Seminar

Risk, Surprises and Black Swans

By

Professor Terje Aven, University of Stavanger, Norway

Friday, March 6, 2015 11:00 am to 12:00 pm
DeWALT Mechanical Engineering Seminar Room 2164 Martin Hall

In this talk Terje Aven will present and discuss some recent advances in the risk field, linked to the conceptualization, assessment and management of risk, and specifically addressing unforeseen events, surprises and so-called black swans. The presentation is based on the conviction that assessment and management of risk must break free from sole reliance on the traditional probability-based perspective in order to generate an appropriate understanding of complex risk situations and develop adequate risk management decisions. Common perspectives include risk being considered as the expected loss, as the pair of losses and probabilities, or the triplet: What can happen? How likely is that to happen? If it does happen, what are the consequences? The probability-based paradigm provides too narrow an approach to risk and uncertainty assessments, the consequences being that decisions could be seriously misguided, as important aspects of risk and uncertainties are concealed and/or inadequately described.

Terje Aven has been Professor in Risk Analysis and Risk Management at the University of Stavanger, Norway, since 1992. He is a Principal Researcher at the International Research Institute of Stavanger (IRIS). Previously he was also Professor in Risk and Reliability Analysis at the University of Oslo and the Norwegian University of Science and Technology. He has many years of experience as a risk analyst and consultant in industry. He is the author of many books and papers in the field, covering both fundamental issues as well as practical risk analysis methods. He has led several large research projects in the area of risk with strong international participation. He is the Chairman of the European Safety and Reliability Association (ESRA) and a member of the Council of the international Society of Risk Analysis (SRA). He is also the Chairman of the Specialty Group of SRA on Foundational issues in Risk analysis (http://www.sra.org/frasg). Presently he is also a Director of Gassco AS, the operator of the integrated system for transporting gas from the Norwegian continental shelf to other European countries.

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