

Operational Risk Management

*A Complete Guide to a Successful
Operational Risk Framework*

PHILIPPA GIRLING

WILEY

Contents

Preface	ix
Acknowledgments	xi
CHAPTER 1 Definition and Drivers of Operational Risk	1
CHAPTER 2 The Regulatory Push	15
CHAPTER 3 The Operational Risk Framework	33
CHAPTER 4 Operational Risk Governance	41
CHAPTER 5 Culture and Awareness	63
CHAPTER 6 Policies and Procedures	77
CHAPTER 7 Internal Loss Data	89
CHAPTER 8 External Loss Data	121
CHAPTER 9 Business Environment Internal Control Factors: Key Risk Indicators	141
CHAPTER 10 Risk and Control Self-Assessments	155
	vii

CHAPTER 11	
Scenario Analysis	173
CHAPTER 12	
Capital Modeling	189
CHAPTER 13	
Reporting	219
CHAPTER 14	
Risk Appetite	237
CHAPTER 15	
Reputational Risk and Operational Risk	255
CHAPTER 16	
Operational Risk and Convergence	269
CHAPTER 17	
Best Practices in Related Risk Management Activities	281
CHAPTER 18	
Case Studies	291
Appendix: Answers to Review Questions	309
About the Author	317
About the Website	319
Index	321