# Operational Resilience – The Next Phase

**Presented By**:

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**Cal⬡Risk**

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Do not judge me by my success, judge me by how many times I fell down and got back up again

*Nelson Mandela*

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# Outline

- Introduction

- Project vs Business as Usual

- Demonstrating Compliance

- Continuous Improvement

- Q & A

# Who we are and what we do

- Experienced Risk & Compliance Professionals

- Members of IRM, IOB, CI (ACOI), IoD, ACCA, ISACA, ….

- We Make A Governance, Risk & Compliance Solution called CalQRisk
  - A cloud-based software solution

- Risk Advisory Service
  - In-house / Virtual Training, Strategic Risk Alignment, Risk Management Framework

- CalQRisk is used by 3,000+ users in regulated firms and others
  Including: Financial Services organisations and Not-For-Profit sector: Public Sector, Housing Associations, Charities

**Cal**QR**isk**
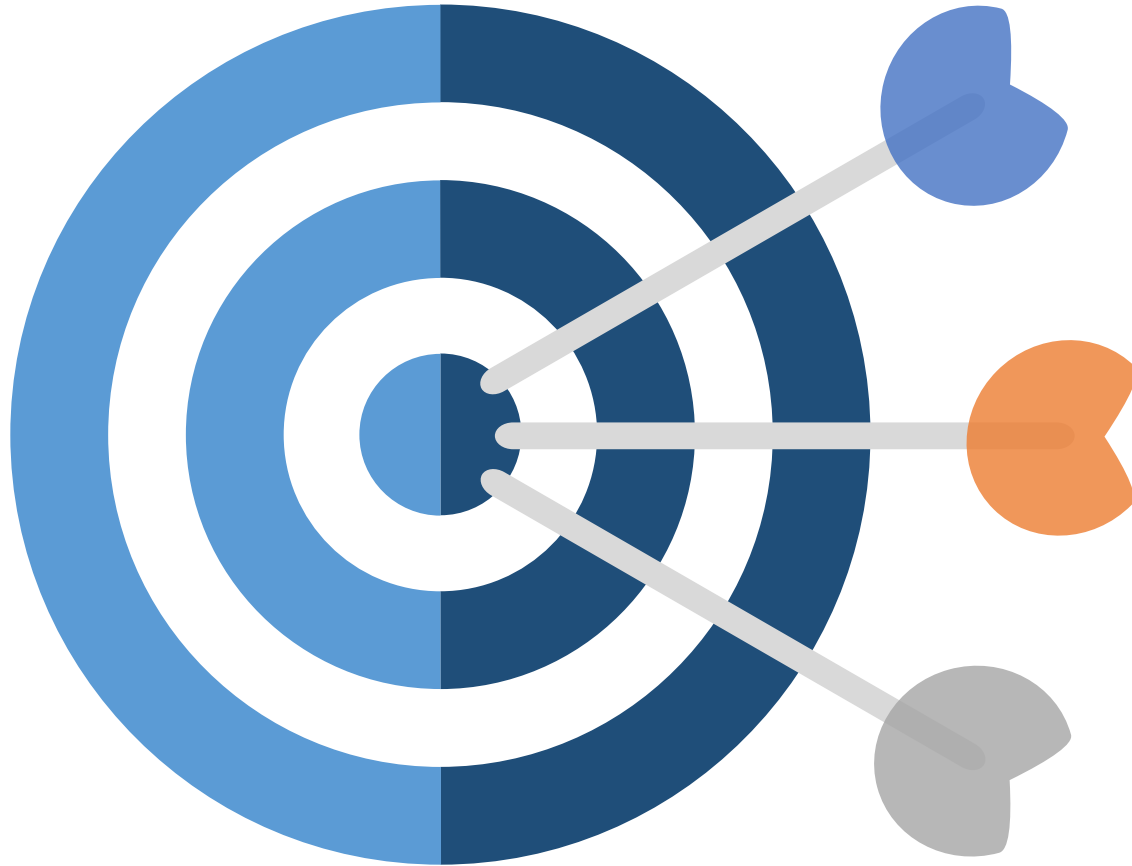
# Project vs BAU

**Design**

- Regulatory requirements
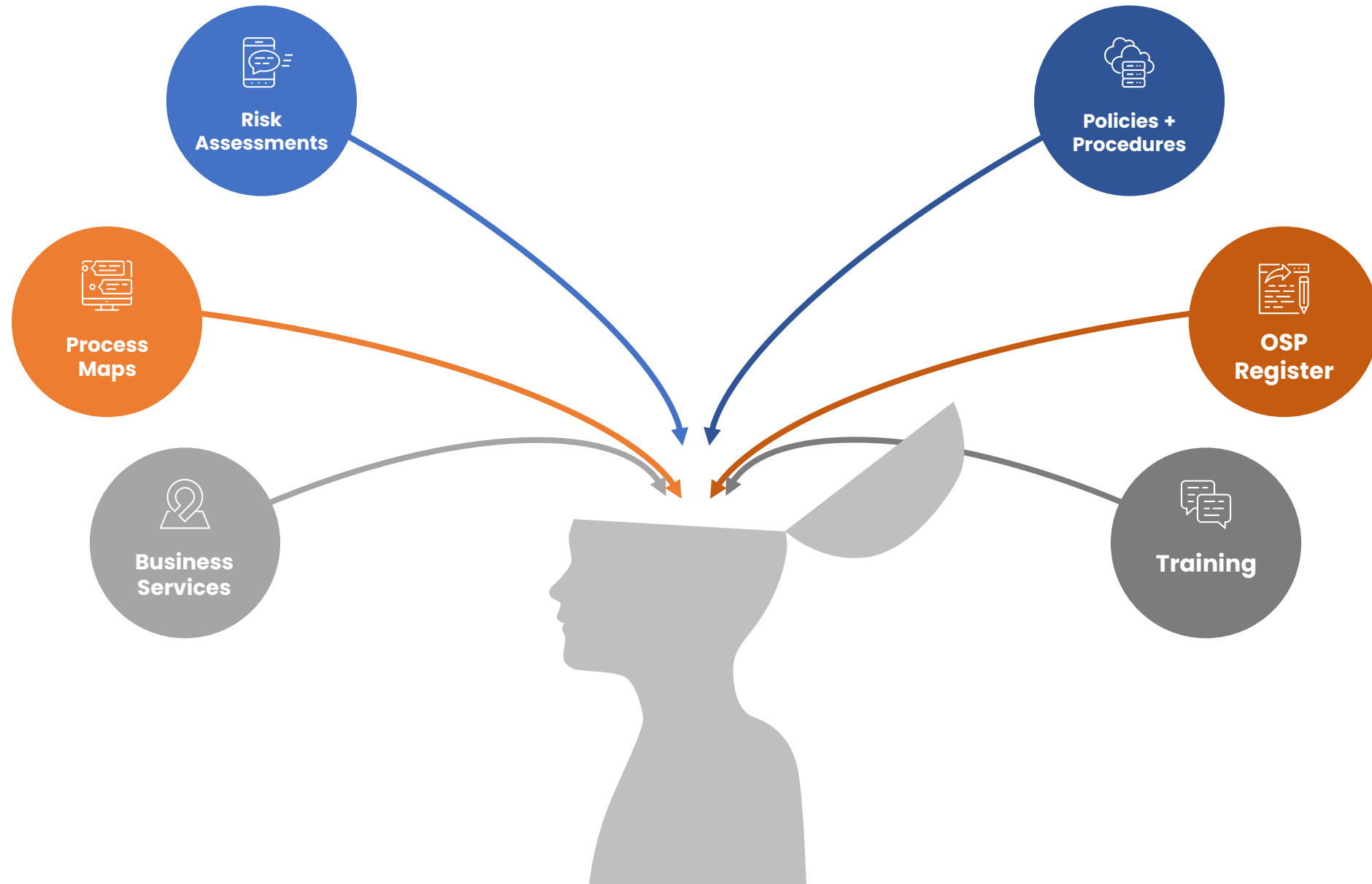- Business specific objectives
- Timelines

