International Certificate in Financial Services Risk Management

Institute of Risk Management

Banks • Building Societies • Consultancies • Insurers • Regulators

www.theirm.org/qualifications
IRM is the leading professional body for Enterprise Risk Management (ERM). We drive excellence in managing risk to ensure organisations are ready for the opportunities and threats of the future. We do this by providing internationally recognised qualifications and training, publishing research and guidance, and setting professional standards.

For over 30 years our qualifications have been the global choice of qualification for risk professionals and their employers. We are a not-for-profit body, with members working in all industries, in all risk disciplines and in all sectors around the world.

Organisations that have previously benefited from our qualifications include:
Contents

Introduction to IRM Qualifications

International Certificate in Financial Services Risk Management

Overview
Module 1
Module 2
Further information

What our students say

IRM Training
Introduction to IRM Qualifications

IRM’s qualifications have been developed by internationally recognised academics and industry practitioners. They will provide you with the broad knowledge and the practical skills you need to manage risk.

Our International Certificates and Diploma give you the theory, tools and techniques to manage risk, maximise opportunities and protect your organisation. You can learn from anywhere in the world via supported distance learning, which includes directed self-study and online coaching.

Why study with the IRM?

As the world’s leading professional body for Enterprise Risk Management (ERM) we have a global reputation for offering highly practical, academically rigorous qualifications to meet industry needs.

We are responsive to the latest challenges facing risk managers, such as international regulatory developments in the financial services sector. The post-crash environment has seen regulators, investors and business partners make increasing demands on organisations to demonstrate they have top-class risk management in place at an integrated, enterprise level. Our focus is therefore on the importance of strategy, culture, behaviour and competence in relation to risk and on concepts like risk appetite, risk maturity and decision making.
Learning journey

International Certificate in Enterprise Risk Management (Modules 1-2)
International Certificate in Financial Services Risk Management (Modules 1-2)
International Diploma in Enterprise Risk Management (Modules 3-6)

IRM Student Membership

Enrolling for a qualification means you join IRM and become part of our global community that covers 143 countries. You can also access a valuable range of benefits to support you through your risk management studies and beyond. These include our online resources, access to thought leadership, topical webinars and special interest groups in industries such as charities, cyber, health and care, innovation, infrastructure and operational risk.

Our students are based in 143 countries

We have taught over 8000 students

Driving excellence for over 30 years

Benefits to employers

An organisation that effectively and efficiently manages its risks and opportunities is more likely to achieve its business objectives at lower overall costs. Risk management is an inherent part of good management. By supporting your employees through our qualifications, you will benefit from:

> Enhancing business performance and improving risk decision making.
> Associating your organisation with best risk management practice.
> Attracting and retaining high-calibre professionals by investing in personal development.
> Developing a motivated, skilled and knowledgeable team.
> Receiving discounts on membership, qualifications, training and events.
Risk management is increasingly seen as a significant issue for banks, life insurers, general insurers, building societies, consultancies and regulators. In response to international regulatory developments including Basel III and Solvency II, employers are demanding qualifications such as the International Certificate in Financial Services Risk Management.

**Course overview**

The International Certificate in Financial Services Risk Management is a professional certificate set at degree level. It can be taken as a stand-alone qualification or form the first part of the International Diploma in Enterprise Risk Management (ERM). Learning in the first module explores elements of the risk management process, while the second module looks at the practiced implementation of such processes, including how they may be affected by organisational culture and appetite for risk.

**Module 1:**
Principles of Risk and Risk Management in Financial Services

**Module 2:**
Practice of Risk Management in Financial Services

**Entry requirements**

There are no formal entry requirements. However, students are expected to have some basic knowledge of risk management tools and techniques.

Further details of this are on the IRM website.

**Level**

The International Certificate is set at an equivalent level to a degree qualification.
Progression

Completion of this Certificate covers modules 1 and 2 of the International Diploma in Enterprise Risk Management, leaving modules 3-6 to complete to achieve the full Diploma qualification.

How long does it take to complete?

You can complete this Certificate within 6-9 months. You will enrol for modules 1 and 2 at the same time and sit exams for both in the same exam period.

An indicative study time for the qualification is between 180 and 200 hours per module.

Assessment

- **Module 1** is assessed by a 90 minute multiple choice examination.
- **Module 2** is assessed by a three hour written examination with a combination of short answer and essay style questions.

Examination sessions

There are two examination sessions each year for this Certificate. These are normally the first week in June and the last week in November.

Membership designations

Successful candidates automatically join the IRM as Certificate Members and are entitled to use the IRMCert designation while they remain members.

<table>
<thead>
<tr>
<th>Course fees</th>
<th>All course fees shown are VAT exempt.</th>
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<tbody>
<tr>
<td>Standard rate:</td>
<td>£1,995</td>
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<td>Member rate:</td>
<td>£1,795</td>
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<td>Low GDP rate*:</td>
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*A full list of low GDP countries can be found online.*

Fees include: IRM student membership, a detailed study guide, core study books, student support, practice exams and entry to exams.
Module 1: Principles of Risk and Risk Management in Financial Services

This module gives an introduction to the principles and concepts of risk and risk management in a financial services context. The history of risk management is explored alongside the development and impact of international and regulatory standards. This leads to examining how risks are classified in financial services and approaches to identifying, assessing, quantifying and treating them.

