



PRESENTS

OPERATIONAL RISK MANAGEMENT



Operational Risk has been increasing day by day in the Nepalese Financial Sector and large risks events are taking place one after another.

It is always difficult to assess that when, how and what intensity the operational risk events occurs. But, the losses stemming from operational risks may erode the capital of a BFI with such a magnitude and intensity that the BFI may be left with no room for escaping from the impact, which could precipitate up to a situation of collapse. Therefore, a clear understanding on operational risk and its control has been always a challenge to the management.

In order to manage Operational risk, Banks and Financial Institutions (BFIs) formulate Operational Risks Management Policy, which is supported by a Standard Operation Manual/ Guideline and generally rely heavily on the internal audit function for the assurance that the Policy and guidelines have been duly complied with.

Internal Audit and / or External Auditor may not always be able to capture the actual picture as they submit their report based on the sample audit and it is basically post events. One of the critical components in the operational risk management is human assets (people). People do involve in managing all risks like Credit Risks, Market Risks, Reputational Risks, etc. Unless human assets are strengthened with required skills for managing all types of risks and cultured with good corporate governance, managing operational risks will not be possible. Operational risks can be mitigated and managed by the combine effort of all Staffs and Board of Directors.

All the respective staffs can therefore play instrumental role in implementing the Operational Risk Management Policy and manual/guidelines thereon, identifying the Early Warning Signals (EWSs), Defining Key Risk Indicators (KRIs), Re-reporting the Risk Events for further analyzing, assessing and mitigating risk proactively.

Having regard to above one day training on Operational Risk Management has been designed aiming to educate the branch manager and operation incharge of banks and financial institutions for managing operational risks proactively and effectively so that such risk events could be averted/ mitigated.

NATIONAL BANKING INSTITUTE LTD.

Central Plaza, 6th Floor, Narayanchour, Naxal, Kathmandu, Nepal.

T : 977-1-4415903/905, 4436001 • F: 977-1-4441351

info@nbi.com.np • www.nbi.com.np

| | |
|--------------------|---|
| Duration (in Days) | 1 day |
| Target Audience | Branch Managers & Operation Incharge |
| Program delivery | Power point, Audio Visual demonstration, Interaction, Case studies, discussions |
| Date, Venue & Time | 28th December 2018, 8:00 am to 2:00 pm at Hotel Pujan, Birgunj |
| Program takeaway: | <ul style="list-style-type: none"> * Understanding Different Risks in Banks * Understanding Operational Risks Management Framework * Having Risks Mitigating Measures |
| Program Content: | <p>Risk Management in Banking</p> <ol style="list-style-type: none"> 1. Operational Risk <ul style="list-style-type: none"> * Internal Fraud * External Fraud * Employment Practices and Workplace Safety * Clients, Products and Business Practices 2. Credit Risk <ul style="list-style-type: none"> * Sound Practices for Managing Credit Risk * Establish an Appropriate Credit Risk Environment * Operate Under a Sound Credit Granting Process * Maintain a Credit Administration, Measurement and Monitoring Process * Ensure Adequate Controls Over Credit Risk * Credit Risk Checklist 3. Reputational Risk <ul style="list-style-type: none"> * Benefits of Effective Reputation Management * Reputational Risk Checklist 4. Other Risks <ul style="list-style-type: none"> * Interest Rate Risk * Exchange Rate Risk |
| | |
| Facilitator/s | <p>Mr. Raju Nepal</p> <p>Mr. Raju Nepal have over 20 years of professional banking experience. He started his career from Nepal Grindlays Bank Limited (now Standard Chartered Bank Nepal Limited) . Then, he joined Himalayan Bank Ltd. in 1992. During the tenure he worked in various departments such as Treasury, Operations, Finance & Administration Department and Internal Audit in Himalayan Bank Ltd. In 2007, he joined as a Chief Operating Officer in Citizens Bank International Ltd and left the bank in 2013.</p> |