

Industry 101

RISK MANAGEMENT

Risk management involves identifying and measuring risks faced by a firm. These professionals either work as generalists, covering a number of areas, or in specific fields, such as internal audit, IT assurance, financial crime, governance and contract risk. They can be directly employed by the business, or work for a consulting firm hired to address specific needs.



TRENDS & INDUSTRY INFO

Careers in risk management, particularly in the Financial Services & Insurance industries, are growing rapidly as the number of potential challenges to businesses (from changing regulations to financial crime & data breaches) increase. There is a continuing need for people in the field of risk management as companies look to secure themselves against internal and external risks. Internal risks could include a massive failure of the company's IT system, a failure in a firm's corporate governance model or ensuring compliance with company/government policies and/or regulations. Examples of external risks would be new government legislation, a changing economic climate or the advent of new technology.



WORK ENVIRONMENT

Most professionals working in risk management are full-time, but the time commitment varies by the firm and the seniority of the position. Many risk managers can expect to work in excess of 40 hours per week, and, in particularly challenging periods, may be on-call.

FACTS & STATS

Employment in the risk management sector is projected to grow by an average of 4.84% per year, adding about 11,760 new jobs by 2018, which will take the total number of people employed in the sector to 166,400. The highest job growth rates for this field have been in Nevada, Utah and the District of Columbia.

The median annual wage for professionals in risk management was \$70,624 as of December 2016 which was higher than the median annual wage for all occupations in the economy of \$43,000.

Projected Percent Change in Employment, 2014-24

Financial Managers



- Total, all occupations
- Operations specialties managers
- Financial managers

A Career in RISK MANAGEMENT

SKILLS & EXPERIENCE NEEDED

Resume

The risk management industry hires on a rolling basis. As many of the large financial services & consulting firms recruit heavily for their management/advisory divisions, the process can be very competitive. Be prepared to discuss what you are looking for, why you wish to work for an organization and to articulate your skills and values.

Skills Required

- An interest in risk management/compliance.
- B.A./M.A/M.B.A. in Risk Management, Accounting, Finance, Economics, Business Management, Mathematics, Statistics, Computer Science or a field involving quantitative analysis. A Law Degree (J.D.) is also considered an asset.
- Although many companies do not require professional certifications at this time, the following certifications are open to risk management professionals: Certified Fraud Examiner (CFE), Certified Risk Analyst (CRA), Certification in Risk Management Assurance (CRMA), Financial Risk Manager (FRM) Professional Risk Manager (PRM) and Certified in Risk and Information Systems Control (CRISC). Some companies may require the employee to obtain certification(s) prior to promotion to management level or higher.
- Demonstrable analytical, critical thinking & decision-making skills.

Experience

Most internships in this industry are paid, particularly if the internship is with a large financial institution or consulting firm. All internships in risk management are full-time, and generally offered in the summer.

SAMPLE JOB TITLES

Entry-level occupations in the field or risk management:

- Risk Analyst
- Risk Management Consultant
- Risk Advisory Analyst
- Compliance Officer

With experience and promotion, these occupations can evolve into:

- Risk Control Supervisor
- Senior – Risk Advisory Services
- Manager – Risk Advisory Services
- Director of Corporate Risk Management
- Chief Risk Officer

UMD CAMPUS RESOURCES

- [Finance, Banking, and Investment Society](#)
- [International Economics and Finance Society](#)
- [University Career Center Events Calendar](#): Look out for info sessions hosted by the large financial services & consulting firms

WHERE ARE UMD ALUMS?



BAKER TILLY



Deloitte.



EY

Building a better
working world



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