



# SBP GUIDELINES FOR BANKS OPERATIONAL RISK MANAGEMENT

An ISO 9001 : 2015 Certified Company

A Company Set Up Under Section 42 of the Companies Act, 2017

**DATE: FEBRUARY 26, 2019 | LAST DATE OF REGISTRATION: FEBRUARY 25, 2019**  
**CITY: ISLAMABAD | FACILITATOR: MR. MUHAMMAD ANWER KHAN**

**FEE: PKR 12,500/- per participant**  
**TIMINGS: 9 AM - 5 PM**

## OVERVIEW

Operational risk is the prospect of loss resulting from inadequate or failed procedures, systems or policies. It may be due to: Employee errors, Systems failures, Fraud or other criminal activity or any event that disrupts business processes. Most organizations accept that their people and processes will inherently incur errors and contribute to ineffective operations. In evaluating operational risk, practical remedial steps should be emphasized in order to eliminate exposures and ensure successful responses. Poor operational risk management can hurt an organization's reputation and cause financial damage. How much loss an organization is prepared to accept, combined with the cost of correcting those errors, determines the organization's risk appetite.

Operational risk exists in every organization, regardless of size or complexity, from the largest institutions to regional and community banks. Growing sensitivities on the domestic and international fronts push us hard to focus on the areas where operational controls are relatively weaker and we need to allocate resources in the most effective way to improve and further strengthen our controls. Accordingly, following the regulator's guidelines and meeting mandatory regulatory requirements are aimed at providing an enabling environment for effective implementation of risk based approach considering banks' internal policies, procedures and operational parameters etc.

## CONTENTS

- What is Operational Loss?
  - Definition
  - Operational Loss Event
  - Internal / External Data Loss
  - Benefits and Problems Collecting Loss Data
  - Operational Risk Event types
- Understanding of State bank of Pakistan's (SBP) Guidelines for Operational Risk Management and its Framework
- Methods for Assessing Operational Risks
- Precautionary Measures to Mitigate Operational Risks
- Operational Risk Management Tools and Components
- Incident reporting formats & Reporting Significance

## WHO SHOULD ATTEND?

- Branch, Operation and Relationship Managers
- Compliance Professionals
- Auditors
- Officials from Internal Control Division/ Unit/ Department
- Other Banking staff dealing in Banking Operations

## FACILITATOR

### Mr. Muhammad Anwer Khan

Mr. Muhammad Anwer Khan has a rich Banking experience of 25 years. He is currently Area Operations Manager in Al Baraka Islamic Bank Pakistan Ltd., where he is supervising over 22 Branches and taking care of all operations related issues. He also has experience of Sales and Operations under his belt. He started his Career from Union Bank Ltd. and worked as Branch Manager and Branch Banking Deposit In-charge. He worked in Standard Chartered Bank and Emirates Global Islamic Bank Limited (EGIBL) in different departments and from there proceeded to Operations and Excel here. He also provides trainings on Operations, Foreign Exchange, Account Operations, ATM Operations in AL Baraka Bank Ltd. He has an M.Com from Peshawar University.

## SPECIAL DISCOUNTS

# 5% DISCOUNT

For all Member Institutions of IBP

**5% DISCOUNT**  
on 3-5 nominations

**10% DISCOUNT**  
on 6+ nominations

## FOR DETAILS PLEASE CONTACT

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