



INTUITION

RISK ACADEMY 2021

INTRODUCTION

The nature of risk management is fundamentally changing within banks and financial institutions. COVID-19 created a critical challenge for the banking industry, one that many banks weren't quite prepared for. Continuing increases in the scale, pace and complexity of financial institutions demand sophisticated risk management techniques. In uncertain times the ability to rapidly monitor changing risk exposures is key, as is the realisation that many techniques are not designed for the current pandemic and various government's response.

At Intuition, we offer a complete training solution to shape a path through the COVID-19 pandemic. Our workshops and coaching are delivered *in house* or *virtually*, blended with adaptive e learning and digital assets as optional features.



Intuition APAC can also offer these courses in Chinese, Bahasa, Korean and Japanese. Please contact your account officer for a localised brochure.



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01 - CREDIT RISK



COUNTERPARTY CREDIT RISK MANAGEMENT

This course is designed to introduce participants to counterparty credit risk of the most common derivative products and markets. Participants learn in detail the metrics used to measure counterparty credit risk, including PFE, EPE and CVA. Volatility is the “source” of counterparty credit risk and we explore how volatility is measured and used to model how much clients could owe. We also discuss risk mitigation techniques including netting, margining, and recouping. COVID has also shown the weakness in the framework and we explore this in detail.

The above topics are reinforced by means of real deal case studies designed to show how the risks are measured using real life examples.

01 - CREDIT RISK



DISTRESSED, REMEDIAL & RESTRUCTURING

This course is designed to introduce participants on background to restructurings, operational and capital restructuring solutions, modelling under-performing credits and restructuring solutions in Excel, and valuing firms that are distressed or in default. As well as other issues in restructuring raised by the pandemic.

Due to COVID19 many lending institutions across the world are going to be burdened with a high level of actual or potential non-performing loans or other credit exposures. In these situations, participants learn how lenders maximize their recovery rates and optimize their long-term returns, subject to prevailing insolvency laws, the lender's own capital situation and sometimes to the wider interests of other stakeholders in the firm.

We also analyse the cause of the borrower's problems and how to design and implement an optimal restructuring solution. This can involve both operational and capital restructurings, including debt for debt swaps, full or partial debt for equity swaps, discounted debt buybacks, equity cures, shareholder loans etc. In some cases, the best outcome may be full or partial asset liquidation. The topics are reinforced by means of real deal case studies including COVID19 examples.

RETAIL CREDIT RISK & CREDIT SCORING

This course focuses on managing of credit risk and learning how to implement credit scoring in retail banking.

The course begins with an introduction to the notion of risk and risk management, in life, in banking and then in consumer lending. This leads onto to credit scoring, the most common set of techniques for managing and controlling consumer credit risk. The agenda then moves on to consider a range of issues that impact on how we implement and use credit scoring in a consumer lending environment and also how we ensure it is successful in its management of risk.

This course includes individual exercises, examples, and case studies, group exercises and case studies, in some of which each group will need to report their conclusions to the other groups. Updated to include the impact of COVID19 and various government initiatives.

CREDIT RISK – IDENTIFICATION, ANALYSIS AND MANAGEMENT

This course is designed to improve the skills of participants in identifying and mitigating corporate credit risk. This course will cover early warning signs for deteriorating credits and establishing remedial action plans for problem credits. The participants will improve their skills in understanding and identifying various types of risk, analyzing the relevant industry and determining the Key Success Factors needed to succeed. In addition, the participants will learn on key financial analysis tools including cash flow statement and key ratios, understanding collateral and its role in protecting repayment and using covenants to insure appropriate structure

This course utilizes cases, exercises and role play to help drive home the learning points covered in the presentations. Updated to include the impact of COVID19 and various government initiatives.

