



# OPERATIONAL RESILIENCE FOR FINANCIAL SERVICES FIRMS

Meet New Regulations with Strategic Guidance and the Right Technology

September 8th, 2021 10:00-11:00 CST

Hosted by Fusion Risk Management, featuring Protiviti

# AGENDA

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# WELCOME

Join Protiviti and Fusion Risk Management as they partner to deliver a unique session on the topic of Operational Resilience for Financial Services. The Bank of England, PRA, and FCA have released new regulations that require a strategy to be in place with significant progress made by March 2022. Use this session to understand the most important points of the regulations, milestone dates you must be ready for, and the best ways to build your readiness and resilience.



## Learning Objectives

- 
- ▶ Understand what is most important to focus on in the operational resilience regulations from Bank of England/FCA/PRA for March 2022 and beyond.
  - ▶ Learn how to meet regulatory demands while advancing your organization's resilience practices that leadership and customers are demanding.
  - ▶ Hear about the latest regarding technology that targets Operational Resilience.
  - ▶ Discover how to leverage state-of-the-art data-driven approaches rather than traditional document outputs to meet regulatory demands efficiently and effectively.
  - ▶ Explore complexities of scenario testing the resilience of important business services and how technology can help.
  - ▶ Grasp how operational resilience needs are different from a GRC suite or traditional business continuity tools.

# WELCOME



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US Operational  
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Managing Director,  
Global Financial Services  
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**Steve Richardson**

SVP,  
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**Fusion Risk Management**



**Ryan Shea**

Solution Engineer

**Fusion Risk Management**



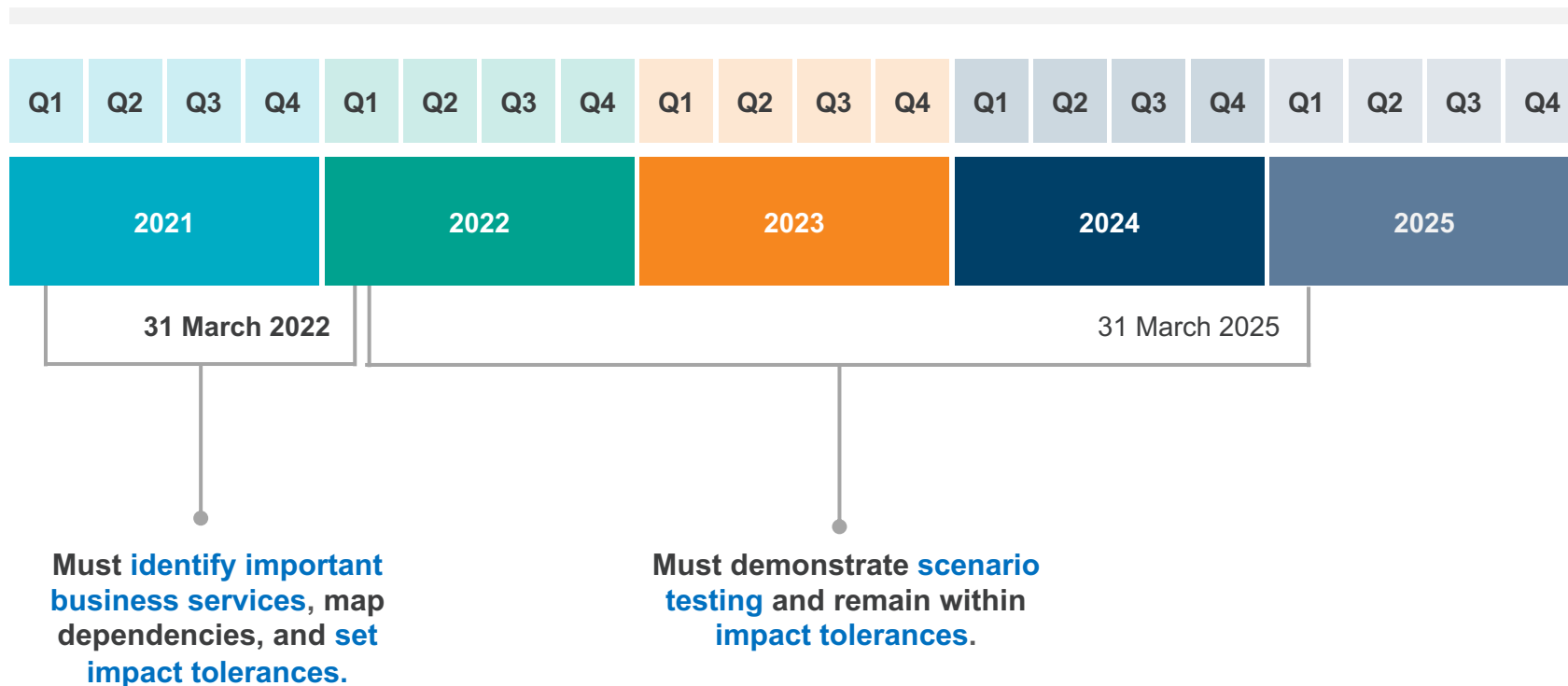
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# OPERATIONAL RESILIENCE FOR FINANCIAL SERVICES FIRMS