**Build**

- Framework / Policies / Procedures
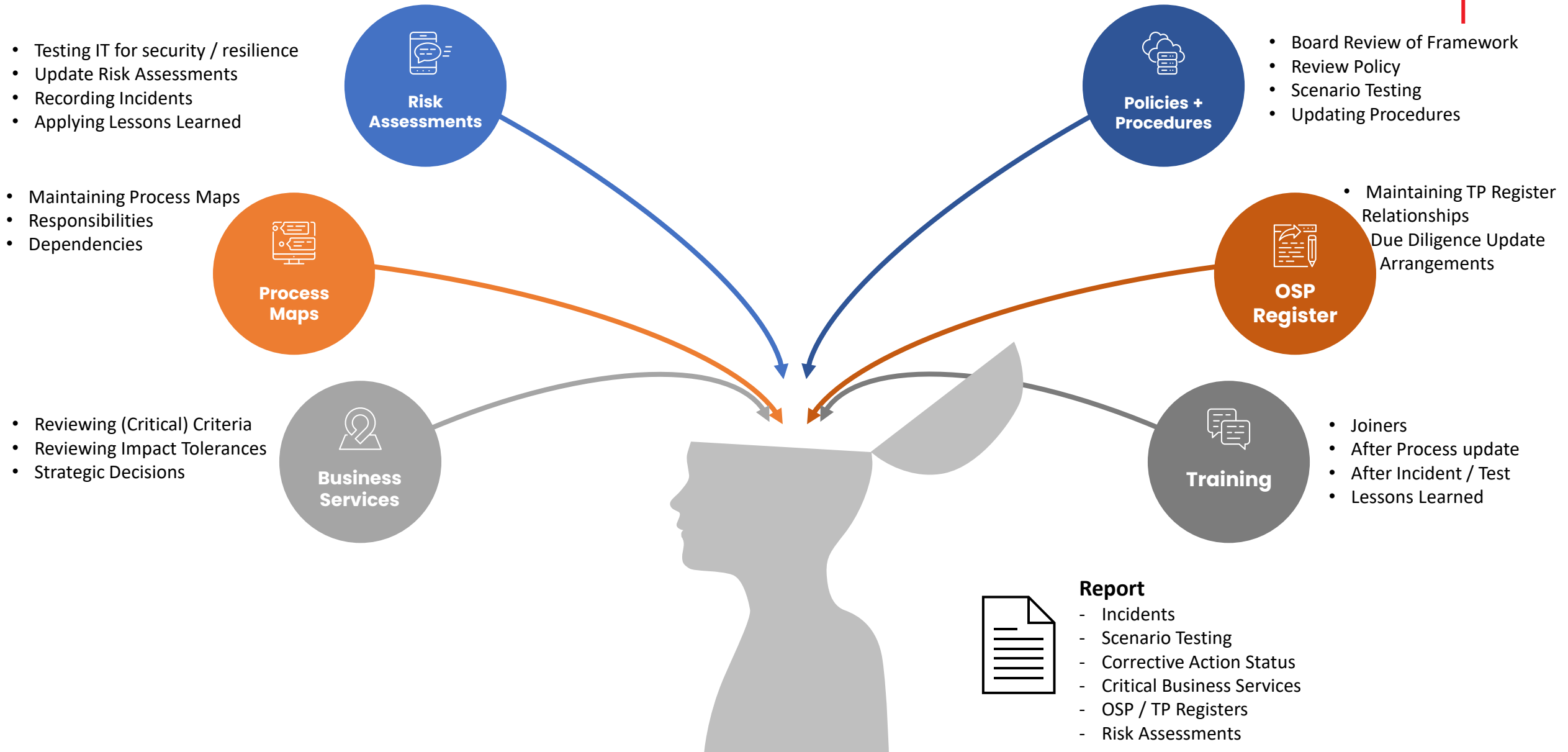- Skills & Experience
- Approvals & Governance

**Operate**

- Awareness & training
- Reporting
- Compliance

# Project vs BAU - Design & Build

# Project vs BAU - Operate

## Risk Assessments
- Testing IT for security / resilience
- Update Risk Assessments
- Recording Incidents
- Applying Lessons Learned

