

**Professional Certificate in  
Conduct Risk, Culture and  
Operational Risk Management**

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# Who we are

## The Institute of Banking

The Institute of Banking is the largest professional institute in Ireland. We are a community of 35,000 members who work in banking and international financial services in both the Republic of Ireland and Northern Ireland. Professional development of our members through education is at the heart of what we do. The Institute provides university level programmes to enable our members achieve and sustain their professional qualifications and continuing professional development (CPD) - essential in meeting customer and regulatory expectations. More than 11,000 students studied with The Institute last year and over 24,000 members complete their Continuing Professional Development, or CPD, with The Institute annually.

### Excellence in education – A recognised college of UCD

As a recognised college of University College Dublin (UCD) and the standout banking industry educator, we offer qualifications of the highest standard.

We currently have more than 40 programmes ranging from Professional Certificates (level 7 on the National Framework of Qualifications (NFQ)) to Masters Degrees (level 9). We design our programmes to be practical and relevant, but grounded in academic rigour.

## PRMIA and the PRMIA Global Operational Risk Manager Certificate

PRMIA is a global brand in risk management education with more than 50,000 members worldwide. Over 2,400 companies employ PRMIA designates, demonstrating that employers around the world realise that PRMIA's education programmes equip participants with the specialised knowledge and skills necessary to succeed in the dynamic banking industry. PRMIA is active in nearly every major financial centre worldwide with members in over 65 countries.

### Award

1. Upon successful completion of the programme, participants will be awarded the Professional Certificate in Conduct Risk, Culture and Operational Risk Management by UCD. This is a level 8 qualification on the National Framework of Qualifications and carries 15 ECTS.
2. Participants can then apply directly to PRMIA, at no additional fee, to be awarded the globally recognised PRMIA Operational Risk Manager Certificate.

Completing this programme will allow participants to stand out among their peers, providing participants with a competitive advantage with colleagues,

clients and prospective employers by developing the necessary skills and experience needed to succeed in today's dynamic work environment.

The PRMIA Global Operational Risk Manager Certificate is recognised as the Industry standard for Operational Risk. You can find more details at <http://www.prmia.org/orm-certificate/what-is-the-orm-certificate>.



## We share with The Association Of Compliance Officers In Ireland (ACOI) on various programmes.

The Association of Compliance Officers in Ireland (ACOI) is the professional body for Compliance Officers working in financial services in Ireland. Established in 2002, ACOI is a not for profit organisation whose principal interest is in the education, training and competency development of Compliance Officers.

ACOI has over 2,800 members and provides a range of university accredited education courses to members at Certificate, Diploma, Graduate

Diploma and Masters level. Our Licentiate (LCOI) and Fellowship (FCOI) designations are considered the benchmark designations to demonstrate competence to work in compliance in financial services under the Central Bank Fitness & Probity standards.

ACOI also runs ongoing CPD events for our members – indeed members holding our designations must complete annual CPD to maintain that designation. A key benefit of membership is the facilitation of networking between members. ACOI promotes high ethical standards among all persons engaged in regulatory compliance.

Now more than ever, the role of the compliance professional is centre stage in all financial institutions. The spotlight on compliance will continue into the future as the institutions deal with increasing regulation and the need to be open, transparent and accountable.



# Pathway to Professional Banker Designation

## for Professional Certificate in Conduct Risk, Culture and Operational Risk Management Holders

THIS PROGRAMME IS ON THE PATHWAY TO PROFESSIONAL BANKER DESIGNATION

Professional Banker Designation



Once you have three years' relevant work experience you may apply to become a Professional Banker.

3 Modules

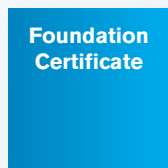


Specialist Programmes

For candidates who hold 30 ECTS Credits at level 7



Foundation Programme



# Introduction

## Who is this programme for?

### The Professional Certificate in Conduct Risk, Culture and Operational Risk Management is a risk management programme for people working or seeking to work in the Irish banking industry.

The programme has been designed in conjunction with the ACOI and Operational Risk and Conduct Risk professionals. The Professional Certificate is the benchmark Operational Risk and Conduct Risk Management qualification for the banking industry in Ireland.