Key Considerations and Takeaways from Regulations and Industry  
Best Practices

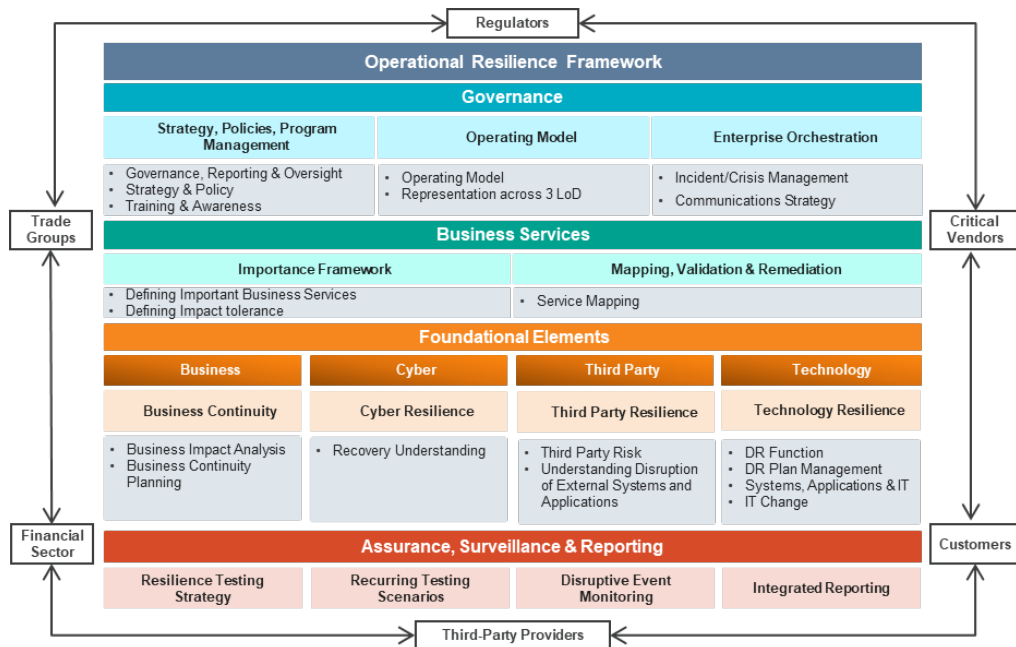
# BANK OF ENGLAND / PRA / FCA OPERATIONAL RESILIENCE REGULATORY TIMELINES



# OPERATIONAL RESILIENCE FRAMEWORK



Protiviti's Operational Resilience Framework identifies the key components firms must consider when formalizing and managing resilience of the important business services they operate.