01 - CREDIT RISK



RISK IN DERIVATIVES

This course is focused on the recognition and understanding of the risks and subtleties of derivative structures and transactions. The course will explore this from the perspectives of the firm, markets, clients and products. It is designed to equip business and risk managers with the knowledge and skills to fully recognize, understand, assess and mitigate the changing risks as the derivatives business evolves. The course examines where risks come from in doing derivatives deals with clients and the interrelationship between market and credit risk.

Delegates will distinguish between right-way and wrong-way counterparty exposure in a sophisticated way—not a superficial way. This is critical during the current pandemic crisis. The course is updated for the pandemic and will examine the effectiveness of various portfolio management and risk mitigation techniques. The course is entirely case study driven or client scenarios.

CONSUMER CREDIT RISK

This course focuses on the assessment and management of consumer credit risk, with emphasis on understanding the logic clearly and seeing through the sometimes complex mechanics. After setting the scene by describing the sources and current market size of consumer credit risk in APAC and globally, the course focuses on assigning a credit score to consumers—originating with the traditional FICO and moving all the way through to credit score assignment by means of artificial intelligence, big data, machine learning and deep learning. Examples are introduced from the U.S. and China to illustrate the evolution of the subject and point toward the future. The course is highly relevant for future skills and pandemic affected portfolio reviews.

01 - CREDIT RISK



CORPORATE CREDIT – THE APPROVAL PROCESS DURING COVID

This course is designed to review the main types of lending facilities stressed by the ongoing pandemic. Even if these institutions do not suffer direct financial losses due to default / market movements, they may be receiving an inadequate return for the risks involved. Given the increasing use of leverage by both the private and public equity markets, combined with heightened sovereign and geo-political risks, in-depth credit analysis is essential to avoiding credit and currency losses. The participants learn how to undertake detailed quantitative risk analysis including key credit ratios, foresee downside risks, undertake financial modelling and forecasting and practice how to apply sensitivity analysis. This course also covers qualitative risk analysis : sovereign, industry and company specific, how to analyse the impact of corporate finance activity on credit quality and to leverage in detail, including the determinants of leverage and the benefits to shareholders. This course has been updated to include COVID19 impact and risks.

ADVANCED CORPORATE CREDIT ANALYSIS

This course focuses on advanced financial analysis, advanced financial modelling in Excel using Credit enhancement methods by creating cashflow ring-fencing structures and CLNs. Leveraged instruments remain a standard part of corporate capital structures and participants learn how to analyse and minimize credit risk to avoid losses, maximising returns and limiting capital usage. This course also cover parent and subsidiary rating linkage; related party risks, company valuation for acquisition finance and distressed situations. As well as deteriorating credits, potential and actual NPLs: warning signs and strategies for minimizing losses. Updated to include the techniques to review portfolios affected by COVID19.

01 - CREDIT RISK



PRIVATE CLIENT RISK

This course is designed to introduce participants to private client risk management of derivatives exposures. Participants will learn the metrics used to measure risk, including PFE, EPE and CVA. We explore volatility as the “source” of credit risk, how volatility is measured and how to model the amount that clients could owe. We also discuss risk mitigation techniques including netting and collateral/margining. The above topics are reinforced by means of real deal “caselets” designed to illustrate how problems arise and best practice risk management.

Caselets are very short case studies based on real clients or real client facsimiles. COVID19 has led to unique risks in the portfolio and client management is included in the course to provide a holistic approach to sensitive commercial situations.

PUBLIC SECTOR RISK

This course focuses on recognizing risk and understanding Sovereign and Government Related Entities around the world. Participants will learn how banks manage country and public sector risk by understanding the policies followed and the ways policy is employed, and how the firm defines and operates within the Public Sector & Country Risk Management frameworks. Participants will also learn the processes, frameworks, and fundamental drivers behind the various country risk ratings and tools, apply the tools and manage public sector risk management decisions.

The course is designed to equip junior business and risk managers with the knowledge and skills to better recognize, understand, assess and mitigate the changing risks as the public sector business evolves. Updated to include risks related to COVID19 and includes some current work arounds and restructuring of Public Entities.