Main learning outcomes

By the end of this module you should be able to:

> Recognise the origins and key concepts relating to risk management.
> Understand the regulatory context for risk management in financial services.
> Understand and classify the main sources of risk within banks and insurers.
> Compare and contrast the main risk management standards and regulations.
> Apply the concepts of Enterprise Risk Management (ERM).
> Examine and use the main approaches to risk identification, analysis and evaluation.
> Distinguish the main features of risk control techniques.

Unit 1: Concepts and definitions of risk and risk management

A general introduction to some basic risk management concepts in financial services.

Contents
1.1 Approaches to defining risk
1.2 Impact of risk on organisations
1.3 Types of risk
1.4 Development of risk management
1.5 Principles and aims of risk management

Unit 2: Risk management standards

Explores the main features of key risk management standards, including the most generally accepted ISO 31000 standard (ISO, 2009), as well as Basel III and Solvency II.

Contents
2.1 General risk management standards and risk management frameworks
2.2 Alternative risk management approaches
### Unit 3: Enterprise Risk Management
An overview of ERM. Understand how it can be implemented, in what context and the role of objective setting.

**Contents**
- 3.1 Defining ERM
- 3.2 ERM overview
- 3.3 Implementing ERM
- 3.4 Establishing context for risk management
- 3.5 Objective setting

### Unit 4: Risk assessment 1 (introduction and identification)
Introducing risk assessment, the importance of risk identification, some general risk assessment considerations and techniques that are used specifically in financial services.

**Contents**
- 4.1 Risk assessment considerations
- 4.2 Value at risk, stress tests and scenarios
- 4.3 Risk causes and consequences
- 4.4 Risk classification systems

### Unit 5: Risk assessment 2 (analysis and evaluation)
This unit focuses on risk analysis, risk evaluation and the role of internal models in financial services. Focus on likelihood, impact and the positive side of risks.

**Contents**
- 5.1 Introduction to risk analysis
- 5.2 Risk likelihood and impact
- 5.3 Regulatory models and internal models such as risk analysis
- 5.4 Defining the upside of risk
- 5.5 Risk evaluation and risk appetite

### Unit 6: Risk response and risk treatment
A conclusion of the module, completing the ERM process and considering risk treatment.

**Contents**
- 6.1 Introduction to the topics
- 6.2 The 4 Ts
- 6.3 Risk control techniques
- 6.4 Control of financial risks
- 6.5 Introduction to control of operational risks
- 6.6 Insurance and risk transfer
- 6.7 Business continuity planning
- 6.8 Outsourcing
- 6.9 Cyber risk
- 6.10 Learning from experience
Module 2: Practice of Risk Management in Financial Services

This module explores the impact of the business environment on risk management and explores issues relevant to banks, insurers, and stakeholders, including regulatory authorities. It examines how corporate governance and risk assurance might influence risk architecture and the significance of risk culture, appetite and tolerance in relation to current practices and case studies, including the 2008 Financial Crisis.

Main learning outcomes

By the end of this module you should be able to:

- Discuss the impact of the wider business environment on organisations and the issues this raises for risk management in the financial services sectors and various geographical areas.
- Illustrate the key features and applications of a risk management framework.
- Explain the significance of culture, appetite and tolerance, as well as the key features of corporate governance models, project risk and operational management systems.
- Explain the Three Lines of Defence governance model and the purpose of internal control, internal audit and risk assurance.
- Analyse real life case studies (including the 2008 Financial Crisis) and identify key lessons.

Unit 1: The global business environment
The implications of the business and risk environment on organisations in financial services and appropriate responses.

Contents
1.1 The business and risk environment
1.2 Organisational vision and values
1.3 Risk management, business success and value added
1.4 Sector-specific and geographical issues

Unit 2: Risk strategy and framework
The overall approach to risk management in financial services and how this can be structured to meet the needs of the organisation.

Contents
2.1 Risk management framework
2.2 Risk management documentation and responsibilities
2.3 Risk maturity
Unit 3: Risk culture, appetite and tolerance
How an organisation’s approach to risk management is significant, how to create effective risk profiles to manage this and what makes a great risk practitioner.

Contents
3.1 Organisational behaviour and culture
3.2 Risk appetite and tolerance
3.3 Risk training and communication
3.4 Risk practitioner competencies
3.5 Conduct risk

Unit 4: Risk and organisations
Key features of international corporate governance, how to manage regulatory bodies and various facets of risk management including financial services.

Contents
4.1 Introduction to corporate governance
4.2 Identifying stakeholders, including regulatory bodies

Unit 5: Risk assurance and reporting
Important features of an effective control environment and how auditing and other risk assurance techniques fit within the risk management framework.

