

ADVANCED OPERATIONAL RISK MANAGEMENT (4 days)

Operational Risk lies within every area of a company and impacts all a firm's people, processes, systems as well being impacted by external events.

This four day course applies Operational Risk Management principles, tools and techniques to a series of case studies developed as part of the Advanced Certificate in Operational Risk (ACOR) examination in the UK.

Those attending will have the opportunity to apply practical risk mitigation techniques through the case studies and the resulting discussions as part of the wider group.

The case studies have been designed to explore a wide range of operational risk events and to challenge those attending to develop effective KRI's, Controls and Implementation Strategies as risk responses.

Additional Operational Risk content is also included from the new Operational Risk Management Certificate from the Professional Risk Manager's International Association (PRMIA). This is a CPD course so staff benefit from the learning without the need to sit an exam.

Who should attend?

The AORM course is designed as a follow on to the Operational Risk Management (ORM) Course. The course is targeted towards staff who already have some experience/knowledge in risk or work in a control environment.

The course is applicable to a wide variety of operational roles from risk, compliance, operations, treasury, financial reporting ALM, IT and Management Information.

One of the value added aspects of the course is learning from the real life risk experience of others who perhaps work in a different role.

Course Methodology

The course is structured into two modules. The first module explores the three Basel approaches to Operational Risk, Regulatory Capital Management and the underlying risk management processes and controls needed to implement an effective risk framework, getting delegates 'up to speed' on the theory. The second module allows delegates to apply theory and best practice to real life practical scenarios. It's arranged that delegates can share best practice and new solutions and view different approaches to common operational risk challenges.

Each delegate has the opportunity to assess each case study individually and in small groups to facilitate sharing operational risk approaches and developing workable solutions. The case studies often trigger real life examples giving those attending the opportunity to learn and gain insights from their peers.

Pricing

Pricing is dependent on venue, number of delegates and any amendments to basic course design etc. Please contact us to discuss your specific requirements.

- Fees include lunch, refreshments and training materials
- Substitutions are acceptable at no additional charge
- ICAP reserves the right to defer or modify course materials
- Delegates not admitted without full payment
- Cancellations 7-14 days before course date will incur a 50% fee
- Cancellations 7 days before course date will incur a 100% fee



ICAP Training Solutions, South Africa

ICAP Plc., the world's largest interdealer broker, is committed to furthering educational standards as a tool to assist emerging and frontier markets to build liquidity, attain maturity and contribute to an orderly and efficient market place. ICAP Training Solutions (ITS) is an initiative developed by ICAP South Africa to provide high quality, practical, market related workshops covering the full spectrum of financial markets. Please visit www.icapts.co.za for more information on all our course offerings.

ICAP Training Solutions provides both face-to-face as well as digital, interactive online workshops, where the delegate can work through at a time and pace that suit them. All online workshops are complete with instruction lead videos, downloadable slide presentations and workbooks, quizzes and a final mock exam.

ICAP Training Solutions' proven track record of workshops and courses ensures that theoretical skills are transformed into valuable practical skills helping to deliver the highest standards and best market practices, in turn improving staff profitability and creating an indispensable organisational asset.

Workshop Outline

Module 1(2 days)

REGULATORY CONTEXT FOR RISK MANAGEMENT

Basel I, II & III Overview

- Regulated Risks: market, credit, operational and liquidity risk
- Other Risks: strategic, business and reputational risk
- How risks are connected and overlap

Basel II Operational Risk Approaches

- Basic Approach
- Standardized Approach
- Advanced Measurement Approach (AMA)
- Loss Distribution Approach (LDA)

Operational Risk lessons from the financial crisis

- Basel III
- Risk management in normal v non-normal market conditions

LESSONS FROM THE PAST – LEARNING FROM OPERATIONAL RISK MISTAKES

Brief analysis of 3 real life case studies in Operational Risk Management

- Barings (1995)
- Société Générale (2008)
- UBS (2011)



- Top 10 Operational Risk lessons from the past

IMPLEMENTING AN EFFECTIVE RISK MANAGEMENT FRAMEWORK

Role of the Board, Risk Committee, Business Heads, Risk Function, Compliance

- The three lines of defence
- Impact of leadership on the risk culture of an organization
- Rewarding the right behaviours to create a positive risk culture

Enterprise Wide Risk Management

- Benefits
- Challenges
- Firm-Wide Risk Appetite and Risk Policy

7 Step Risk Management Process

- Risk Policy and Appetite
- Identification
- Measurement & Assessment
- Risk Mitigation & Responses
- Risk Monitoring
- Risk Reporting
- Risk Planning and Change