COUNTRY RISK & SOUND RISK MANAGEMENT PRACTICES

This course focuses on the key drivers of country risk in both mature and emerging markets.

Country risk which is a collection of risks that are associated with investing in a foreign country instead of investing in the domestic market. Participants will learn on the exchange rate risk, economic risk, political risk, and sovereign risk or transfer risk and by which there is a risk of capital being frozen for Government action. And the impact of country risk on other exposures, including public sector entities.

The above topics are reinforced by means of real deal case studies designed to review the lessons learned from the previous crises in various regions of the world, and the impact of the COVID-19 pandemic and consequent global recession.



02 - MARKET RISK



EXPLORING MARKET RISK

This course focuses on gaining a clear understanding of the complex risks in a trading portfolio. The course is designed to be a conceptual yet enriching high level overview into the practicalities of advanced market risk measurement and management. There are two halves – linear and non-linear market risk sensitivities.

The linear focus is designed to give practical know how and insight into market risk and the sub risk components of liquidity, model and basis risk. Mismanagement of these will often result in disastrous and unelected risk. The second half of the course will explore a non-linear derivative book with multi-dimensional and overlapping risks. Particular attention is given to second generation risk factors in options. We begin with risk measurement and trader controls - limits and other market risk management techniques, plus the practical limitations thereof.

This course uses actual or historical, simulated deals to illustrate risk management in practice and is updated for COVID19 markets.

02 - MARKET RISK



MARKET RISK FOR JUNIORS

This course is designed to introduce participants to market risk management activities - *identify, measure, monitor* and *control* risks that arise from the firm's trading activities. At the end of the course, participants will be able to describe in detail the various risks that firms take in doing business with clients. They will be able to interpret, and act based on the firm's market risk management reports and systems. They will be able to intelligently monitor day-to-day trading activities within the guidelines of management policy. They will be able to knowledgably and comfortably interact with colleagues from both Sales and Trading and Market Risk Management in the taking and managing of market risk.

This course is cross asset and includes sub sets of Market Risk topics.

MARKET RISK ANALYSIS FOR SALES

The course focuses on treasury sales and trading business and the key risk issues to give learners practical experience learning and applying treasury risk controls and risk tools (Value at Risk, Earnings at Risk, Liquidity Risk, and Counterparty Risk). The course is based on Excel modeling, so learners can demonstrate their acquired learning using client case studies and exercises. The course can be tailored to include sales strategies linked to risk/reward and volatility adjusted returns.

02 - MARKET RISK



LIQUIDITY RISK

This course is designed to broaden the participants' understanding of the Trading and Liquidity Risk in the firm. It will highlight activity in Treasury and explain more about Asset Liability Management. The course starts with looking at the current financial services environment and the risks in Equities, FX, Commodities and Rates; how the firm measures them and how to mitigate when necessary. The course explores Counterparty Credit Risk and finally Liquidity risk management and ALM best practice.

This course equip the participants with the required knowledge to understand and analyze different types of trading and liquidity risk. To be able to know what to do in the event they are exposed to Trading and Liquidity Risk and where action is required, what to do. In addition, the participants will gain knowledge in the Treasury Function and Asset Liability Management. What the driving factors are, the regulatory requirements, how to identify Liquidity Risk and envisage the options available to mitigate that risk and how their activity effects the liquidity of the firm.

Real life case studies will be used and exercises performed to reinforce learning.

FUNDAMENTAL REVIEW OF THE TRADING BOOK (FRTB)

This course is designed for participants to understand the events which led to the development of the Fundamental Review of the Trading Book, the differences in treatment for internal models and the standardised model approaches. At the end of this course, participants will be able to identify the clearly defined boundary between the trading book and the banking book, recognize the tests for the internal model approach; the profit and loss attribution test and the back test. The course will compare and contrast the differences between expected shortfall vs. value at risk measures of risk under stress.

The course will be based on case studies in Singapore and other SE Asian markets.



