Learning the Risk Management Basics Through Elon Musk
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Abstract
Elon Musk is the greatest risk-taker of our generations, yours, mine, and that of our parents. But what exactly does the CEO of Tesla and SpaceX have to teach us about the management of risks? In short, nearly everything. This micro-seminar will explore the basics of risk management through the persona and activities of Elon Musk. Students will learn to identify various types of risk from liquidity and market risks to regulatory and reputation risks and assess the impact and likelihood of those risks. We will then evaluate different methods to control and finance risks such as raising funds, settling lawsuits, and overseeing an executive’s social media usage and the effectiveness of these methods. Finally, we will consider the importance of communicating risks to stakeholders—employees, customers, suppliers, management, board members, creditors, and shareholders.

Faculty Biography
Kristen Jaconi currently serves as the Director of the undergraduate-level Risk Management Program at the University of Southern California’s Leventhal School of Accounting and an Adjunct Professor of Accounting. Before joining USC, Kristen served as a Managing Director at Promontory Financial Group advising financial services clients on risk management and corporate governance matters, strategic planning, and regulatory compliance. Prior to her work at Promontory, Kristen served as Senior Policy Adviser to the Undersecretary for Domestic Finance at the Department of the Treasury, helping develop risk management, executive compensation, and corporate governance guidelines for participants in the Troubled Asset Relief Program as well as the Department’s blueprint for a modernized financial services regulatory structure. She was senior counsel to Rep. Michael G. Oxley, Chairman of the Committee on Financial Services, U.S. House of Representatives. For Oxley, she focused on securities policy matters, including the implementation of the Sarbanes-Oxley Act, and regulation of mutual funds, hedge funds, broker-dealers, and rating agencies. Kristen also worked as an Associate at O’Melveny & Myers, where she advised clients on corporate transactions and corporate governance matters.