

Operational Risk Management (#DOpsRisk)

Solutions suite for Banking & Securities

With an estimated \$500B¹ in operational risk related losses in the past 10 years, operational risk continues to be a challenging discipline to manage. These losses have resulted in operational risk becoming a leading concern among boards of directors, C-suite executives, and regulators. Deloitte has a variety of services and solutions designed to help organizations align strategic and operational risk objectives, improve risk-informed decisioning, enhance product performance, and manage evolving compliance and regulatory requirements. This can be achieved through onsite deployment, offshore monitoring, and shared service engagement models.

Our solution suite

Strategy and Program

Organizational Design and Strategy

- Strategy design
- Program design
- Program quality assurance
- New business and process assessment

Event Management

- Crisis management
- Risk and event simulation
- Training program development

Framework, Policy and Governance

- Risk appetite design
- Risk and control self-assessment design and performance
- Key risk indicator framework design
- Loss incident and risk event management
- Executive reporting
- Policy and procedure development

Three Lines of Defense (3LoD)

- 3LoD assessment and rationalization

Technology Enablement

Automation

- Loss exposure modeling
- Risk monitoring
- Predictive risk analysis and intelligence
- Program assurance automation
- GRC tool design
- GRC tool implementation
- Control testing automation

Analytics

- Loss event management
- Program and risk gap assessments
- Program assurance
- Policy management
- Risk and control analysis

Risk Estimation and Mitigation

Regulatory Support

- Matters requiring attention
- Issue management and remediation

Quantitative Analysis

- Loss projection
- Model validation
- Scenario analysis
- Stress testing

Operational risk imperatives

Operational risk scope re-definition

- Review program scope to refocus on effective risk management activities.
- Evaluate second line of defense activities for transfer to the first line.

Increase operational risk value proposition

- Identification and mitigation of emerging risks such as cyber, third-party, privacy, conduct, etc.
- Reduce maintenance costs through automation and enable the business to achieve risk optimization.

Legacy tool automation

- Automate existing practices, leveraging new technologies such as robotics and big data.
- Redefine the lines of defense following the onset of process automation and robotics, focused on advanced and continuous monitoring.


Analytical capability development


- Utilize advanced analytics such as risk sensing, predictive risk intelligence, intuitive risk data visualization, & consolidation to increase value and operational efficiencies.


Program imperatives


As operational risk continues to be a **top of mind** concern for the C-suite and boards of directors, operational risk management programs must be ready to meet growing organizational demands.


This requires operational risk management programs to:


 Predict emerging risks and trends before loss events occur.

 Foster client, consumer, employee and shareholder trust through business resiliency.

 Meet globally dynamic and evolving regulatory requirements.

 Align on strategic objectives with a clear tone from the top.

 Embed a risk culture, assign risk accountability and empower informed risk taking.

 Utilize technology to enhance risk visibility and effectively engage organizational stakeholders.

Contact us

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**Design.
Operate.
Master.
Transform.**

— solutions with strong underlying value