Operational Risk Management in
Financial Institutions

Training Course & Certification

Why a certification in Operational Risk?

Operational Risk Management (ORM) for the financial services industry has evolved into a well-recognized, highly demanded discipline over the past 20 years. The Basel Committee on Banking Supervision (BCBS) established mandatory capital requirements for operational risk since 2002, and the discipline has evolved and progressed significantly since then. Besides holding capital, regulated entities need to adopt sound practices for the management of operational risks. These recommended sound practices have grown in sophistication and depth between their first publication in 2001, until the most recent update in March, 2021.

The financial services industry now needs recognized standards and objective qualifications criteria to select the operational risk managers able to sustain the sound management and measurement of operational risk in the financial services.

Why should you attend?

Designed and delivered by leading experts in the field, the ORM training course provides the knowledge and references that professionals need in order to enter, manage, and lead the operational risk discipline in the field of financial services. The content of the course, its qualified trainers, and the relevant examination will help professionals acquire and demonstrate the necessary skills to execute their function effectively and gain professional recognition in the field.

Upon completion of the training course, you can sit for the corresponding exam and apply to obtain the "PECB Certified Operational Risk Manager" credential. Candidates can select the coverage and examination required to obtain the following certifications: ORM Foundation (2 days course), ORM Manager (3 days course), and ORM Lead Manager (5 days course).

The credentials will give you an unparalleled standard of knowledge and quality in the market.

Who should attend?

➤ Chief risk officers
➤ Heads of operational risk
➤ Risk directors, risk managers, risk officers and risk analysts
➤ Business line managers in charge of managing their risks
➤ Senior managers and managers who seek guidance on operational risk management
➤ Compliance officers
➤ Internal auditors
➤ Regulators
➤ Consultants
➤ Students and professionals interested in advancing their careers in operational risk management

Learning objectives

➤ Understand the regulatory requirements and best practices of operational risk management in the financial services
➤ Learn how to establish and manage an operational risk management framework in the context of a financial organization
➤ Understand the approaches, methods, and tools to identify, assess, mitigate, and monitor operational risk in the financial services industry
➤ Understand additional core components of the course curriculum, including: ORM framework, regulatory context, risk appetite, risk assessment, incident data collection, key risk indicators, risk culture, scenario analysis, capital assessment, and reputation risk.

Educational approach

➤ The body of knowledge has been developed by a team of people chosen for their expertise and their contribution in the field of operational risk.
➤ The training course is based on theory and best practices in operational risk management and assessment in the financial services.
➤ Lecture sessions are illustrated with practical examples.
➤ The participants are encouraged to communicate and engage in discussions and exercises.
➤ The exercises are similar in structure with the certification exam questions.

Body of Knowledge

The course curriculum is comprised of ten blocks. Each block describes the learning objectives, the knowledge delivered, and the skills that will be tested for each certification.

The progression within each block flows from general definitions and concepts, to more specific subjects. Each block is segmented into components and topics. For example:

Block 02: Framework and Policies
Component 1: Operational Risk Management Framework
Topic: Elements and structure of an operational risk management framework

Learning Outcomes:

➤ Understand the definitions and main elements of a risk management framework
➤ Acquire competence to distinguish the variations between an operational risk and an enterprise risk management framework

The detailed body of knowledge is available here.

Prerequisites

➤ A fundamental understanding and interest in the basis of risk management

Course agenda

ORM Risk Manager (2 days)

DAY 1
➤ Block 01 - Regulatory Context and Risk Governance
➤ Block 02 - Framework and Policies
➤ Block 03 - Risk Appetite

DAY 2
➤ Block 04 - Incident Data Collection
➤ Block 05 - Risk and Control Self-Assessment

ORM Risk Manager (3 days)

DAY 1
➤ Block 01: Regulatory Context and Risk Governance
➤ Block 02: Framework and Policies
➤ Block 03: Risk Appetite

DAY 2
➤ Block 04: Incident Data Collection
➤ Block 05: Risk and Control Self-Assessment

DAY 3
➤ Block 06: Risk Culture
➤ Block 07: Key Risk Indicators
➤ Block 08: Operational Risk Disclosures and Reputation

ORM Lead Risk Manager (5 days)

DAY 1
➤ Block 01: Regulatory Context and Risk Governance
➤ Block 02: Framework and Policies
➤ Block 03: Risk Appetite

DAY 2
➤ Block 04: Incident Data Collection
➤ Block 05: Risk and Control Self-Assessment

DAY 3
➤ Block 06: Risk Culture
➤ Block 07: Key Risk Indicators
➤ Block 08: Operational Risk Disclosures and Reputation

DAY 4
➤ Block 09: Scenario Analysis

DAY 5
➤ Block 10: Capital Modeling

Certification

After successfully passing the exam, you can apply for one of the credentials shown below. You will receive the certificate once you comply with all the requirements related to the selected credential. For more information about ORM certifications and the PECB certification process, please refer to the Certification Rules and Policies.

Credential	Exam	Professional experience	Experience in penetration testing projects	Other requirements
PECB Certified Operational Risk Management Foundation	PECB Certified ORM Foundation Exam	None	None	Signing the PECB Code of Ethics
PECB Certified Provisional Operational Risk Manager	PECB Certified Operational Risk Manager Exam	None	None	Signing the PECB Code of Ethics
PECB Certified Operational Risk Manager	PECB Certified Operational Risk Manager Exam	Two years: One year of work experience in Operational Risk Management	Operational Risk Management activities: a total of 200 hour	Signing the PECB Code of Ethics
PECB Certified Operational Risk Lead Manager	PECB Certified Operational Risk Lead Manager Exam	Five years: Two years of work experience in Operational Risk Management	Operational Risk Management activities: a total of 300 hours	Signing the PECB Code of Ethics
PECB Certified Operational Risk Senior Lead Manager	PECB Certified Operational Risk Lead Manager Exam	Ten years: Seven years of work experience in Operational Risk Management	Operational Risk Management activities: a total of 1000 hours	Signing the PECB Code of Ethics