

5 DAY MBA

GOVERNANCE, RISK & COMPLIANCE MANAGEMENT



Certified by the **I**nternational **A**cademy of **B**usiness and **F**inancial **M**anagement
A leading provider of training and educational programs worldwide

Course Overview

Events in the post 2008 financial crisis era have clearly revealed the inadequacy of risk management in many organisations. Organisations continue to be concerned about the risk environment, leading them to reassess the effectiveness and adequacy of the internal controls in place to manage their risks.

This situation, together with a rise in complexity and regulation, is putting a strain on how organisations govern themselves. Management is expected to enhance oversight and transparency while simultaneously driving performance and profitability.

Boards of directors are also facing stakeholder demands for more accountability in their organisation's governance systems, as well as delivering ongoing success. In this context, resilience is the key to organisational survival. Organisations need to achieve a robust balance of governance, risk management and compliance.

Siloed approaches to managing GRC mean that the Board and management find it difficult to obtain a holistic view of how their organisation is managing risk and have found it increasingly difficult to obtain the right information for decision making.

In this 5-day program participants will learn how to develop and implement processes that identify, measure, monitor, control and mitigate risks across the enterprise, ranging from failures in governance, risk management and compliance risks emanating from the strategy setting at BOD level, all the way through the risks caused by external and non-controllable events. The workshop will also cover the formation of a GRC framework that integrates risk management processes, compliance policies/regulation as well as governance with effective strategy execution so that your company can continue to follow highly innovative strategies, while simultaneously anticipating and mitigating the inherent risks.

By the end of this training program, each participant will be able to

- * Assess organisational risk maturity level to aid formation of GRC Framework
- * Identify, manage and mitigate GRC risks from unexpected and uncontrollable events
- * Establish early warning GRC systems to monitor the unusual trading/investment patterns for effective GRC management
- * Set up a GRC framework for effective risk monitoring and control
- * Align GRC management to corporate strategy for integrated strategic planning

Training methodology

- * The program is wholly interactive and you will be fully involved through group discussion, exercises and real-world case studies with implementable frameworks/tools..

Who should attend

- * Past graduates from IABFM in CERM, CRA, CRS, CCP, CRBA
- * Non-Executive Directors at Board of Directors level
- * Board of Directors, CEO and Chairman of Board of Directors.

Course requirements

You should have at least FIVE (5) years of practical experience in risk management or financial control or managerial experiences. You need to have a pre-requisite knowledge in accounting, auditing, corporate finance, capital markets and some basic derivatives knowledge.

Course Outline

DAY 1 2 3 4 5

What is Governance, Risk and Compliance (GRC)?

- » Why GRC? What is it comprised of?
- » Recognise the inter-relationship of Governance to Risk and to Compliance
- » High profile corporate failures due to mismanagement of GRC and draw key lessons learnt
- » GRC Continuum

Risk appetite, Risk Capacity, Risk Culture and Capital

- » Risk vs Uncertainty, Known vs Unknowns
- » Scope of risk capacity and risk appetite of each organisation
- » Strategic, financial and operational risk
- » Impact of GRC to Capital Adequacy
- » Instil GRC to form Risk Culture

Behavioural Finance and its impact on GRC

- » Top Management behaviour towards investment decision making
- » The importance of behavioural finance and how it works
- » What can we learn from “market history”?
- » Identifying patterns of irrationality of the financial markets
- » Risk profiling – dealing with behavioural biases
- » Behavioural finance influencing top managements’ choices and decision making



Participants will apply behavioural finance techniques to case scenarios and understanding its impact on top management’s strategy selection and other investment decision making. Participants will be able to draw on concrete lessons learnt resulting in the ability to balance impacts from rational and emotional behaviours of top management.



The GRC Framework and BOD Oversight for Effective Governance

- » Risk Oversight by BOD
- » Risk Oversight Perspective – Top Down, Bottom Up and Middle Approaches
- » Roles and Responsibilities of BOD, CEO and Exco
- » Holistic GRC Framework

Aligning GRC to Strategic Planning

- » Identifying the organisation’s strategic objectives
- » Aligning GRC to Strategic Planning at corporate level
- » Balance risk appetite with risk capacity at strategic planning level
- » Categorise the various risks at strategic or BOD level
- » Establishing an holistic GRC framework at strategic/BOD level



Participants will study a classical case study on how the GRC was misaligned to corporate strategy during the strategic planning process. They will identify key lessons learnt while drawing references to current global financial situation leading to best practices being formed and adopted.

