

OPERATIONAL RISK REPORTING

Overview

It is important that activities involved in managing risk of any kind are documented and reported to relevant stakeholders on regular basis for the purposes of stimulating awareness, guiding informed decisions and preparing every one within the risk environment to be proactive in dealing with plausible risk events. This course provides insights into how such report are prepared, organized and packaged to serve the interests of all stakeholders in a standardized format for consolidation and analysis. The course has been designed to ensure that all essential issues relating to operational risk are captured by following a set of guidelines appreciated by both internal and external users of such reports. It also touches on how risk issues should be reported rightly devoid of dissemination of wrong signals.

Target Participants

This course is designed for:

- Chief Risk Officers
- Senior Business Heads
- Senior Risk Managers/Analysts
- Senior Credit Heads
- Senior Product Managers
- Senior Audit Managers

Course Objectives

Upon completion of this course, participants will be able to:

- Understand the organization internal processes for capturing Operational Risk losses/events.
- Understand the operational risk reporting requirements of diverse stakeholders
- Package operational risk reports that suite different stakeholders
- Present operational risk reports using the appropriate language in standardized formats
- Maintain operational risk reporting management information system

COURSE CONTENTS

1. Introduction

- *Objectives of this document*
- *Document Structure*
- *Relationship between Global and Sector Databases*
- *Governance of ORR*

2. Data Quality Governance

- *Introduction*
- *ORX Requirements & Procedures*

3. What to Report – Definitions & Boundaries

- *Operational Risk*
 - Operational Risk
 - Legal Risk
- *Operational Risk Event*
 - Grouped Losses (vs Single Events)
 - Linked Events
 - Legal Events
 - Tax Events
- *Operational Risk Loss*

- Lifecycle of an Operational Risk Loss
- Timing Losses
- Pending Losses
- *Boundary between Operational & Other Risks*
 - Credit Risk
 - Market Risk
 - Strategic Risk
 - Project Risk
 - Business Risk
 - Reputational Risk
 - Liquidity Risk

4. Determine the Operational Risk Loss Amount – Quantification

- *General Principles*
 - Gross Loss
 - Recoveries
- *Special Cases*
 - Rapid Recoveries
 - Revenue Adjustment
 - Uncollected Revenue
 - Fixed Assets, Investment Assets, and Intangibles

- Provisions & Reserves
- Regulatory Action – Fines and/or Penalties
- *FX Conversion Rates*

5. How to Categorise Operational Risk Losses

- *Business Lines*
 - Corporate Items
 - Events Affecting Multiple Business Lines
 - Materiality
- *Event Types*
- *Product Types*
 - Bundled Products
- *Process Types*
 - *Large Loss Event Attributes*
- *Country Codes*

6. How to Report Exposure Indicators

- *Gross Income*
- *Sector Database Exposure Indicators*

7. Technical issues: Threshold, History, Coverage, etc

- *Reporting Gross Loss Threshold*
- *Time Period*
- *Consolidated Reporting*
- *Exceptions to Complete Reporting*
- *Submitting Historical Data*
- *Effects of Acquiring or Disposing of Business Units*
- *Submitting Losses for a New Business Line*
- *Stopping Reporting for an Existing Business Line*
- *Mergers between Members*
- *Leaving ORX*

End of Course & Closure.

COURSE DURATION	DELIVERY MODE	DELEGATE CLASS SIZE	COURSE FEE/PARTICIPANT
3 DAYS	In-Plant	8 (Guaranteed Minimum)	For quote, please click http://demvros.com/contact/
Discount is available for class size above the minimum. Please visit www.demvros.com or call 08056154199 or e-mail for enquiries.			