

Operational risk manager

Skills Framework track	Risk, compliance and legal	Job function	Risk management	Job family	Operational risk
Sub-sectors	Retail banking, corporate banking, investment banking, private banking and wealth management, asset management, insurance	Expected augmentation by Gen AI	Do more: Gen AI can automate the reporting of operational risk threats, streamline risk assessments, and enhance the review of stress-testing findings. Gen AI tools can also suggest corrective actions, optimize compliance checks, and facilitate the documentation of risk controls while augmenting the analysis of operational risks and historical loss causes		

Key tasks that can benefit from Gen AI

Critical work functions	Key tasks
Monitor and report risk exposure	Maintain an operational risk view over all end-to-end processes across business processes, products, and technology platforms
	Manage operational risk assessments and the reporting of operational risk threats and operational risk exposure levels
	Oversee the conduct of operational risk assessments to identify operational risks across business units
	Review stress-testing findings to identify operational risk mitigation plans
	Identify and propose corrective actions based on operational risk exposure related to employee conduct, business processes, and/or technology platforms
	Propose corrective actions to mitigate future operational risks based on findings of investigations into major operational losses
	Conduct periodic reviews on business units' performance in monitoring and managing key operational risks
Establish a culture of risk awareness and risk management	Ensure compliance with operational risk frameworks, policies, and requirements
	Document operational risk controls and consequence management processes for employee reference
Manage BCM framework	Determine consequences of business disruptions and/or crisis scenarios and propose relevant incident responses and business continuity plans
	Revise BCM framework based on new and changing regulations
Maintain ORM framework	Conduct periodic reviews and testing of the organization's lines of defense to ensure compliance with ORM policies and frameworks
	Analyze operational risk analysis findings to identify operational risks and historical causes of losses
Implement risk controls and risk management activities	Review the accuracy of operational risk position assessment findings and recommended changes
	Oversee the implementation and effectiveness of ORM activities
	Ensure the adequacy of third-party technology security controls through stress testing and augment technology controls to reduce technology risks
	Determine actions required to close operational risk control gaps and expand operational risk coverage based on identified deficiencies
	Develop mitigation actions for identified operational risks in the organization
	Conduct reviews on operational risk controls to identify improvements

1. Transferrable skills with an increase in one level of proficiency is considered easier to acquire than transferable skills with multiple levels of increase in proficiency, followed by net new additional skills. Depending on job redesign for the financial institution, the financial institution will have to pick select skills to reskill employees on, via a combination of on-the-job training and existing courses.

Source: SkillsFuture Skills Framework

Proficiency level

- X New Gen AI skills
- X Transferrable skills at the same proficiency level
- X New skills
- X Transferrable skills at a higher proficiency level¹

New Gen AI skills

Regulatory, legal, and risk management compliance in AI and Gen AI	3
Ethical frameworks for Gen AI	3
Gen AI data governance	3
Gen AI principles and applications	3
Prompt design	3

Potential next-seniority level (Head of operational risk management) skills to acquire

Climate change management	3	Corporate governance	5	Risk appetite and goals setting	5
Sustainability risk management	3	Crisis management	5	Scenario planning and analysis	5
Ethical culture	5	Data collection and analysis	5	Security governance	5
Stakeholder management	5	Operational risk management	5	Standard operating procedures development	5
Business continuity planning	5	People performance management	5	Strategy planning	5
Business risk assessment	5	Policy implementation and revision	5	Technology application	4
Change management	5	Risk and compliance reporting	5	Data storytelling and visualization	4

DO MORE