information

ANNUAL CONFERENCE 2016

Bringing together academics, practitioners and executives to change how we think about risk

Speakers:
GORDON BETHUNE
Former Chair and CEO of Continental Airlines
RANDALL KROSNER
Professor of Economics, University of Chicago
CAMERON MITCHELL
President and Founder of Cameron Michael Restaurants
DAVID GEBLER
Author, Innovator, Business Advisor
MICHAEL COLEMAN
Former Mayor of Columbus
DARRELL ZAVITZ
Consultant, Former Vice President Dow Chemical Co.
KEELY L. CROXTON
Associate Professor of Logistics, FCOB OSU
JENI BRITTON BAUER
Founder, Jeni’s Splendid Ice Creams
SCOTT WHITE
President & CEO, IGS Energy
LES BROREN
American Vice Chair Public Policy, EY
RICHARD HERRMANN
Professor & Political Science Chair, OSU
JOSEPH FIKSEL
Executive Director Sustainable & Resilient Economy, OSU
GARY T. ANDERBERG
Senior Vice President, Claims Analytics, Gallagher Bassett
DAVID LYONS
Former CIA | Crumpton Group
MIKE DEWINE
Ohio Attorney General
JIM TRAINOR
Former Director Cyber Security, FBI, Washington, DC and Cyber Security Initiative, Aon
DAVID WHITE
CIO, Battelle
Distracted Driving Initiative

The Risk Institute launched the Distracted Driving Initiative in February 2017. This is a nationwide initiative comprised of dozens of companies, government entities, and researchers seeking to combine leading-edge research with industry expertise in order to predict and curb distracted driving behaviors. The consortium identified a four-tiered approach: research, legislation, technology and environment/urban planning. Members of the initiative include: Nationwide, Motorists, Ohio Mutual, Honda, Ford, eFleet, SmartDrive, Root, The National Highway Traffic Safety Administration (NHTSA), Ohio Department of Public Safety, TrueNorth, Mobileye and Greenroad among others.

Looking Forward

This year we are focused on continuing to build connections within and outside of the university. We’re planning more events than we ever have before including eight executive education sessions, our Annual Conference, an exclusive VIP Summit, and numerous breakfast and shared sessions.

RISK SERIES V

October 11, 2017
FCPA & Ethics
November 14, 2017
M&A
January 25, 2018
Risk & The Impact of U.S. Protectionism
February 21, 2018
Risk & The Macro-economy
March 20, 2018
Weather & Climate Risk
April 12, 2018
Natural Catastrophic Losses & Resilience
May 24, 2018
ACA & The Future of Healthcare Industry
June 14, 2018
Embracing Digital Risk: AI, Robotics, Data & Drones
Focus on Integrated Risk Management

Our annual survey on integrated risk management represents one of the ways The Risk Institute leads the risk management conversation with leading risk professionals. The survey represents collaboration between practitioners and academics working to advance our knowledge of risk management. The questions were developed by Fisher academics based on conversations with our founding partners about gaps in our understanding about how firms view the role of risk management and about ways in which firms integrate risk management into business decisions and processes. This year’s survey also included questions exploring whether firms were in a position to capitalize on various types of disruptions, aligning with the theme of our annual conference.

Read the entire survey on our blog: go.osu.edu/riskresearch
Collaborative Research at The Risk Institute

The Risk Institute provides value to its member community by facilitating and participating in collaborative research. We rely on top business experts at Fisher as well experts at a broad range of other OSU colleges and departments, allowing us to delve into topics including:

- Analysis of supply chain resilience utilizing SCRAM tool
- Distracted driving and its impact on insurance claims
- The impact of natural gas resources on price and delivery to consumer
- New technologies to assist with safe vehicle operation, particularly in relation to fleets

Information Institutions and Acquirer Returns in International Acquisitions
Jay Anand, OSU
Yinuo Tang, University of Hong Kong
This research investigates the impact of both country-level and firm-level information asymmetry on the performance and risk management strategies of acquiring firms in international M&As. This study will deepen the understanding of the performance of international acquisitions from an institutional perspective.