Course Outline (Cont)

DAY **1** 2 3 4 5

Establishing an Embedded GRC Process

- » Known vs Unknown, Risk vs Uncertainty impacting the GRC Process
- » Why financial risks are only the tip of the iceberg
- » Challenges due to the recent global crisis, the regulatory and compliance environment
- » Risks pertaining to Market, Credit, Liquidity, Operational, Strategic, Reputational, Legal, Model, Supplier, Resources and Compliance environment
- » Developing a GRC strategy for your organisation
- » Establishing the business case
- » Selling the benefits to management
- » The need for risk champions
- » Risk and competitive advantage

Risk identification and evaluation for GRC Compliance

- » Approaches and techniques to Identify Risks pertaining to Market, Credit, Liquidity, Operational, Strategic, Reputational, Legal, Model, Supplier, Resources and Compliance
- » Establish a GRC process
- » The use of diagnostic questions and thought provokers
- » The pros and cons of using data capture technology
- » How to identify, sift and group the GRC risks



Participants will be given a case study and deploy the various evaluation techniques to identify the types of GRC risks in the given case study. They will learn the different approaches and challenges involved in the process of risk identification, and management.



Assessment of Risk Mitigation for GRC Compliance

- » Dealing with the risk exposures
- » Recording the risks – risk registers or risk maps
- » Risk registers – do's and don'ts
- » Establishment of action plans
- » Allocation of risk owners
- » Ensure GRC risks are controlled and mitigated effectively
- » How to assess risk mitigation effectiveness
- » The need for diligence, detailed scrutiny and challenge
- » Risk mitigation and dealing with the exposures in practice



A case study will be given to participants to firstly identify the types of GRC risks and discuss the various possible risk mitigation strategies. They will learn the different approaches and challenges involved in the process of risk mitigation and control.

Course Outline (Cont)

DAY 1 2 3 4 5

Aligning Business Risks to Business Planning for GRC Compliance

- » Align business risks to business planning at business unit levels
- » Empower risk owners – how to determine such personnel and enforce ownership
- » Developing risk tracking capability
- » Using the risk register as a decision mechanism
- » Establish risk management committee reporting
- » Evaluate key business risks every half yearly

Establishing Key Risk Areas and Key risk indicators

- » Learn how to build effective key risk areas (KRAs) and key risk indicators (KRIs).
- » Align KRIs to KRAs
- » Ensure KRAs link to Corporate Objectives at Strategic/BOD level



Participants will be given a case study to identify the misalignment of business planning to business risks resulting in financial losses. They will also discuss the various ways to mitigate GRC risks and design proper communication channels as well as effective risk control mechanism.

People and Process Risks for GRC Compliance

- » Key GRC risk themes and how to deal with them
- » Failure to manage projects effectively
- » Loss of IT systems
- » Failure of partners or inability to establish effective partnering
- » Loss of key personnel
- » Hacking/breach of system security
- » Manual process and failure to innovate/automate
- » Poor prioritisation of systems development
- » Loss of morale / stress
- » Too much data – insufficient information
- » E-Commerce risks
- » IT and Cyber security
- » Reputational and Legal issues
- » Failure to comply both internal and external policies/regulation
- » People and system risks



Participants will be given a case study to identify the causes of GRC risks whether from people or process. They will draw lessons learnt with possible risk mitigation on people and process resulting in a viable and implementable risk solution.

DAY 1 2 3 4 5

Governance in GRC Framework

- » Taking ownership of Risks by BOD, CEO and Exco
- » Responsibility to stakeholders by BOD and CEO
- » The increasing importance of corporate governance
- » Record of accountability
- » Protecting the financial position and capital
- » Putting in place business continuity and crisis management strategy
- » Be responsible to environment sources / treatments
- » Handle customer service and management of complaints to avoid reputational risks
- » Ensure effective communication – internally and externally to stakeholders

Cascading the GRC Process from Top Management/BOD levels

- » Stakeholders' interest in risk & measuring the benefits
- » Risk awareness for all staff
- » Evaluate risks within these relationships
- » Breaking down Key Risk indicators (KRI's) at corporate/business level into Key Performance Indicators (KPIs) for individuals
- » How to identify and reduce excessive controls
- » Escalate key risks up the BOD level for their action
- » Co-ordinate the whole process
- » Managing stakeholder expectations
- » Managing and Instil Risk Culture for competitive advantage

Course Outline (Cont)

DAY 1 2 3 4 *Cont* 5



CASE STUDY

Participants will be given a case study requiring them to establish the corporate KRIs and subsequently breaking them down into individual KRIs for GRC compliance. They will discuss and challenged each other on its viability and functionality leading to drawing lessons learnt.