RISK MANAGEMENT TOOLS AND TECHNIQUES

Risk Identification Tools

- Incident & near miss analysis
- Historical Loss Analysis – internal and external
- Basel II Operational Risk business line and event matrix
- AMA Loss Distribution Approach
- Focus workshops
- Control self-assessments & checklists
- Using KRI's
- Audit KRI's
- Mapping risk factors

Risk Measurement Tools

- Exploring probability and impact
- Expected Losses, Unexpected Losses and Catastrophic Losses
- Risk Ranking and prioritization
- Modelling extreme losses with stress testing and scenario analysis
- Value at Risk(VaR) & Extreme Shortfall (ES)
- Benchmarking with peers

Controls



- Controls to reduce the probability of losses – Preventative Controls
- Controls to reduce the impact of losses – Detective Controls
- Straight Through Processing (STP)
- Control ownership and effectiveness testing
- Gross risk, net risk & residual risk

Key Risk Indicators (KRI's)

- Role of KRI's in the risk management process
- What should we measure? How do we get the data?
- KRI's as risk identification tools
- Co-ordination of KRI's and decision making
- The KRI dashboard approach

OPERATIONAL RISK PLANNING – BRINGING ABOUT POSITIVE CHANGE

Other Planning Considerations

- Sponsorship and support from senior managers
 - Resourcing business as usual v planned changes
 - Identification and engagement of key stakeholders
 - Agreeing common goals and methodologies
 - Identifying available resources, skill sets and resource shortfalls
 - Effective communication
 - Change – winning hearts and minds
 - Co-ordination with other projects and working cross-divisionally
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Module 2 (2 days)

APPLICATION OF THE OPERATIONAL RISK LEARNING TO REALISTIC CASE-STUDIES

Case-study exercises designed for discussing in small groups

- Groups to analyse realistic case-studies that illustrate typical challenges faced within financial institutions
- The case-studies are those used in the CISI Advanced Operational Risk Exam and have been shown to be an effective way to practice applying operational risk theory to practical scenarios
- The initial brief is to identify operational risk issues within a case-study
- The team then has to write an operational risk plan to rectify shortfalls, including designing effective controls and effective KRI's
- Include in the planning a strategy to bring about the intended positive changes

Selection of 'real' Operational Risk issues from the group

- In groups apply the operational risk theory from the course to real Operational Risk issues from the workplace identified by the group
- Each 'real' operational risk issue is discussed within small teams utilizing the expertise and experience of others not directly involved in the issue as well as those directly involved

- Apply the operational risk best practice tools and procedures to develop effective strategies and approaches to mitigate these risks

To book on this workshop, or for more information on this or any other workshop, e-learning or corporate training solutions, please contact:

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WORKSHOP REGISTRATION FORM – PUBLIC WORKSHOP

Workshop	Date	Registration Code	Delegate Fee
Operational Risk	24-27 April 2017	ITS FIN/OPS RISK/SA	R16 999.00

To register, please complete this form and email it to: ronel.pretorius@icap.co.za

Company Name:		VAT No:
Address (Postal):		Postal Code:
DELEGATES DETAILS		
1	Full name:	Position:
	Department:	Email:
	Telephone number:	Mobile number:
2	Full name:	Position:
	Department:	Email:
	Telephone number:	Mobile number:
3	Full name:	Position:
	Department:	Email:
	Telephone number:	Mobile number:
4	Full name:	Position:
	Department:	Email:
	Telephone number:	Mobile number:
5	Full name:	Position:
	Department:	Email:
	Telephone number:	Mobile number:

I, the undersigned, acknowledge that I am duly authorized to sign on behalf

of, Bank/ Organisation for the delegates named above to attend this workshop. My signature below and the accompanying official stamp/ PO Number is an acceptance and acknowledgement of the booking terms and conditions. I have read and understood the booking terms and conditions

Signature _____ Date: _____.

Stamp/ PO Number	Name:
	Position:
	Telephone Number:
	Email:

Booking terms and conditions

1. Fees include lunch, refreshments and training materials
2. ICAP Training Solutions is NOT responsible for delegate airfares, hotels or travel costs
3. No delegate will be admitted unless payment has been received
4. Substitutions are acceptable at no additional charge
5. Cancellations 7 – 14 days before the course date will incur a 50% fee
6. Cancellations 7 days (or less) before the course date will incur a 100% fee
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