Contents
5.1 The control environment
5.2 Risk assurance and internal audit
5.3 Own assessment of risk
5.4 Risk reporting
5.5 Corporate reputation

Unit 6: Case studies in organisational risk management
Case studies that give important insights into how risk events occur, and the lessons that can be learned from them. Also covers the challenges of understanding emerging risks.

Contents
6.1 Case studies in organisational risk management
6.2 Emerging risks and future developments
Enrolling for the International Certificate in Financial Services Risk Management

Non-Members: Potential candidates who are not already existing IRM members/students should complete the online application form on our website.

Existing IRM Members: Existing members and Group Scheme members should first contact studentqueries@theirm.org to obtain a member enrolment form, to ensure they receive the discounted member rate for course fees.

Study support

Studying for a professional qualification is a rewarding experience. However, we recognise it can be a challenge when balancing distance-learning study, work and family commitments. To make your studies as straightforward as possible, we provide a comprehensive support package. You will receive a study pack of your essential textbooks approximately 2-3 weeks after your application form and payment have been processed.

The Study (online support area): The Study provides you with online access to the student handbook, module study guides and specimen exam papers. These lead you step by step through the modules and provide self-assessment questions to help you master the subject matter.

Our discussion forums provide a valuable opportunity to network, share ideas and learn from other students. Module coaches review the discussion forums and pose questions, challenges and facilitate discussion amongst students. Where common questions or themes arise, they will attempt to answer these. For each module there is an online tutorial led by the module coach.

“Risk in the real world” webinars are delivered on real-life case studies to help bring your studies to life, and a revision webinar for each module will run in April for the June exams or September for the November exams.

Examination policies

Students must attend an IRM exam centre in person to take exams. IRM’s examinations are handwritten and paper-based. Module content will be assessed by using the learning outcomes.
Examination centres

IRM exams can be taken around the world.

Listed below are the current locations of our examination centres. Examination venues may vary in a particular location. Exact venue addresses of each centre are provided to students before the exams on our website.

**UK examination centres:** Aberdeen, Belfast, Birmingham, Bristol, Cambridge, Cardiff, Edinburgh, Glasgow, Guernsey, Isle of Man (Douglas), Jersey, Leeds, London, Manchester, Newcastle-Upon Tyne, Nottingham, Southampton.

**Overseas examination centres:** Barbados (St Michael), Belize, Bermuda, Botswana (Gaborone), British Virgin Islands (Tortola), Canada (Ottawa), Cayman Islands (Grand Cayman), Cyprus (Nicosia), Ghana (Accra, Kumasi), Gibraltar, Guyana (Georgetown), Hong Kong, India (Bangalore, Chennai, Kolkata, Mumbai, New Delhi), Ireland (Cork, Dublin, Waterford), Jamaica (Kingston), Kenya (Nairobi), Malawi (Blantyre, Lilongwe), Malta, Mauritius (Port Louis), Nigeria (Lagos), Seychelles, Sierra Leone (Freetown), Singapore, South Africa (Johannesburg), Sri Lanka (Colombo), Tanzania (Dar es Salaam), Trinidad (Port of Spain), Uganda (Kampala), Ukraine, United Arab Emirates (Dubai), Zambia (Kitwe, Lusaka), Zimbabwe (Harare).

**Special examination centres:** If you live outside of the UK in an area not listed above, you can apply to arrange a special centre. Further details of this are on the IRM website.

Payment methods

Full details of payment methods can be found online. Payment can be made using:

- BACS / bank transfer
- Debit / credit card
- Cheque
- Invoices (where requested)

**Group enrolments:** Discounts are available for groups of 10+ employees from the same organisation within the same exam session.
What our students say

Adnan Abu Al-Haija IRMCert
Senior Risk Manager
Arab Orient Insurance Company

“Holding IRM qualifications is essential to all risk management professionals.”

Gemma Clatworthy, IRMCert
Senior Manager, Enterprise Risk Strategy
Nationwide Building Society

“The International Certificate has given me a good base for my risk management knowledge.”

Eliana Marino IRMCert
Risk Management Officer
European Money Markets Institute

“IRM is a very interesting channel to be aware of the latest updates and to learn from real case studies.”

Jonathan Groves CFIRM
Chief Risk Officer
QBE, Equator RE, Bermuda

“IRM qualifications provide a practical framework and a structured way of thinking. This is vital to success in a risk role.”

View more testimonials at www.theirm.org/whatourstudentssay.
Risk Management Training

Industry-leading training courses delivered by risk experts for over 30 years

“IRM is not just a training institution, it’s a community that shares knowledge, experience and networking opportunities which has contributed to the furthering of my career.”

Richard Hawkins, CIRM
Business Analyst
Rimelo Consulting

Training courses include:

> Fundamentals of Risk Management (FoRM)
> Embedding Risk Management
> Strategic Insights into Cyber Risk
> Choosing and Using Key Risk Indicators
> Risk Culture

We offer CPD and accreditation.

Email: training@theirm.org
Phone: +44 (0)20 7709 4117
or visit www.theirm.org/training
Prices correct as of August 2017.

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