03 – OPERATIONS & TECHNOLOGY RISK



NEW TECHNOLOGY & RISK MANAGEMENT

Digitization is changing everything, turning customer/users into product as sources of data and exposing businesses, governments and consumers to a host of new risks. This course focuses on the risks presented by new technologies and the novel approaches large organizations are devising to manage them.

The course focuses on new risks posed by technology including fraud, privacy, bias, cyber risk and bad actor attacks disrupting exchanges or markets. We examine the possible systemic impact of new technologies changing the way markets and market prices function. The course includes the major risk of disruption by new fintech competitors and the challenges this poses for regulation.

03 – OPERATIONS & TECHNOLOGY RISK



DATA RISK IN BANKING

This course will give participants a thorough understanding of the importance of accurate data and a fit for purpose technological environment to facilitate the activities of a financial services participant, with an emphasis on risk management, analysis and governance. The course features regulation and ethical issues with data/technology. Delegates will examine cases where poor data or governance have played a key role and the resulting consequences. By the end of the course participants will be able to demonstrate sources and issues with data, regulation of data and a basic appreciation of data management. The course features many recent use case examples of good and poor use of data.

CYBER CRIME & DIGITAL RISK

A mixture of recent real cases and scenario analysis, including previously imposed legal penalties, fines, business limitations, and licence revocations will be discussed and assessed. This will enable a better understanding of the evolving intersection between business and customer empowerment, and ever increasing regulatory scrutiny and expectations.

By the end of this training program, each participant will be able to identify the key components of cybersecurity architecture and the key risk management tools, processes and procedures. The course examines different classes of attacks, including malware, viruses, worms, spyware, and ransomware. A key focus will be on the types of incidents including categories, responses and timelines. Use Cases include Data Risks, Social Engineering challenges, and Computer/Mobile Security

03 – OPERATIONS & TECHNOLOGY RISK



HUMAN CYBER-SECURITY RISK

This course analyses how banks can quantify and reduce human cyber-security risk. Looking at various aspects and attack vectors of the human firewall including, Passwords, Credential Reuse, Data Breaches, Social Engineering & Phishing, Multi Factor Authentication. Exploring methods used to extract information and how to protect against such threats. This is an informative, interactive discussion to highlight the importance of personal cyber-security and the importance of every user in the organization. The key content focuses on using corporate credentials on third party systems, personal and corporate data leakage, weaknesses in SMS and time based 2FA protocols. We examine the latest FIDO2 2FA standards and password less authentication and the weaknesses hardware 2FA devices & mobile apps. The course concludes with a risk assessment and how to quantify overall risk.



03 – OPERATIONS & TECHNOLOGY RISK



Explore in detail the technology and operational risk environment for today and the future. This curriculum follows the Singapore IBF Future Skills framework, designed to equip learners in the digital age. Learners will demonstrate a practical understanding of the operational risk environment and this is a totally digital certificate. Intuition will create a bespoke project, customised to the technology and operations functions of the client. Digital modalities include adaptive skills gaps, VLT, e learning, digital assets and a portal for experiential learning. A communications module is also available. Intuition is a CPD partner of CISI and GARP.

OPERATIONAL RISK ANALYST – IBF TSC LEVEL 3

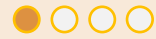
1. Operational Risk Management
2. Corporate Governance
3. Ethical Culture
4. Data Collection and Analysis
5. Business Risk Assessment
6. Scenario Planning and Analysis
7. Crisis Management
8. Change Management
9. Business Continuity Planning
10. Risk and Compliance Reporting
11. Stakeholder Management

OPERATIONAL RISK MANAGER – IBF TSC LEVEL 4

1. Strategy Planning
2. Risk Appetite & Goals Setting
3. People Performance Management
4. Technology
5. Corporate Governance
6. Security Governance
7. Change Management
8. Ethical Culture
9. Stakeholder Management
10. Data Collection Analysis
11. Business Risk Assessment
12. Operational Risk Management
13. Scenario Planning and Analysis
14. Business Continuity Manager
15. Crisis Management