## Policies + Procedures
- Board Review of Framework
- Review Policy
- Scenario Testing
- Updating Procedures

## Process Maps
- Maintaining Process Maps
- Responsibilities
- Dependencies

## OSP Register
- Maintaining TP Register Relationships
- Due Diligence Update Arrangements

## Business Services
- Reviewing (Critical) Criteria
- Reviewing Impact Tolerances
- Strategic Decisions

## Training
- Joiners
- After Process update
- After Incident / Test
- Lessons Learned

## Report
- Incidents
- Scenario Testing
- Corrective Action Status
- Critical Business Services
- OSP / TP Registers
- Risk Assessments

# Demonstrating Compliance
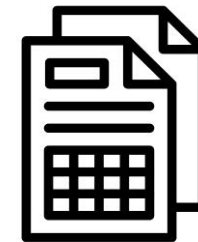
Board & Committee
Meetings

Reports

Lessons Learned

Measure what matters

Policies &
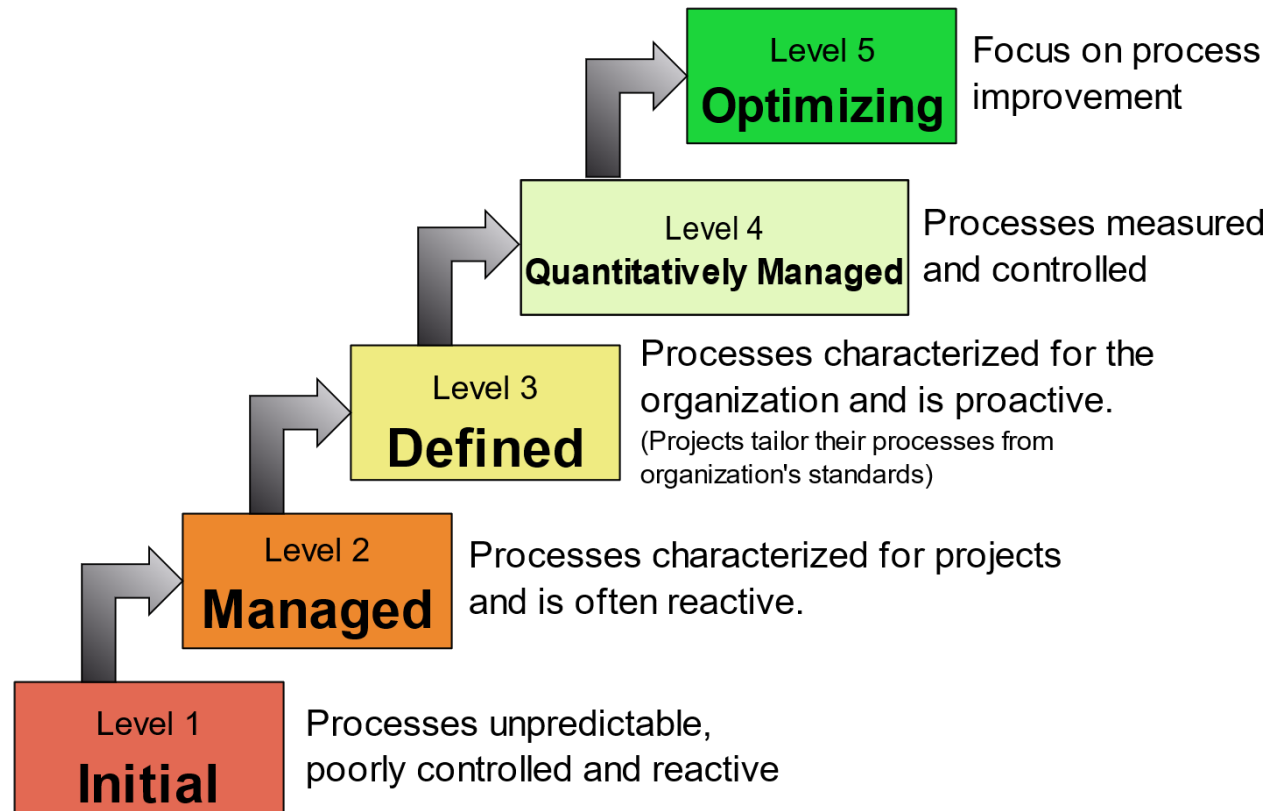Procedures

Registers

CalRisk

# Continuous Improvement

**Will look at these aspects..**

➢ Maturity Model

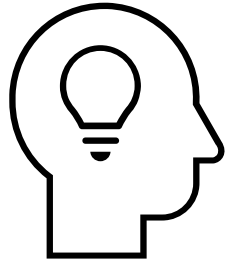➢ Learning from mistakes, errors, incidents,…

