

Client	The client is a major UK commercial and retail bank		
Project Name	Global roll out of an Operational Risk Self Assessment Framework relating to key controls managed by Trading and Non-trading Front Office Supervisors		
Project Start Date	November 2008	Project End Date	July 2009
Industry	<input checked="" type="checkbox"/> Commercial banking	<input type="checkbox"/> Insurance	
	<input checked="" type="checkbox"/> Investment banking		
	<input type="checkbox"/> Private banking	<input type="checkbox"/> Asset and wealth management	
	<input type="checkbox"/> Retail banking		
		<input type="checkbox"/> Corporate	
Category of Service	<input checked="" type="checkbox"/> Performance measurement and monitoring	<input checked="" type="checkbox"/> Regulatory compliance and reporting	
	<input type="checkbox"/> Portfolio risk management	<input type="checkbox"/> Business process improvement	
	<input type="checkbox"/> Specialised risks	<input type="checkbox"/> Training and people change	
	<input type="checkbox"/> Data Quality	<input type="checkbox"/> System selection and implementation	
The Challenge	<p>The client has a broad global footprint in trading (FX, credit products, equities, rates and derivatives) and non-trading (sales, origination, coverage, portfolio management). The objective of the project was to mitigate exposure to a 'Rogue Trader' type of event and to deliver a global operational risk self assessment control framework that ensured control effectiveness and adequacy for all global trading desks and non-trading business functions.</p>		
Approach and Solution	<p>The knowledge and experience of advantage in operational risk and project management meant that we were able to engage and leverage the regional operational risk leads and central relationship management teams, work with trading and non-trading business functions to establish a co-ordinated, phased approach to the rollout of the trading and non-trading supervisor control framework globally. This included the identification and tracking of control framework gaps, gap analysis challenge by local and regional operational risk teams, testing of the control framework by the business and testing challenge by operational risk. The outcomes for this implementation included the capture of any identified issues with actions to close or mitigate test fails and compliance gaps.</p>		
Results and Benefits	<p>avantage delivered the rollout of the framework in three geographical regions (EMEA, APAC, and Americas) with 36 countries across 12 individual business functions. Assisted the Bank in embedding the process in the Group's self certification process. The benefits for the client included:</p> <ul style="list-style-type: none"> • establishing a common control framework for the supervisors of front office trading activities – and non-trading business functions; • providing a framework for management to assess control effectiveness and adequacy in trading and non-trading activities; • Identifying gaps between current controls and benchmark controls prescribed under the control framework; 		

	<ul style="list-style-type: none"> • Embedding the control framework within the Group’s broader operational risk self certification process; • Protecting the Group from financial loss; and • Protecting the Group’s reputation, customers and employees.
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Software used	Not applicable.
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