

## Operational Risk Professional Online Live Classroom Style Course

ONLINE LIVE CLASSROOM structured course that provides a technical yet practical understanding of Enterprise ORM for risk managers, and is designed to improve your knowledge, skills and expertise in risk techniques, practices and systems.

### Benefits to you:

- Gain in depth understanding of the principles of enterprise operational risk and governance and how best to apply these in your organization
- Theoretical and practical application of principles
- Benchmark your organisation against the many industry examples that will be given
- Learn the skills of how your knowledge can help you prepare your organization for the unexpected e.g pandemics
- Meet like minded professionals from different financial services sectors and share experiences and gain knowledge

### Benefits to your organization:

- Drive new organisational thinking and broaden perspectives
- Provides a platform for Embedding Risk culture
- Risk managers who truly understand and contribute to your business objectives
- Trainers are industry risk professionals with in depth practical experience in all aspects of risk management

### Key facts:

- 6 days average course length, Daily session
- 19 hours average course learning time including assessment
- 6 modules, 13 sessions, Average classroom time - 3 hours
- 6-10 Average participants per course
- 600 Professionals across the world.
- £1,200+VAT per person (10% Early Bird discounts, see website for details)

**The course has been allocated 8 credit points at level 11 by Glasgow Caledonian University on the Scottish Credit and Qualifications Framework.**

This is at the post-graduate/Masters level and equivalent to Ofqual 7. Join over 600 risk professionals globally who have gone through the course and the test.

## Course Modules

**Total course time : 19 hours**

**Daily start time: 10:00 GMT**

**1 module per day**

<u>Module</u>	<u>Hours per module</u>
<b>Module 1: Operational Risk Governance</b> 1.1 Overview of operational risk 1.2 Regulatory requirements for operational risk	3 hrs
<b>Module 2: Basic Tools 1</b> 2.1 Overview of ORM Framework 2.2 Capturing RCA data and using it	3 hrs
<b>Module 3: Basic Tools 2</b> 3.1 Establishing KRIs and KCIs 3.2 Event Capture & Root Cause Analysis	3 hrs
<b>Module 4: Scenarios and Modelling</b> 4.1 Developing stress testing and scenario analysis 4.2 Modelling operational risk	3 hrs
<b>Module 5: Operational risk and control appetite</b> 5.1 Cyber risk 5.2 Managing reputation risk and damage 5.3 Designing ORM reports for senior management& department heads	3 hrs
<b>Module 6: Operational risk appetite and control appetite</b> 6.1 Operational risk appetite 6.2 Control appetite	2 hrs 45 mins
<b>Assessment</b> Multiple Choice Test (Optional)	1 hr 15 mins

## Course Details

### Module 1: Operational Risk Governance

3 hrs

#### 1.1 Overview of operational risk

1 hr 15 mins

- \*What is operational risk?
- \*How does it fit into a bank's overall risks?
- \*Why do banks manage their operational risks?
- "\*Operational risk as a different discipline to internal control and audit"
- \*Examples of operational risks
- \*Discussion session

#### 1.2 Regulatory requirements for operational risk

1 hr 45 mins

- \*Basel definition of operational risk
- \*Basel risk capital measurement: basic structure
- \*Basel operational risk capital measurement approach
- \*Internal Capital Adequacy Assessment Process (ICAAP) and ORSA
- \*BCBS – Principles for the Sound Management of Operational Risk
- \*Business continuity and Operational Resilience
- \*Operational risk disclosure
- \*BCBS Principles Implementation Review paper

## Course Details

### Module 2: Basic Tools 1

3 hrs

#### 2.1 Overview of ORM Framework

1 hr 15mins

- \*The three lines of defence (3LoD)
- \*What are the key components of an ORM framework?
- \*What does it look like in practice
- \*Discussion session
- \*Roles and responsibilities
- \*Operational risk categories
- \*What is operational risk appetite?
- \*Discussion session

#### 2.2 Capturing RCA data and using it

1 hr 45mins

- \*Approaches to RCA work
- \*Risk identification and assessment
- \*Mitigating risks
- \*Assessing controls
- \*Control types and their effect on risks
- \*Challenging RCA scores for consistency
- \*Using the RCA data for risk appetite
- \*Discussion session and feedback

## Course Details

### Module 3: Basic Tools 2

3 hrs

#### 3.1 Establishing KRIs and KCIs

1 hr 15mins

- \*Indicators: a simple explanation
- \*Identifying KRIs and KCIs, and how to start
- \*Measurement and targets/thresholds/tolerances
- \*Monitoring and evaluating KRIs
- \*Early Warning Signals: Which indicators are predictive?
- \*The KRI process flow
- \*Discussion session