➢ Key Risk Indicators

# What is a Maturity Model?

## Characteristics of the Maturity levels



**Level 5**
**Optimizing** — Focus on process improvement

**Level 4**
**Quantitatively Managed** — Processes measured and controlled

**Level 3**
**Defined** — Processes characterized for the organization and is proactive.
(Projects tailor their processes from organization's standards)

**Level 2**
**Managed** — Processes characterized for projects and is often reactive.

**Level 1**
**Initial** — Processes unpredictable, poorly controlled and reactive

# Learning from Mistakes / Incidents / Tests

Are you recording them?

Are you analysing them?

Did / Can you stay within your stated Impact Tolerances?

Are you looking for ways to improve processes?

- Updating Response Plans
- Update / re-fresher training of individuals
- Update Procedures / Controls

Are you learning from other organisations' Incidents?

# Monitoring – Key Risk Indicators

**…. And how they might affect your Impact Tolerance Metrics**

➢ **Exposure Indicators**

*Changes in the nature of the business environment*
Investment return, unemployment rate, outstanding debt (Overdue), Key ratios (strengthening / declining)

➢ **Stress Indicators**

*Significant rise in the use of resources (people / material)*
Sick days, attrition rate, accidents, system downtime, complaints, helpdesk calls

➢ **Causal Indicators**
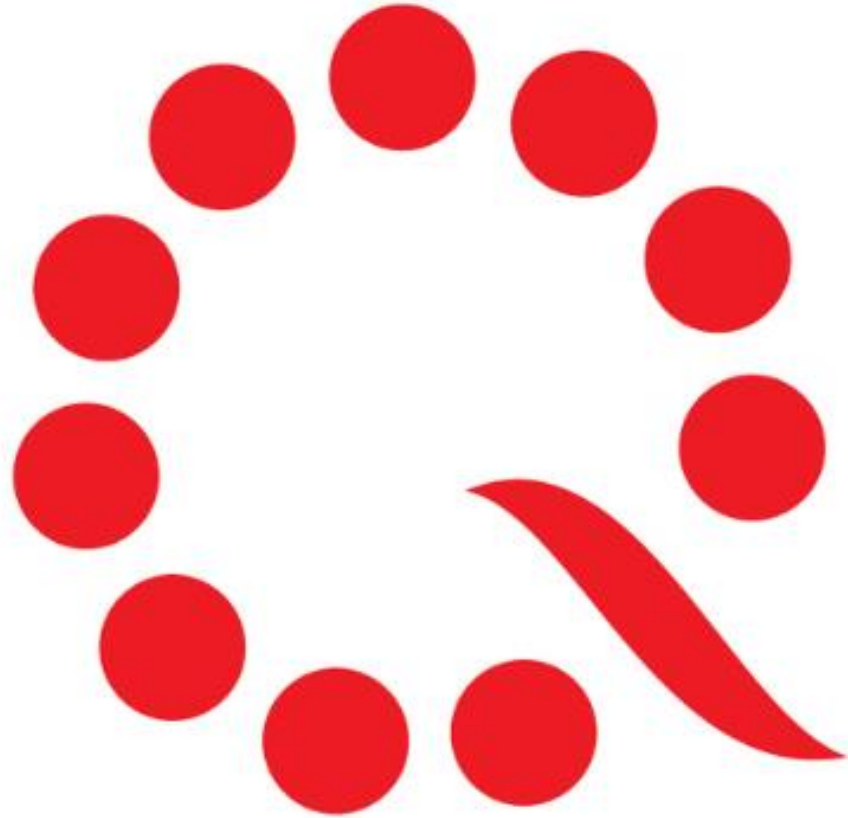
*Drivers of some key risks to the business*
No. of open positions, Avg. time to recruit, training completed, equipment age, new regulations

➢ **Failure Indicators**

*Poor performance and failing controls*
Targets missed, complaints, audit findings, data breaches, policy breaches, fraud

**Cal Risk**

# Questions ?

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