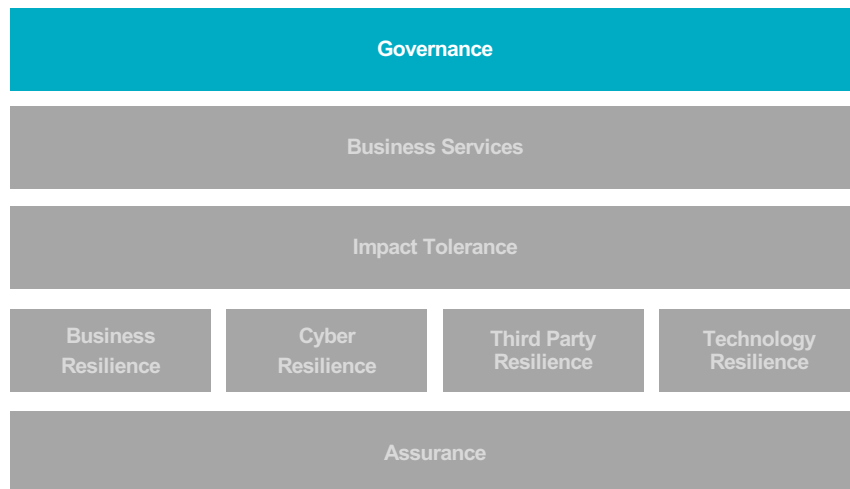
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# KEY CONSIDERATIONS - GOVERNANCE



At its essence, resilience is a 'repackaging' and enhancement of continuity and recovery efforts. Critical to an organization's success is to align current capabilities to regulatory scope in order to right-size efforts, contain costs, and achieve resilience objectives.



# KEY CONSIDERATIONS – BUSINESS SERVICES



A clear and established delineation of which Business Services are Important (or Critical) establish a clear scope that the organization, and their regulators, can focus on.



## Business Services

- Taxonomy
- Leverage Existing Artifacts
  - Recovery & Resolution Planning
  - Product Taxonomies
  - ERM or ORM RCSA units
  - Audit universe
- Mapping
  - Critical Path Aspects
  - Fit for Purpose
  - Technology Enabled to Maintain

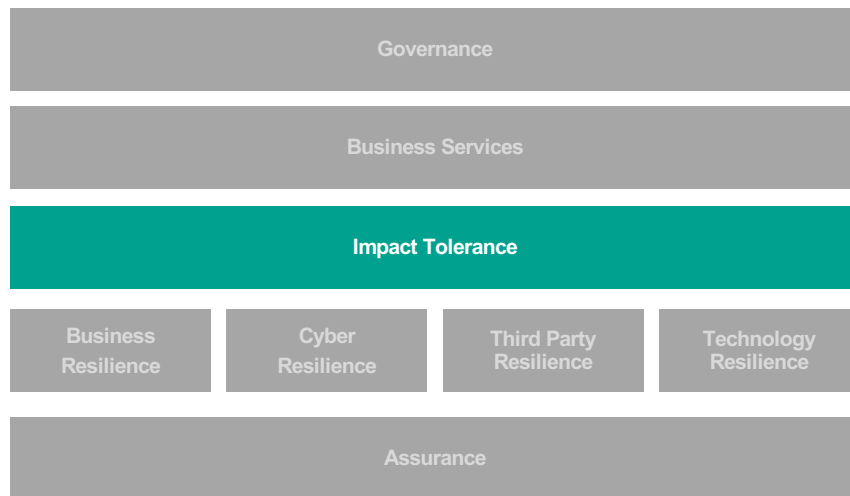
*While companies have established disaster recovery and business continuity programs, they struggle to provide true front-to-back process views of their business services. Aligning thousands of systems and processes to business services is a challenge*



# KEY CONSIDERATIONS – IMPACT TOLERANCE



Establish impact tolerances for important business services. Extending beyond traditional recovery time, impact tolerance represents the point at which an interruption threatens intolerable harm to applicable stakeholder groups.