04 – BUSINESS RISK



THE MACRO ECONOMIC IMPACT OF COVID 19 AND BEYOND

This course has been prepared to highlight the impact of COVID 19 on the global economy. All financial services are affected, we enter an unknown future full of competition risk, demand risk and extreme government intervention. The course examines the demand shocks, supply shocks, the health service impact, the global hysteria, governments' reactions, central bank reactions and financial market developments. To predict how this shock may develop we compare and contrast to previous health crisis such as SARS, H1N1, Ebola, Swine Flu and Spanish Flu. To look at potential risks for banks we will also compare the crisis with GFC and 9/11 which created similar demand and recession threats.

Having defined and speculated on the outcome of the crisis the course examines the strategic and business risks for a bank. We will ask questions around resilience of systems and people, where are you on the digital journey and how can you transform crucial services and processes. Does the bank have a digital mindset and how experienced are your leaders compared to the competition. Each course includes a peer analysis and SWOT in the current climate. Some banks will thrive and extend market share, others will be consumed or nationalised. Collaboration techniques offer short cuts to resilience, looking after employee mental health and, planned, remote working builds resilience in the human capital of the bank.

04 – BUSINESS RISK



COVID 19 CONVERGENCE RISK

Participants are given a market description, including recent historical moves and the economic outlook arising from the pandemic.

Against this, and using a defined list of possible client loan and traded markets positions, delegates build client portfolios that are then loaded into a simulated portfolio risk management system built in Excel.

These portfolios will be shocked by “normal” market changes in liquidity and volatility and resulting price moves will then be marked to market values. Then the portfolios will be shocked by possible converging risk factors and analysed. The correlation and convergence is drawn from previous health and severe recession events to model the potential for an economic meltdown from COVID 19. During the process some client portfolios will have extreme losses and default or go into administration. Finally we look at the convergence risk from restructuring and work outs. This will involve examining legal and regulatory risk, franchise and reputational risk factors and some unique convergence risks such as boundary crossing and equity ownership issues.

Participants can rebalance or hedge exposure to the client portfolios during the course to position for anticipated market moves. The course is all about client exposure in any form.

PANDEMIC RISK

The pandemic course is designed as a generic topic but has been produced in three versions, tailored for retail, institutional or private banks. The course is a unique study of the various risks that the ongoing pandemic brings to the financial services sector. It will cover the following core topics: 1) Forensic analysis of the client’s balance sheet or a private client portfolio, cash flow and income statements. We aim to highlight pending weaknesses and measure impact on equity or net worth; 2) Tear apart the Enterprise Material Risk Inventory and competitors' risk disclosures to assess risk appetite, and knit together the now standalone risk types, bearing in mind convergence and government intervention; 3) Review how pre-Covid recession models and down side risk assessments turned out to be very wrong, identify new indicators of recession or depression risk, APAC country by country, look at new indicators and data sets; 4) Ask how to prepare for unknowns? How could we have prepared better, do stress tests and scenarios do their job in a risk management environment? How do we enhance operational readiness and the resilience of technical and human capital?

04 – BUSINESS RISK



SUSTAINABILITY AND ENVIRONMENTAL RISK

This course explores risk management practices most common in Financial Services business activities including reputational, regulatory, and franchise risks.

Reputational risks linked to sustainable financing and environmental risk are among the key risk types in modern banking. These risks have been elevated by the pandemic and a universal concern over climate risk. The course examines potential risks from the nature or purpose of a proposed transaction or service, the identity or activities of a potential client, the regulatory or political context in which the business will be transacted, and any potentially controversial environmental or social impacts of a transaction. Finally the course examines how the risk potential is assessed in the review process of several use case studies against a bank's policies and risk framework. Participants will gain exposure to few approaches, including GIIIN and IRIS (Global Impact Investing Rating System, and Impact Reporting and Investment Standards).