#### 3.2 Event Capture & Root Cause Analysis

1 hr 45mins

- \*Causes, events and effects
- \*Types of losses
- \*Guidance and regulatory comment
- \*Reporting thresholds
- \*Using internal event data: anonymised examples
- \*Near misses
- \*Root cause analysis
- \*Using external loss data
- \*External data conditioning and scaling
- \*Benchmarking internal data from external data
- \*Event process flow
- \*Discussion session

## Course Details

<b>Module 4: Scenarios &amp; Modelling in Operational Risk</b>	3hrs
4.1 Developing & Applying Scenarios and Stress Tests	2 hrs
*Interpreting scenario analysis in the context of ORM	
*Secondary effects of scenarios	
*Developing and selecting scenarios and stress tests	
*Typical scenarios (from BCBS)	
*Common scenarios (from BCBS)	
*Applying and effecting scenarios	
*Discussion session, including feedback	
4.2 Modelling operational risk	1hr
*General problems of modelling	
*Modelling qualitative data	
*What is it and what data do we need?	
*Challenging the data	
*How will it work?	
*What will typical output look like?	
*The business benefits of modelling qualitative data	
*Combining all the data	
*The data benefits	
*What will it look like?	
*The business benefits of combined data modelling	

## Course Details

<b>Module 5: Cyber risk, Reputation and ORM Reporting</b>	<b>3hrs</b>
5.1 Cyber risk management	1 hr
<ul style="list-style-type: none"><li>*Security risk management</li><li>*Information security risk management</li><li>*Cyber risk management</li><li>*InfoSec Governance</li><li>*Issues around cyber risk management</li><li>*Tools to use:<ul style="list-style-type: none"><li>*High level / Executive level</li><li>*Detailed level</li></ul></li></ul>	
5.2 Managing reputation risk and damage	1 hr
<ul style="list-style-type: none"><li>•Different stakeholders</li><li>•Reputation and Brand</li><li>•Who is responsible?</li><li>•Coordinating a response</li><li>•Identifying and assessing reputational risk</li><li>•Reputational risk controls</li><li>•When it does happen ...</li><li>•Discussion session and feedback</li></ul>	
5.3 Designing ORM reports for senior management and heads of department	1 hr
<ul style="list-style-type: none"><li>*Regulatory commentary</li><li>*Basic principles</li><li>*Before you begin</li><li>*Report definition</li><li>*Example reports</li><li>*Presentation is everything!</li></ul>	

## Course Details

**Module 6: Operational risk appetite and control appetite** 2hrs 45mins

6.1 Operational risk appetite 1hr 45mins

- \*Concepts of risk appetite
- \*Appetite Frameworks, Statements and Limits
- \*How many appetites are there?
- \*Risk appetite governance
- \*Discussion session
- \*Using a consistent methodology
- \*Ways to describe operational risk appetite
- \*How can it be measured?

6.2 Control appetite 1hr

- \*What is control appetite?
- \*Causes & effects and control appetite
- \*Causes appetite: prevent controls
- \*Causes appetite: link to governance
- \*Effects appetite: corrective controls
- \*Effects appetite: detective controls
- \*Putting it all together
- \*Discussion session and feedback



## RiskLogix Solutions

In more than 85 countries, financial services organisations proactively manage operational risk, operational resilience, compliance, risk analytics and risk capital with RiskLogix's award-winning aCCelerate GRC software, coupled with its Training and Consulting.

Its powerful technology platform delivers GRC intelligence through configurable workflows, insightful interactive reports, and advanced analytics – implemented in weeks, not months.

Many professionals from across the world have turned to RiskLogix for their risk training needs for more than 15 years. Whether financial firms need to embed best practice or implement regulatory change, RiskLogix has a wide range of learning offerings, from post-graduate courses to bespoke training. RiskLogix Training is led by risk professionals with deep domain expertise and thought leaders with practical experience in the financial services industry.

As best practices and regulatory requirements continue to evolve, financial services firms have used RiskLogix's deep expertise to enhance their GRC team's approach. Hundreds of clients have partnered with RiskLogix for help with:

- Reviewing and implementing enterprise operational risk frameworks
- Developing, applying, and interpreting scenarios
- Supporting and reviewing ICAAP, ILAAP and ORSA processes
- Designing and creating risk appetite frameworks, statements, and limits

RiskLogix consultancy services have enabled banks, broker-dealers, asset managers, insurers, multi-lateral development banks, central counterparties, regulators and central banks to improve their approach to risk management.