



Contribution

Academic Case Studies

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Abstract

The “Corporate Risk Management” course taught at the European Business School has two distinct objectives. First, the course exposes students to key contributions of the scientific literature and second, students learn how to transfer these insights to corporate practice by using Excel and Palisade’s DecisionTools Suite.

The hands-on application of software throughout the course ensures that students are able to implement theoretical frameworks in practice. Amongst other things, the course demonstrates that the scope and analytical depth of corporate risk management is heavily influenced by the markets the company operates in and the extent to which the underlying risk exposures are actively traded in the financial markets. In addition, the students learn how financial advisors convert risk management preferences into hedging strategies, for example by choosing adequate financial instruments and defining optimal hedge ratios.