ETHICS IN FINANCIAL TECHNOLOGY

COVID 19 has hastened the digital adoption of financial services, probably at a pace considered too fast to be safe for all. This course addresses the ethical questions specific to Financial Technology. It is designed to introduce participants to the themes in the media and from regulators in recent years around the need to enhance the professionalism of individuals and institutions working in the financial technology sector in order to increase the business community's trust in them. There are numerous reputational, regulatory and franchise risks to consider and high penalties for breaches.

The course examines the ethical challenges within financial services with the focus on the challenges of cyber security, criminality, privacy as they are executed via information and communication technologies. The course derives best practice in managing and mitigating where risks come from in financial technology, their functional use and their relationship with the clients' implicit expectations.

Delegates will be able to distinguish and better implement ethical assessments and the design of ethical financial technologies. The course is updated for the pandemic remote working environment and will draw on contemporary international case studies where technology and its ethical deployment was a key factor. Finally we examine new fintech business models that potentially disadvantage clients or broader stakeholders in the community.

04 – BUSINESS RISK



INCLUSION AND DIVERSITY IN ALGORITHMS – OVERCOMING BIASES IN TECHNOLOGY

Any business not aligned to the inclusion and diversity social mega trend is taking a strategic risk. This course focuses on algorithm biases in technology. Bias can emerge due to many factors, whether intended or unanticipated. It can be found across platforms, social media or back end algorithms amongst others.

Errant algos create systematic and repeatable errors in computer code, data collection and processing that creates unfair outcomes that can break laws, transgress privacy and reinforces social biases of race, gender, sexuality, and ethnicity

The course examines the many types of algorithm that can potentially reflect a bias that reflects systematic or unfair discrimination. Humans code, design apps and write algos so the course really looks at the design and review process. We ask, where are the best practice checks and balances?

The course draws on numerous examples, from the U.S, EU. and the APAC regions, to illustrate the evolution of the subject and point toward the future.

This business risk course is highly relevant for firms affected by negative regulatory and reputational impacts of adverse technology breaches and reviews.

ABOUT INTUITION



OUR SERVICES

Intuition is a truly international, professional education business with a proven track record in developing learning solutions for Fortune 500 organizations around the world.

We are highly attuned to our clients; sensitive to the requirements of globalized businesses, as well as their local needs. Intuition is unique in having real expertise and competence in all areas of learning design and delivery, as well as deep domain knowledge in financial services – providing our banking clients with complete end- to-end solutions.

OUR GLOBAL PRESENCE

Established in 1985 and headquartered in Dublin, Intuition has sales and client service locations in London, Abu Dhabi, New York, Hong Kong, and Singapore.

Intuition's global presence allows us to support our clients' needs across all regions with Learning Consultants, Subject Matter Experts, Instructional Designers, and Project Managers located worldwide.

OUR EXPERTISE

Our expert consultants and faculty are selected to meet Intuition's high standards, both in practice and financial industry experience. With a wealth of finance-specific knowledge, all our instructors hold a combination of recognized qualifications, facilitation experience, and senior-level corporate backgrounds.

OUR RELATIONSHIP WITH YOU

We work in different ways with different clients. With all of our clients, we like to be a trusted, collaborative co-worker. In other words, we will work with you to figure out what the best way forward is. Whether it's a standalone intervention or a fully integrated, end-to-end solution, we help you decide on the right fit for your business.

OUR COLLABORATION WITH YOU

Today, there are many solutions and technologies at our fingertips to bring about learning and change: short videos, distributed learning, mobile learning, instructor-led workshops, knowledge portals, eLearning modules, game-based learning... but we pride ourselves on never being in thrall to the medium. It is always about choosing the best solutions for individual needs and balancing the entire system of resources in a way that provides greater support overall. So when you have any learning requirements in the future, talk to us at asiainfo@intuition.com. We look forward to hearing from you.

INTUITION PERSPECTIVE APP

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