



IRM Scotland Regional Interest Group

22 January 2021

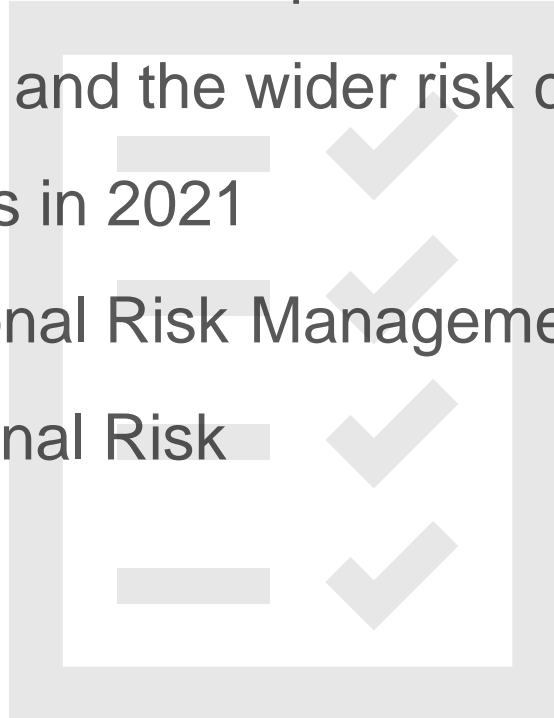
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Topics for today

Agenda

- ☐ Institute of Operational Risk, as part of the IRM
- ☐ Members, Committee and the wider risk community
- ☐ Resources and events in 2021
- ☐ Certificate in Operational Risk Management
- ☐ Hot topics in Operational Risk



Institute of Operational Risk, as part of the IRM

- ❑ **Operational Risk is often defined as:**

The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events

- ❑ **The IoR was founded in 2004 and is the only professional institute for the discipline of operational risk. The aim of the IoR is:**

‘to promote the development and practice of operational risk management through the ongoing development of its members and by engaging with industry participants to shape industry in the area of operational risk management.’

- ❑ **The IoR joined the IRM Group in 2019 and progress is being made to improve the research focus and resources available to members**

- ❑ **The Chapters and the Special Interest Group are run by members on a voluntary basis**

Members, Committee and the financial services community

IoR Membership

- ❑ IoR has c.750 members, majority in the UK but with a growing presence worldwide across 73 countries
- ❑ Membership levels are similar to IRM membership levels, however both memberships confer the same benefits and access to events
- ❑ Many of the Scottish members work in financial services where operational risk management is essential for safe business operations and is also a regulatory requirement

Financial Services Community

Financial Services in Scotland:

- ❑ Employs over 160,000 people directly and indirectly
- ❑ Generates around £8 billion for the Scottish economy, more than 8% of Scottish onshore economic activity
- ❑ Manages over £800 billion of funds
- ❑ Accounts for 24% of all UK employment in life assurance, and 13% of all banking employment
- ❑ Sector includes Banking; Fund Management; Insurance, Life Assurance and Pensions; Asset Servicing and Professional Services all supported by many key outsource service providers

IoR Scottish Chapter Committee

- ❑ Bill Stirling – Chair
Contractor @ Refinitiv
- ❑ Allan Barr
Tesco Bank
- ❑ Alan Greig
NatWest Group
- ❑ Brian Rowlands
Contractor @ ReAssure/Phoenix
- ❑ Derek Frank
FNZ UK
- ❑ Caroline Ramsay
ATOS BPO
- ❑ Christoph Woell
ATOS BPO

Resources and events in 2021

Sound Practice Guides

In conjunction with Professor Simon Ashby and Sword GRC, the 9 Sound Practice Guides have recently been refreshed and provide guidance that is both focused on the management of operational risk and practical in its application