The programme is a progression (from a level 7 academic award to a level 8 academic award) for those who have completed the Professional Diploma in Financial Advice or those who have completed the Professional Certificate or Diploma in Compliance.

The programme is primarily aimed at first and second line of defence (QFAs, APAs) and will provide participants with an in depth knowledge of Conduct Risk/Consumer Protection Assessment.

The practical areas in module one will include, inter alia:

- Cybercrime
- Financial crime prevention
- Anti-Money Laundering (AML)/Countering of Financing of Terrorism (CFT)
- Know Your Customer (KYC)
- External and internal fraud
- Information security, IT Resilience
- Outsourcing governance
- Business continuity planning
- Data quality.

The practical areas in module two will include, inter alia:

- In-depth knowledge of Conduct Risk
- Conduct Risk case study scenarios
- Risk Culture.

The programme is relevant to:

- Accredited Product Advisors (APA)
- Qualified Financial Advisors (QFA)
- Holders of the Professional Certificate or Diploma in Compliance
- Banking compliance and risk professionals
- Financial institutions' frontline staff including retail, business centre and corporate banking staff
- Financial institutions' central functions, risk and compliance professionals including, inter alia:
  - Compliance
  - Operational risk
  - Internal audit
  - Credit review
  - Legal
  - Finance
  - Technology
  - Change management.
- Credit Union Board Compliance and Risk committees and Credit Union managers and staff
- Credit Union Advisers, Credit Union Governance and Credit Union Compliance
- Regulatory bodies e.g. The Central Bank of Ireland
- Non-Financial institutions including:
  - Auditors
  - Accountants
  - Lawyers
  - Stockbrokers
  - Business Consultants and other professionals who provide risk management advisory services.

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## This specialist programme will provide you with:

- A thorough understanding of the Central Bank of Ireland's Guide to Consumer Protection Risk Assessment/Conduct Risk
- The knowledge and understanding of the requirements and responsibilities of operational risk and conduct risk management
- A deep, practical understanding of operational risk and conduct risk frameworks, measurement methodologies and best practices
- An understanding of the components and importance of risk culture
- A thorough understanding of the key practical and relevant operational risks facing banking professionals in Ireland today including Financial Crime Prevention/AML/CFT, KYC, external and internal fraud, information security, IT resilience, cybercrime, outsourcing, business continuity planning, data quality
- Global best practice tools for the identification, assessment, measurement and management of operational risk
- An understanding of how to capture, report and investigate operational risk events, how to produce meaningful Risk MI including Key Risk Indicator (KRI) data and trend analysis, and how to implement operational risk appetite
- An understanding of the elements of a risk management framework and the elements to implement it in the workplace
- An understanding of how to manage an operational risk assessment programme and apply it in the workplace
- The ability to blend theory and practice in operational risk and conduct risk to improve business performance.

## Award

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2. Participants can then apply directly to PRMIA, at no additional fee, to be awarded the globally recognised PRMIA Operational Risk Manager Certificate.

PRMIA is globally recognised as a leading educator of risk management professionals and is active in nearly every major financial centre worldwide with 50,000+ members represented in over 65 countries.

Details on the PRMIA Global Operational Risk Certificate award are available at <http://www.prmia.org/orm-certificate/what-is-the-orm-certificate>.

**“**Operational risk is now exceeding market risk in importance and magnitude for many financial firms. For many other firms, operational risk is the major form of enterprise risk... New threats from technology, cyber risk, and disruptive business models will continue to make operational risk a critical and increasing focus for firms and a great area for study and career opportunities. This certificate gives practitioners an advantage in the growing area of operational risk.”

### **Russell Walker, PhD**

Clinical Associate Professor, Managerial Economics and Decision Sciences, Kellogg School of Management.

