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A College Professor's Approach To Insurance

By **Jennifer Mandato**

Law360 (April 4, 2024, 6:51 PM EDT) -- Of the ways someone can break into the insurance industry, a strong education is crucial to address the role insurance plays on both the personal and professional level — something University of Georgia professor Rob Hoyt demonstrates in his classroom.



Rob Hoyt

Hoyt, the Dudley L. Moore, Jr. Chair of Insurance and a professor of risk management and insurance at the school's Terry College of Business, said understanding why insurance matters is paramount for his undergraduate and graduate students. Hoyt told Law360 he takes pride in his ability to influence future industry members and equip them with the proper tools.

"Our duties fall into research, teaching and then service," Hoyt said of what he focuses on as an insurance academic.

Over the course of his career, Hoyt said he has realized how deeply his research and teaching is connected to the overall application of varying avenues of insurance. Here, Law360 speaks to Hoyt about how those three pillars guide his work.

This interview has been edited for clarity and length.

Research: How did you get involved with the academic side of insurance, and why did you choose to take that route?

I was a math-oriented person in college, but I always knew I wanted to do something that was applied. And as I looked around, I basically found that being an actuary would be a great place to apply math in this context.

At the time, I thought I would just proceed on that career path, and I was excited to do it, but I had a desire to further my education before I went fully into the workforce. So I studied for a year in Germany at a university, which showed me what the opportunities were internationally and how important actuarial science is in the insurance world.

When I was doing that, I started thinking maybe I should go on for an advanced degree, one thing led to another, and I found myself in a doctorate program just totally charged up about the research.

Even though I had great faculty members teaching my classes, I didn't really see the research side as much. Once I got exposure to that as a PhD student, I realized that it's pretty interesting.

As part of my duties, I also had to do some support teaching. It's one thing to sit in a room and study all day, which I like doing, but once I got the chance to say, hey, I can actually influence people that are possibly going to pursue a career and/or use it as part of the tools for their career, the pieces just fell together.

Teaching: What are some of the topics that you try to emphasize in the classroom, and why are they important for students to be learning about?

At the undergraduate level I teach our capstone course, which pulls all the pieces together from the risk management curriculum. I teach seniors getting close to graduation, so I really try very hard to help them see how everything they've learned in other classes within the major, but also in and outside the business school, how all those pieces can come together to make you better equipped to enter the working world.

One thing that's been pretty consistent in both my MBA and my undergraduate courses is why risk management and insurance matter.

Why do companies buy insurance? Why do they spend lots of money managing risks? What's in it for various stakeholders? Those principles will apply no matter what the nature of the specific risk.

If you minimize volatility in your earnings and your financial performance, that's going to be valuable whether you're doing it to protect yourself against liability in a law context or whether the source of the risk is catastrophic storms and property damage.

I spend a good amount of time trying to give students a foundation of what the academics say.

I hope, and I believe it's true, that when my alumni come back years later they will still report that the "why" is what they still benefit from thinking about.

Also, we're doing it in smaller doses, but we're trying to bring the research to a different audience on new and emerging risks. What I usually try to emphasize the most is that there's a lot that fundamental principles of risk management can deal with; it doesn't really matter what the source of the risk is.

For example, whether the Francis Scott Key Bridge in Baltimore gets hit by a ship and that knocks it down or a nor'easter comes blowing through and takes it out that way, a robust business continuity plan of "what do we do if the harbor's closed" is what matters.

Whatever the cause is, what are we going to do to try to mitigate risk?

Service: You serve on the board for two different insurers, a property insurer and a captive insurer, how does that connect to your academic work?

I didn't previously appreciate what service was, but I've been thrilled at the opportunities I've had in more recent periods to do what I had desired in my early training.

In my early training, I wanted to study things, but I also wanted to be able to apply them. So selfishly, this has been a great opportunity for me to hopefully add value through my board service in terms of perspective, to learn a ton about the actual execution of the business and can carry that back into my classroom.

Also, what I think has helped me be a more robust board member, is that in the academic world while we have deliverables just like anybody in the applied business world, we have a lot more control over the specifics of it.

If I want to do research on liability issues, or on insurance company insolvency issues or insurance fraud, I get to decide that.

It's been a great opportunity. I don't know that it's open to as many academics as might actually find it to be valuable — a lot of my colleagues tend to do some outside consulting — but I've been thrilled to have that opportunity.

It's really given me a line of sight to the challenges and opportunities that exist in the business world; there are things that I'm educated on in my board service that have been able to be carried back to what I do in the teaching and research piece.

--Editing by Amy Rowe.

Correction: A previous version of this article misspelled Hoyt's first name. The error has been corrected.

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