



RURAL BANKERS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

2/F RBAP Building, Andres Soriano Jr. Avenue corner
Arzobispo St., Intramuros, Manila
Telephone Nos.. 527-2972 • 527-2968 •
Telefax Nos.. 527-2980 • 527-2969
training@rbap.org - www.rbap.org

OPERATIONAL RISK MANAGEMENT SEMINAR

SPEAKER: Don V. Sumadchat
Land Bank of Philippines

DURATION: 2-days

Expected Participants

President, Risk Management
Committee –Director, President,
Branch
Managers, Risk Management
Officer, Chief Compliance Officer,
Head- I.T.
Department and Head – Human
Resource Management

Objectives:

The objectives are as follows:

- a) Define operational risk and its management
- b) Determine the duties and responsibilities of Board of Directors, management and Business
- c) Line Manager in managing operational risk. Formulate risk appetite statement, risk tolerances and limits
- d) Apply Operational Risk Management tools cognizant to Risk Management Process: identify, assess, measure, control and monitor operational risk
Further, it hopes to strengthen the

bank's risk management system, which could carryout at the performance of its activities in safe and sound operations.

Course Outline

A. BSP Circular 900 Policy Statement

B. Scope and extent of Operational Risk and its management

C. Duties and Responsibilities

1. Board of Directors
2. Management
3. Business Line Managers
4. Operational Risk Management Function
5. Internal Audit
6. Compliance Function
7. Risk Management Unit

D. Operational Risk Management Framework

1. Risk Identification and Assessment

- 1.a. Building Loss Event Categories and loss database
 - Internal fraud
 - External fraud
 - Employment practices and workplace safety,
 - Clients, products and business practices
 - Damage to physical assets
 - Business disruption and system failures
 - Execution, delivery and process management

- 1.b. Introduction to ORM Tools
 - Results of internal/external audit and supervisory issues raised in the BSP Report of Examination (ROE)
 - Internal Loss Data Collection and Analysis

- Risk Self Assessments (RSA)
 - Risk Control Self Assessments (RCSA)
 - Business Process Mappings
 - Risk and Performance Indicators
 - Scenario Analysis
 - Model Measurement
- Comparative Analysis
2. Risk Control and Mitigation
 3. Risk Monitoring and Reporting

E. Workshop on RCS

F. Synthesis