## Impact Tolerance

- Focus on Critical Business Services First
- Evaluate against *Maximum Tolerable Period of Downtime*
- Consider Impact Tolerance as an Organization Risk Measure

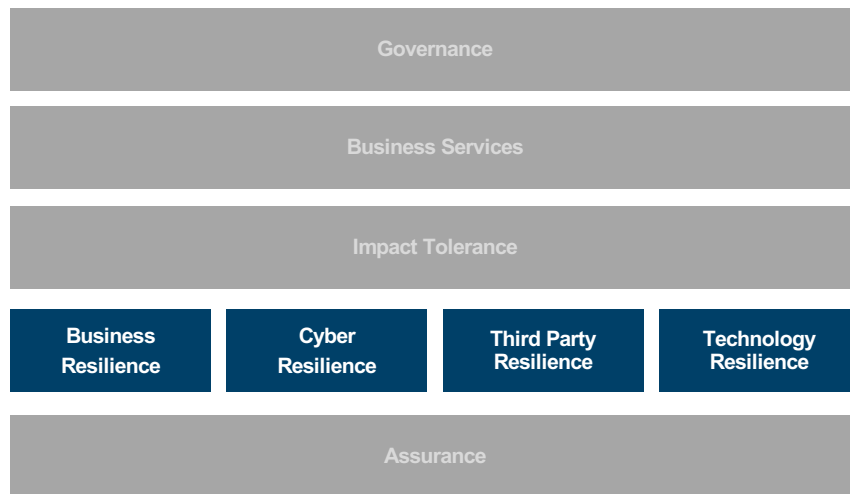
*As part of the process to establish realistic impact tolerances, assess time-to-recover capabilities by using a series of “extreme but plausible” scenarios. This process will educate key stakeholders on real-world scenarios the firm may face and identify potential funding needs to remain within defined impact tolerances*



# KEY CONSIDERATIONS – FOUNDATIONAL ELEMENTS



In order for an organization to develop and maintain resilient business services, core capabilities must exist across existing foundational elements: Cyber, Third Parties, Disaster Recovery, and Business Continuity.



## Foundational Elements

- Evolve existing Continuity Capabilities
- Understand and acknowledge reliance on third parties
- Integrate with CISO organization to align objectives and orchestrate response
- Consider how transformational activities will change the landscape and recovery options

# KEY CONSIDERATIONS – ASSURANCE



Develop true enterprise-wide capability with which to demonstrate ability to recover from “Extreme but Plausible” scenarios, orchestrating across existing continuity, incident response, and crisis management capabilities.



## Assurance

- Formal & Robust Testing Strategy
- Methodology for Developing and Evolving Disruptive Scenarios
- Evaluate against Impact Tolerances
- Develop Meaningful Metrics

*Testing will indicate where investment in technology or processes is needed in order to stay within tolerances. Lessons learned through testing should be considered and acted upon to continue to improve resilience.*



# PROTIVITI + FUSION RISK MANAGEMENT



With expert advisory services and a proven platform, Protiviti and Fusion Risk Management accelerate your path to resilient operations.



## STRENGTH IN NUMBERS

Learn and evolve with the most esteemed leaders and experts in the industry. Leverage an evolving framework that makes the latest best practices scalable.



## 80% OF THE WAY ON DAY 1

We're ready when you are. Fusion's proven platform gets you 80% of the way there on day 1.



## CONTINUOUS INNOVATION

The guidance will continue to evolve. We are investing in relentless innovation in line with regulatory expectation and best practice.



## DESIGNED FOR INTEGRATION

Leverage the data, apps, and experiences in use at your firm today with the most integrated, connected platform on the planet.



## READY WHEN YOU ARE

Expectations are set for March 2022. Firms are well on their implementation journey with Fusion.



