



**Call for Applications: Office of Risk Management & Insurance Research
Faculty Scholars
2022/2023**

Applications are now being accepted from qualified faculty members to fund research to support the goals of the UIUC Office of Risk Management & Insurance Research. Funding includes both a stipend and research support on topics related to risk management.

General Information

The Office of Risk Management & Insurance Research (ORMIR) at the University of Illinois provides funding for academic research that will contribute to the understanding of risk management and help to address the challenges of providing insurance and reinsurance to increasingly vulnerable global populations. ORMIR is also interested in creating innovative risk management education programs to provide students with the background, knowledge and skills required to lead organizations in proactively managing risk and building resiliency.

Annual Stipend*: \$10,000

Research Support*: Up to \$10,000

2022/2023 Research Preferred Focus

While ORMIR welcomes research proposals on the full range of risk-related topics, preference in the coming academic year will be given toward projects related to:

- **Economic Impacts from Climate Change**
 - How economic risks affect insurance underwriting. Specifically, how would inflation, rising interest rates, increasing energy costs and food prices impact the various lines of property insurance.
 - How will the housing market outlook, combined with an economic downturn, impact insurance pricing.
- **The Challenge of Underinsurance**
 - The natural catastrophe “protection gap” (uninsured losses as a portion of total losses) is estimated at 70 percent globally, meaning that only 30 percent of economic losses are insured. This is a significant problem in third-world countries, causing vulnerable populations to become increasingly so. A study of underinsurance and efforts to reduce it, including an analysis of how some countries are pre-funding catastrophe losses to address this gap.

- **A Study of Systemic Risks**
 - Cyber risk, global economic conditions (such as supply chain), infectious diseases, pollution, climate change and political events all have implications for the global macroeconomy, leading to increasing uncertainty. What are the mitigation strategies that work?
 - How will the rise in nationalism in first-world nations impact insurance and reinsurance products?
 - The capital asset pricing model (CAPM) takes systemic risk into account, but it is highly subjective. What more can be done to support subjective assumptions in order to reduce uncertainty?
- **ESG and Risk**
 - Managing the implications of environmental, social and (corporate) governance policies pose greater financial risk. What are leading companies doing to manage this?
 - How best to balance company performance/strategic direction while appealing to socially responsible investors.
- **Intellectual Property**
 - What happens to intellectual property values following a company failure? What can be done to protect IP values?
- **Predictive Modelling**
 - What is the long-term role of data and analytics in (re)insurance and how is it evolving? How is predictive modelling expected to impact insurance and reinsurance products?

Eligibility and Term

The ORMIR Faculty Scholarships are open to all University of Illinois Faculty, tenure-track and specialized, with preference given to Gies College of Business Faculty.

Scholarships are for a one-year term. Faculty members receiving scholarship funding in previous years are eligible to apply for an additional term; there is no limit to the number of fellowship terms that can be awarded to the same individual.

Requirements and Deliverables

Faculty scholars are expected to engage actively with other members of the academic community and the public to help disseminate project results. This includes, but is not limited to, participating in symposia, conferences or webinars sponsored by ORMIR and its partner organizations.

Scholars will write a non-technical white paper of no more than 20 pages to be published on the ORMIR website. The paper may also be distributed to industry publications and trade journals and to news organizations covering risk topics and the insurance industry. The paper is due at the completion of the scholarship term, by August 2023.

Application Process

Applications are to be submitted electronically to lynnem2@illinois.edu. Applications from previous years will not be automatically carried over to the next year and must be resubmitted for consideration.

Each application must contain the following:

1. Summary statement (not to exceed 250 words) describing the pioneering nature and importance of the applicant's contributions to and knowledge of risk management and insurance.
2. Summary statement describing a project plan for the applicant's term as an ORMIR fellow. The project plan must include a timeline, project milestones and expected deliverables. The inclusion of past work and research related to risk management may be submitted as well (not to exceed 250 words).
3. Copy of a citation or applicant's bio for printing (not to exceed 250 words).

Submitted applications that do not conform to the required format or contain materials beyond those solicited will not be considered. Deadline for submission is **Friday, July 15, 2022**.

Selection

Faculty Scholars Selection Committee:

The Selection Committee shall consist of three (3) members.

- Department Head, University of Illinois/Finance Department
- Director, University of Illinois/Office of Risk Management & Insurance Research
- TBD, University of Illinois/College of Business

Selection Committee will make decisions and notify applicants by the week of August 1.

Questions? Contact Lynne McChristian, Director of the Office of Risk Management & Insurance Research, lynnem2@illinois.edu

*Additional funds may be available for research projects that build a case for more expansive work as part of the application process, providing those funds are available and the scope of the project fits ORMIR parameters and interests.