Introduction to Operational Risk

Risk Management

473-P26-VE-1

Virtual

14 hours

EGP 4,650

Course Description:

This course explores the core elements of operational risk, offering clarity on its role and challenges for professionals working in risk and internal control. It provides a practical focus on key areas, including the risk register, internal loss data, control and risk self-assessment, and business process modelling.

Target Audience:

This course is designed for staff with less than two years of experience in the business or those entering control-related activities for the first time.

Course Objectives

- Identify operational risk.
- Explaining Key Operational Risk Issues.
- Identify the Risk Register.
- Explain how to mitigate operational Risk.
- List business process modelling.
- Explain risk and Control Self-Assessment.
- Describe Internal Loss Data.
- List of Other Operational Risk Activities.
- Apply cases of operational risk.

Course Outline

Module One: What is Operational Risk

- What is operational risk?
- What are the consequences of this definition?
- What are the main tools available to mitigate operational risk?
- The Role of the Board.
- Key Committees and their responsibilities.
- The Revised Three Lines Model.
- Risk champions.
- Reporting lines and reporting.
- The latest trends in management and measurement.

Module Two: Key Operational Risk Issues

- Key drivers and significance of operational risk.
- What are the serious things that can go operationally wrong?
- What are the key top ten 'Significant' risks?
- Recent and historic cases.
- The problems of routine controls.
- Key techniques to manage and mitigate them.

Module Three: The Risk Register

- The role of the risk register.
- Defining risks.
- Risk workshops.
- Risk assessment.
- Inherent risk.
- Residual risk.
- Designing treatments.
- Assessing risk.

Module Four: Mitigating Operational Risk

- The nature of controls.
- Manual v automated controls.
- Manifest error controls.
- Fraud-related controls.
- The role of insurance.
- Documenting controls.
- Monitoring and reporting controls.

Module Five: Business Process Modelling

- How to model a process.
- How to identify controls within a process.
- How to improve a process.

Module Six: Risk and Control Self-Assessment

- The role of CRSA.
- Responsibility for CRSA.
- The problems with CRSA and how these can be overcome.

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Module Seven: Internal Loss Data

- The role of internal loss data.
- Making internal loss data work.
- Investigating events.
- Evaluating impact.
- The database itself and its role.

Module Eight: Other Operational Risk Activities

- Identification of risks in new activities.
- Changing risks and their impact.
- Outsourcing.
- Responsibilities.
- Sound practices.
- Management and issues:
  - Model risk.
  - People risk.
- Reconciliation and reporting.
- Fraud and money laundering deterrence.
- Legal risk.

Assessment Strategy

Participants will be assessed on their interaction during sessions and the completion of the assignments and quizzes following the sessions.

Upon Successful Completion of this Course, participants will obtain:

1.3 CEUs.

Course Language:

English.