Managing the Governance Risk on Financial Crime

- » Anti bribery and corruption requirements
- » Managing the risk of money laundering
- » The role of the Money Laundering Reporting Officer
- » Counter terrorist financing and proliferation financing
- » International dimensions in AML and FATF
- » Managing the risk of market abuse
- » Market manipulation
- » Market misconduct and insider dealing
- » Managing the risk of fraud
- » Tax evasion and tax avoidance



CASE STUDY

A case study will be given to participants requiring them to identify situation of potential financial crime, understand causes to such risks and subsequently mitigate such risks for GRC compliance. They will discuss and challenged each other on its viability and functionality leading to drawing lessons learnt.

DAY 1 2 3 4 5

Establishing GRC Systems in Emerging Markets

- » GRC and its benefits in emerging markets
- » Evolution of GRC in emerging markets
- » Rationale for effective GRC in emerging markets
- » Responsibility of the Board in GRC and extensions to emerging markets
- » Risk, Reward, and Risk Appetite in emerging markets
- » GRC Practice in emerging markets

The Rise and Evolution of Chief GRC Officer

- » Role and responsibility of governance, risk and compliance function
- » Providing assurance
- » Importance of relationship management
- » Conduct of business governance, risk and compliance
- » Instil prudential governance, risk and compliance
- » Best practice



CASE STUDY

Participants will be given a case study from emerging countries where they identify the external and internal environmental challenges in establishing GRC framework and systems. This will lead to an implementable framework for participants to take home for further deliberation and implementation.

GRCMTM Examination

* Only those who successfully complete the examination and participate effectively in the course case studies will receive the Governance, Risk & Compliance management designation GRCMTM

Your Expert Solution

Dr Christopher Goh has some 25 years of hard-won experience in treasury and enterprise risk management – with a rare blend of derivatives trading, wealth, treasury, risk management, pricing and investment valuation.

Dr. Christopher is a professional with extensive experience professionally in, risk management, treasury trading on derivatives, exotic options, behavioural finance, and structuring products using derivatives and in particular to enterprise risk management where he spent some 15 years in this area, where he was the pioneer in risk management, since 1992. He held the title of chief risk officer for Asia Pacific having established holistic enterprise risk management framework and implementing enterprise risk management process for some 3 international banks in Asia Pacific.



Dr Christopher Goh

Passionate in the financial market with excellent technical knowledge on broad range of financial instruments especially exotic derivatives, established holistic enterprise risk management capabilities, implemented enterprise risk management framework through practical experience gained through various diverse economic cycles. He had worked for 6 different banks over a period of some 25 years across 6 different cultures, business practices and management styles. This had given him a very deep knowledge in handling clients and managed staff from diverse cultural background.

Dr Christopher had conducted many in-house corporate seminars for the past 13 years training international and central bankers from Asia region like Malaysia, Indonesia, Taiwan, China, Singapore, South Korea, Thailand, Hong Kong, Vietnam, Myanmar, Philippines, and to as far as London, Vienna, Jeddah, Kuwait, Johannesburg, Lagos (Nigeria), Accra (Ghana), Nairobi (Kenya) and Dubai.

His seminars and consultancy works are mainly focused on Enterprise Risk Management, Enterprise Balanced Scorecard, Setting KPIs with Enterprise Balanced Scorecard, Organisational Development Audit/Assessment, Transforming Strategy into Business Results, Structured Products, Wealth Management Solutions, Financial Derivatives, Asset Allocation and Portfolio Management, Banking Operations, Advanced Credit Analysis, and Business Strategy for Banks and non-banks enterprises.

Dr Christopher had, most recently, conducted 5 workshops on Enterprise Risk Management, Enterprise Balanced Scorecard and as well as Transforming Strategy into Business Results in some African countries like Johannesburg, Accra, Nairobi and Lagos for both financial institutions and non-financial institutions including a government statutory board.

Dr Christopher is also an Adjunct Visiting Faculty to some foreign universities namely: Shanghai JiaoTong University, Central University of Finance and Economics (Beijing), Harbin Institute of Technology (Harbin), S.P. Jain (Singapore and Dubai campus) on a yearly basis on banking certification courses and/or EMBA courses.