# Curriculum

You study two modules as follows:

- 1 Operational Risk Management Practices
- 2 Banking Risk Management Framework, Culture and Conduct Risk

*“Over the past decade, operational risk has been a growing concern for major financial institutions across the globe. Ten of the world’s leading banks have racked up fines and similar “conduct costs” of nearly £150 billion GBP (\$250 billion USD) over a period of five years.”*

**Roger McCormack**

London School of Economics

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## Operational Risk Management Practices

(NFQ Level 8, 10 ECTS)

- Operational risk defined
- The importance of operational risk and the Probability Risk and Impact System (PRISM)
- The differences between operational risk and other types of risk
- Recent failures in operational risk
- Operational risk basics
- Three lines of defence
- Operational risk taxonomies
- Operational risk management frameworks
- Risk capacity
- Risk appetite statements
- Risk policies
- Risk pricing and capital
- Risk information, Key Risk Indicators (KRIs) reporting and KRI framework
- Risk assessment
- Risk management and action plans
- Risk modelling
- Insurance mitigation.
- The practical workshop areas will include inter alia:
  - Financial crime prevention
  - Anti-Money Laundering/Countering of Financing of Terrorism
  - Know Your Customer, Irish and UK Anti-Corruption laws
  - External and internal fraud
  - Information security, IT resilience, cybercrime
  - Outsourcing
  - Business continuity planning
  - Data quality and other practical areas.

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## Banking Risk Management Framework, Culture and Conduct Risk

(NFQ Level 8, 5 ECTS)

- Definition of conduct risk
- How does conduct risk transpire?
- Application to retail and wholesale markets
- Conduct risk as defined by the FCA and what lies at its core i.e. seeking the best outcome for the customer
- Drivers/causes of conduct risk
- Constituents of conduct risk including behavioural economics
- Conduct risk frameworks and its relationship with the overall banking risk framework
- Conduct risk appetite statements
- Conduct risk policies and common metrics for assessing conduct risk performance in an organisation
- How conduct risk relates to operational risk
- The difference between conduct risk and compliance
- Conduct risk impacts on customers, on employees, the financial institution and on markets (positive/negative)
- How ethical behaviours and decisions can improve customer outcomes
- Applying the theory to a number of real life Irish and UK examples using case studies
- Risk governance
- People, roles and responsibilities
- The Board
- The CRO
- Wider reporting
- Systems and documentation
- Risk management process
- Risk culture
- Leadership and risk culture
- The role of the risk management function in risk culture
- The place of other staff in risk culture
- Evaluating risk culture.

# Further Information

## Entry requirements

Individuals seeking admission to the Professional Certificate in Conduct Risk, Culture and Operational Risk Management will:

- a) have 3 years' experience (full time) in a relevant Banking role and have completed the Professional Diploma in Financial Advice or equivalent 30 ECTS Special Purpose Award/s at Level 7 NFQ

Or

- b) have an Honours degree (min. H2.2, Level 8 NFQ)

Or

- c) Admission will also be considered from experienced professionals who do not meet the minimum admission requirements as set out above, who can demonstrate learning based on work and training experience e.g. Individuals employed in a Risk role with responsibility for decision-making.

## Professional body membership

You must be a current member of The Institute of Banking, or become a member, to register for this programme. Membership is currently €40 per calendar year.

## Delivery

The programme will be delivered via blended learning with online webinars and recorded lectures supplemented with three face-to-face one-day practical workshops for module 1 and two face-to-face one-day practical workshops for module 2.

## Duration

Participants can register for and complete both modules in either one semester or two semesters.

## Assessment

The **Operational Risk Management Practices** module is assessed by:

- MCQ Continuous assessment - 10%
- An end-of-semester two-hour written exam - 90%

The **Banking Risk Management Framework, Culture and Conduct Risk** module is assessed by:

- An end-of-semester two-hour written exam - 100%

The pass mark is 40% in all modules in line with UCD academic policy.

## Fees

Module	Fees
Operational Risk Management Practices	€550
Banking Risk Management Framework, Culture and Conduct Risk	€495

## Submission of applications

Semester 1: September - January 2018	
Closing date for new programme applications and registrations	15/09/2017
Registration closing date for continuing students	22/09/2017
Semester start date	02/10/2017

Semester 2: January - May 2018	
Closing date for new programme applications and registrations	12/01/2018
Registration closing date for continuing students	19/01/2018
Semester start date	05/02/2018

Semester 3: May - September 2018	
Closing date for new programme applications and registrations	11/05/2018
Registration closing date for continuing students	18/05/2018
Semester start date	28/05/2018

Application forms can be downloaded at [www.iob.ie/opriskmgmt](http://www.iob.ie/opriskmgmt).

## Interested? Next steps.

Further information on this programme is available from:

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## Programme Director

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Director of Risk Management Education  
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