

IRM Operational Risk SIG MINUTES

Date:	25 th February 2010
Time:	17.30 – 19.00
Location:	Sapient, Eden House, 5-13 Spital Square, London E1 6DX

Attendees:	
Paul Saunders (Chair) psaunders@sapient.com	Toju Dediare tdediare@sapient.com
Victor Dowd (Speaker)	Jill Dyer jill.dyer@santander.co.uk
Andrew Lilley andrew.lilley@rbs.com	James Cole james.cole@cognitix360.com
Plus other SIG members (unrecorded)	

No.	Notes
1	<p>Welcome and introduction</p> <p>The Chairman was a little late arriving so Andrew Lilley started the meeting. He welcomed attendees and various members dialling in. There was a delayed start due to technical difficulties, but these were overcome successfully.</p>
2	<p>Presentation on The Evolution of Operational Risk Sound Practices</p> <p>Dr Victor Dowd presented some thoughts for Operational Risk Senior Managers. His presentation covered the following:</p> <ul style="list-style-type: none"> • Initial thoughts • The journey so far • Operational Risk paradigm • Ten commandments <p>Victor commented that Senior Risk Professionals must know their business. They should remember that the aim is to minimise risk, not eliminate it altogether. When defending the cost of risk management, they should consider the cost without it.</p> <p>Victor talked everyone through some key moments in the Operational Risk journey so far and its concepts, such as:</p> <ol style="list-style-type: none"> 1) The rogues gallery – Jeffrey Archer, Enron Directors, Nick Leeson, Peter Morgan etc etc 2) Growth of the Regulators – especially for financial services. 3) Capital Requirements Directive – Basel overview 4) Arrow Dashboard / SREP 5) Solvency II 6) Approved Persons <p>Under Basel Pillar 2 companies can define their own operational risks. Victor discussed the 10 principles under Pillar 2 and then answered a few questions from SIG members to close the presentation.</p>
3	<p>Any Other Business</p> <p>There was discussion on forging greater links with the IRM Solvency II SIG. There was a request for some Chinese visitors to attend the next meeting in March.</p>
4	<p>Next Meeting</p> <p>Unfortunately the March meeting had to be cancelled so the next meeting is: Thursday 29th April at 5.30pm This will be a Questions & Answers session - members are asked to bring at least one question to the table that the collective SIG attendees can try to answer.</p>