Access to all IRM resources and events



Institute of Risk Management

Developing Risk Professionals

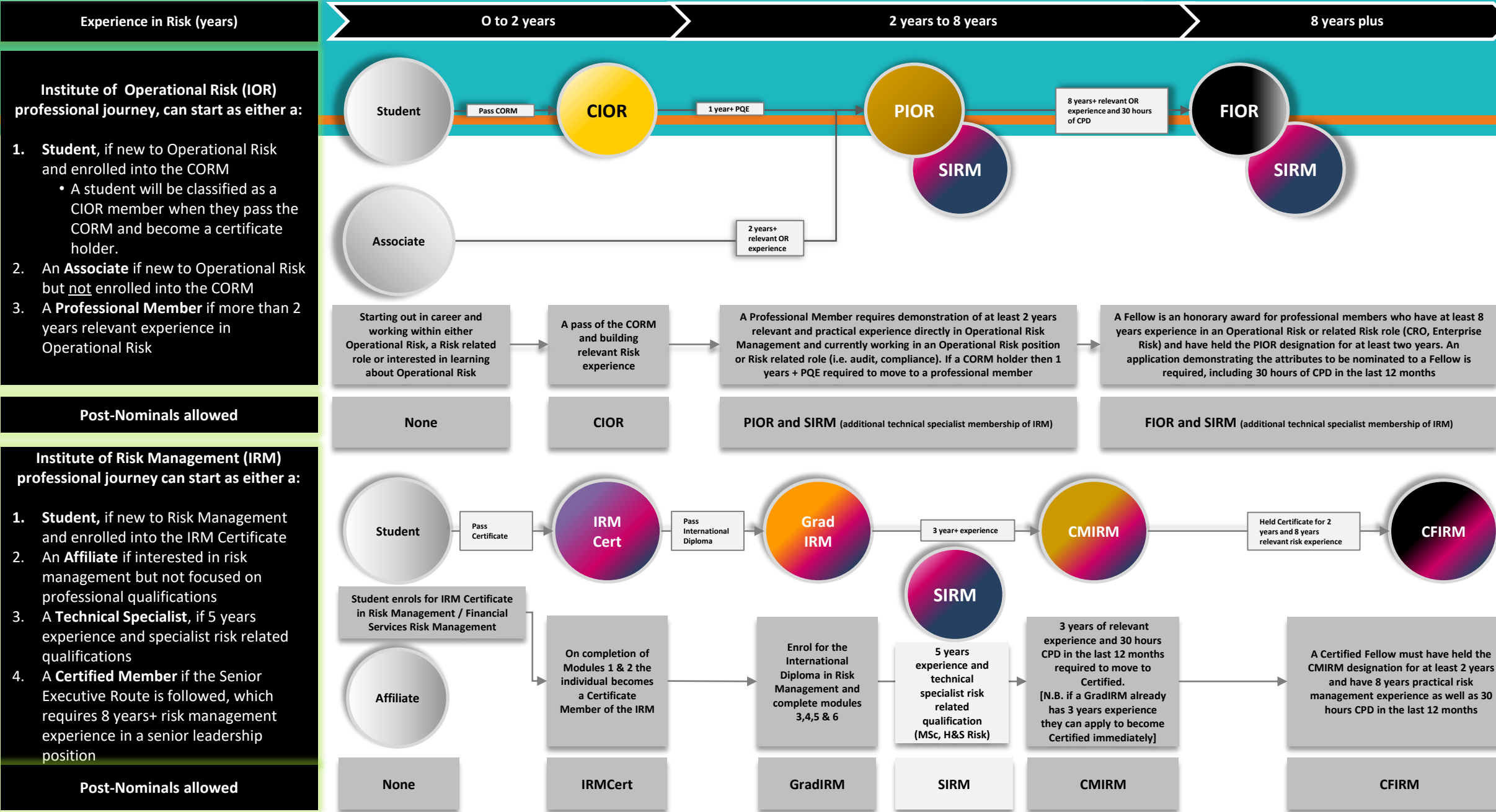


Webinars

The Institute regularly hosts webinars on operational risk topics. Members can view the recordings of past webinars from the IoR Website

The Team in England & Wales has been particularly active recently and Scotland plans to host several webinars during 2021

All webinars will be promoted to all the IoR membership worldwide, and to IRM members who have registered for the IRM Operational Risk Special Interest Group



Certificate in Operational Risk Management

Certificate in Operational Risk Management

Home / Education / Certificate in Operational Risk Management

Promoting and Developing the Discipline of Operational Risk Management



Accreditation

- ✓ ATHE regulated by Ofqual
- ✓ RQF Level 4 in the UK
- ✓ EQF Level 5 in Europe



Study Method

- ✓ Self-learning
- ✓ 130-150 hours of study required
- ✓ Study workbook provided



Study Topics

1. Fundamentals of Operational Risk
2. Management of Operational Risk
3. Operational Risk Appetite
4. Operational Risk Tools – Categorisation
5. Operational Risk Tools – Risk and Control Self-Assessment
6. Operational Risk Indicators
7. Operational Risk Tools – Events and Losses
8. Operational Risk Tools – Scenario Analysis
9. The Regulatory Treatment of Operational Risk



Exam

- ✓ Online (with online invigilator)
- ✓ 50 multiple-choice questions
- ✓ 75 minutes



Fee

£550 + VAT includes:-

- ✓ Study workbook and exam fee
- ✓ 1 year IOR associate membership



Benefits for Individuals

- ✓ Learn operational risk concepts
- ✓ Demonstrate commitment and professional knowledge



Benefits for Organisations

- ✓ Develop common understanding
- ✓ Independent certification

Benefits of the Certificate in Operational Risk Management

Individuals

- ✓ Learn operational risk concepts using theory and practical examples
- ✓ Demonstrate commitment and evidence professional knowledge
- ✓ Certified Member to Professional Member 1-year PQE, or 2 years without Certificate
- ✓ Students can take the online exam after a minimum of three months of study
- ✓ CORM students also get a year's Associate level membership of the Institute of Operational Risk

Firms

- ✓ Ensure staff follow industry 'best practices' and understand regulatory requirements in Operational Risk
- ✓ Promote qualification in the discipline and ability for staff to demonstrate commitment
- ✓ Training is accredited and provides an incentive for employees to obtain a wider view of Operational Risk
- ✓ Ability to offer CORM to many risk focused employees:
 - ✓ Line 2 Operational Risk Team
 - ✓ Line 1 Operational Risk Teams
 - ✓ Other interested specialists (Compliance, Financial Crime, etc)

Hot topics in Operational Risk

