Operational Risk Management Masterclass

with Ariane Chapelle

Overview

From risk framework to risk indicators, from risk appetite to scenarios, the course covers in breadth and depth the most topical elements of operational and enterprise risk management and its challenges in all industries.

Design and run by Ariane Chapelle, a widely recognized expert, the course is a must-have for all risk managers wishing to benchmark their current practice, hear about new ideas, and meet their peers.

It is also a fantastic opportunity for newcomers to gain a comprehensive overview of what modern operational risk managers need to know.

Delegates will leave the course equipped with a new network of professionals, a wealth of content, additional references and readings, and an open line for further questions if needed.

Key Objectives and Learning Outcomes

▶ After the course, participants will know about:

▶ Risk Management Framework

▶ Risk Governance

▶ Identification of emerging risks

▶ Risk appetite and monitoring

▶ Risk and control assessment

▶ Root cause analysis and preventive KRIs

▶ Incident data collection

▶ Effective risk reporting and risk aggregation

▶ Climate risk scenarios for operational risk and their reporting

▶ Third party management and resilience

▶ Risk culture

▶ Uses of AI in risk management

Sessions titles

▶ Risk Management Framework and identification

▶ Risk Appetite Definition, Design and Taxonomy

▶ Risk & Control Self-Assessment (RCSA)

▶ Bow-tie tool and KRI definition

▶ Incident data collection and risk reporting

▶ Climate risk scenarios and operational resilience

▶ Third party risk management

▶ Risk Culture, AI and new trends in Risk Management

Day 1
Outline Detail

Risk Management Framework and identification

Session 1

- ▶ Risk management framework: building blocks and consistency
- ▶ Maturity criteria of risk management
- ▶ Risk governance: roles and responsibilities of the three lines
- ▶ Tools and techniques for risk identification
- ▶ Emerging risks: types and responses
  - • **Workshop and class exchanges:** trends and challenges in risk management

Risk Appetite Definition, Design and Taxonomy

Session 2

- ▶ Industry guidance on risk appetite
- ▶ Definition and Governance: Communicating Risk Appetite
- ▶ Risk Appetite Statements: Features, Templates and Examples
- ▶ The importance of taxonomy
- ▶ Risk connectivity: a network of risks
  - • **Class Exercise:** express risk appetite, tolerance and limits for two of your top risks

Risk & Control Self-Assessment (RCSA)

Session 3

- ▶ Definition and rules for RCSAs
- ▶ Impact scales and risks ratings
- ▶ Usage and choice when defining RCSAs
- ▶ Control Types and Assessment
- ▶ Essentials of control testing
- ▶ Alignment with risk appetite
  - • **Class Exercise:** Apply an RCSA to your top risks

Bow-tie tool and KRI definition

Session 4

- ▶ Essential features of preventive KRIs
- ▶ KRI, KPI, KCIs: concepts, overlaps and examples
- ▶ Classifying KRIs: Environmental, Stress, Causal and Failure
- ▶ Bow-tie: identifying patterns of failures and leading KRIs
- ▶ KRI design and threshold definition
- ▶ Aggregating, reporting and validating KRIs
  - • **Exercise:** Apply the bow-tie to one of your incidents; define relevant KRIs

Day 2
Outline Detail

Incident data collection and risk reporting

Session 5

▶ The role of incident data collection

▶ Data features: core losses and tail risks

▶ Three golden rules of reporting

▶ Content of risk reporting pack

▶ Aggregating and escalating risk data

- **Class interaction:** case studies and sharing of experience

Climate risk scenarios and operational resilience

Session 6

▶ Regulatory expectations on climate risks: assessing exposures and costs

▶ Operational risks consequences of climate change: a review

▶ Scenario assessment: structure and methodology

▶ Operational resilience to climate and other risks

- **Class Study:** Scenario structuring applied to climate scenarios

Third party risk management

Session 7

▶ Framework for managing third party risks

▶ Decisions to outsource and risk appetite

▶ Third party selection and risk-tearing

▶ Contract design and incentives

▶ Monitoring and reporting

▶ Transparency of the supply-chain: due diligence and CSR

Risk Culture, AI and new trends in Risk Management

Session 8

▶ Risk Culture: define and influence

▶ AI uses in risk management

▶ Positive Risk Management

▶ Recent and upcoming trends in ORM

Details

Dr. Ariane Chapelle

Course Tutor

Ariane Chapelle is a recognised trainer, writer and advisor in Operational Risk Management, active in the field since 2000.
She holds a PhD in Economics, master's degrees in business administration and Econometrics. She has been an Associate
Professor at University College London for the course 'Operational Risk Measurement for Financial Institutions' from 2013 to 2023.

Dr. Chapelle founded ran her advisory and training practice, Chapelle Consulting, that became BDO Chapelle in October 2022, part of BDO Belgium. In 2019, her firm received the Risk.net Award for 'Outstanding Achievement in the Year in Operational Risk'. She has published extensively in risk management. Her textbook Operational Risk Management: Best Practices in the Financial Services Industry, published by Wiley Finance and translated in French by Pearson has been named "Book if the Year 2020" by risk.net

For Garp, Ariane Chapelle authored "Operational Risk and Regulation" (Pearson, 2022), the reference material for the related section of the 2023 Financial Risk Manager Certification (FRM, Garp).

▶ Location: BDO Brussel centre, Rue de Stassart 35, 1050 Bruxelles

▶ Dates:
- June 12-13, 2024
- December 4-5, 2024

▶ Full Price €2200 (+ applicable VAT)

▶ Early bird:
- April 12, 2024 for the June class
- October 4, 2024 for the December class

All participants will receive a signed copy of Ariane Chapelle's textbook "Operational Risk Management" (Wiley, 2018)

Testimonials

▶ "The speaker did an amazing job making a dry subject entertaining and engaging. She was lively and explained concepts in a way that was applicable to all the people in the room. I learned a lot from this training."

▶ "Extremely enlightening and timely."

▶ "The course simplifies risk management in a practicable manner. "

▶ "I enjoyed the class very much and can't say enough about how effective the lessons were. I am already applying what I learned during the course and implementing a lot of your ideas. Thanks!"

▶ "Ariane is an exceptional trainer, engaging and she brings her subject to life with lots of examples from many different organisations."

▶ "Excellent! Incredibly knowledgeable trainer, who was engaging & inspirational in her delivery. Very practical course."

▶ "Ariane has been one of the few instructors I've met with a wealth of knowledge in operational risk pillar."