Bank Regulations and Cross-border Risk Management – Evidence from Global Syndicated Loans
Janet Gao, Indiana University
Yeejin Jang, Purdue University
This research examines whether the risk management of banks contributes to the formation of global syndicates. In particular, they will study the effect of country-level bank regulations on the origination and participation of banks in global syndicated lending.

Zhenhua Chen, PhD., OSU
Adam Rose, PhD., University of Southern California
The goal of this research is to improve risk management for cyber-threats among both private and public sectors through better understanding of the economic consequence of cyber-attacks and the benefits of various cyber resilience tactics in reducing these consequences.

Improved Power Outage Modeling to Support Risk Management for Electrical Utilities
Dr. Steven M. Quiring, OSU
Dr. Seth D. Guikema, University of Michigan
Jordan V. Pino, OSU
Stephen A. Shield, OSU
This research aims to develop state-of-the-art power outage models for thunderstorms and winter storms. These models will be trained and validated using power systems data provided by three electrical utilities that service Ohio: American Electrical Power (AEP), Duke Energy and FirstEnergy. The research will provide these utilities expertise with data analytics, machine learning and weather forecasting to develop and operationalize state-of-the-art power outage models.

Cultural Fit and Merger Success
Kai Li, University of British Columbia
Feng Mai, Stevens Institute of Technology
Xinyan Yan, University of Dayton
This research will provide one of the first large-sample empirical studies to show how differences in corporate culture between merging firms can have important implications for different aspects of M&As from deal initiation, merger pairing, to post-merger integration and deal performance. The findings will fill a void in corporate risk management from the perspective of how to assess and mitigate culture clashes when two operating entities are combined.

Zhenhua Chen, OSU
Adam Rose, PhD., University of Southern California
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Educating Risk: Developing a Pedagogical Approach Toward Teaching Compliance Risk
Gates Garrity-Rokous, JD OSU
Trenton Weaver, JD OSU
This research will address a gap that exists between the expertise of risk managers and the small amount of research that has been conducted on effective methods of educating risk management theory and skills. The researchers propose to address the gap by developing an analytical structure for, and reviewing the pedagogical approaches used in, the risk domain of compliance risk.

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Meeting the Need for Trained Risk Experts

We are committed to providing students with the curricular and educational resources to be successful risk practitioners and risk-aware business professionals.

Fisher’s risk students work hard to excel in their chosen field, and there are organizations that recognize this. The Risk Institute has worked to make sure our risk students are made aware of scholarship opportunities that are available to them.

We also support two risk-focused student groups: Fisher Risk Management Association and Gamma Iota Sigma.

The Fisher Risk Management Association is an official student-led group that is focused on building close relationships with the risk management industry in all its forms. Gamma Iota Sigma is an international professional fraternity organized to promote, encourage and sustain student interest in insurance, risk management and actuarial science as professions. The alpha chapter of the 50 year-old academic fraternity was on the verge of collapse, but a faithful student was determined to save the chapter. That Fisher student approached the Institute to help her do so, and membership increase tenfold.

“During my time at Ohio State, the organization that furthered my education most was The Risk Institute.”
— Luis Garcia-Fuentes
People Who Make It Possible

Founding Members

Industry Members

Abbott Nutrition
Cigna
Discover Financial Services
Gallagher Bassett
FM Global
Perez & Morris
SRS Ohio
True North Insurance and Financial Strategies

The Ohio State University
The Risk Institute Team

Advisory Board

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Professor of Finance, Academic Director, The Risk Institute, Fisher College of Business

Helga Houston  
Chief Risk Officer, Huntington

Douglas A. Huffner  
Senior Director and Chief Risk Officer, The Ohio State University

Tammy Izzo  
Partner, EY

Nicholas Kaufman  
Director Risk Management, Battelle

Michael Mahaffey  
Chief Strategy and Chief Risk Officer, Nationwide Insurance

Anil Makhija  
Dean, Fisher College of Business

David Mehrer  
Senior Vice President, Segment Risk Officer, Huntington

Bernadette A. Minton  
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Jeffrey Nicholson  
Senior Vice President, Aon

Christine Poon  
Executive in Residence, Fisher College of Business

Philip S. Renaud  
Executive Director, The Risk Institute

Brian R. Smith  
Vice President and Treasurer, Battelle Memorial Institute

Daniel VanderWoude  
Vice President, Aon Benfield

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