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# DEMONSTRATION

Managing to the Operational Resilience Regulations with  
Fusion Framework System

# ROLE OF TECHNOLOGY IN MANAGING RESILIENCE



Optimize  
visibility



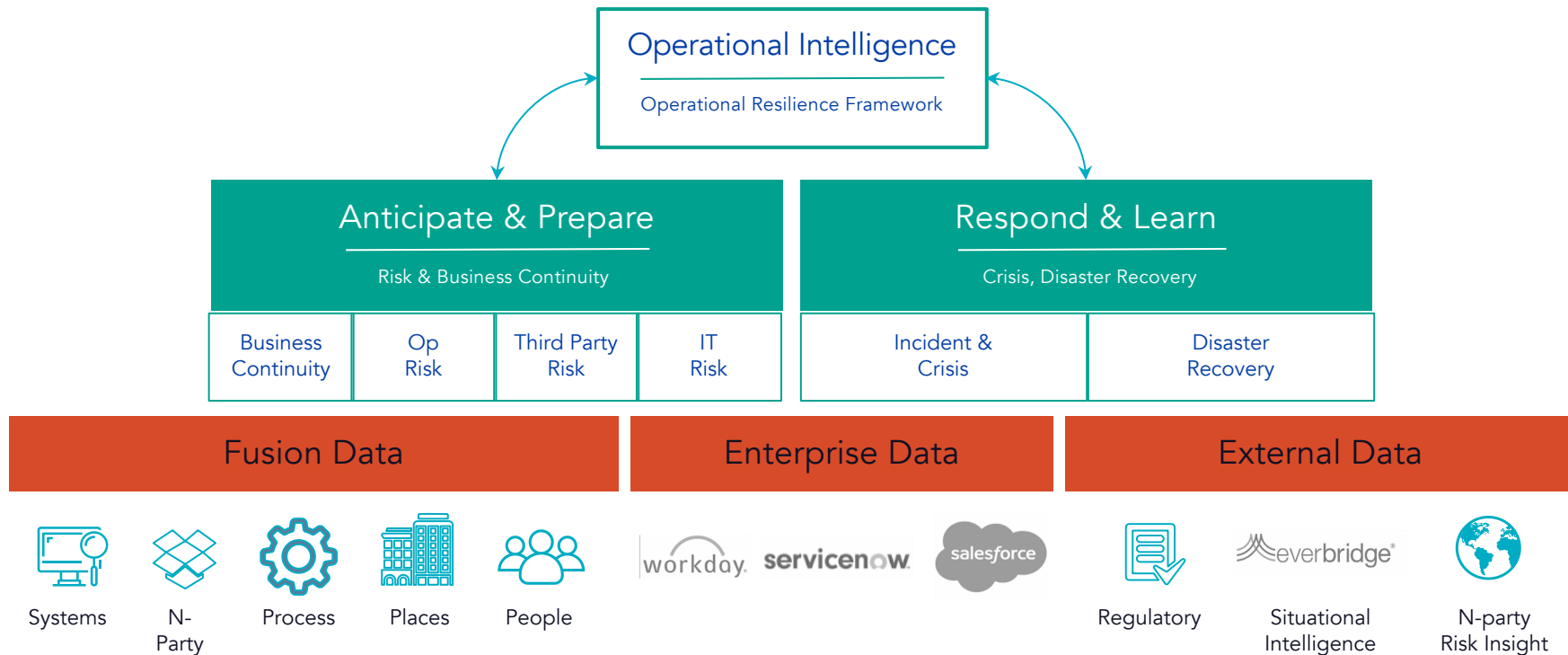
Drive consistency,  
efficiency, and  
engagement



Maximize  
agility

"Isn't it time we made a compelling business case based on a total cost analysis of the investments needed to deliver real operational resilience? There is no doubt that technology-enabled teams will far outperform those without the right tools for the job."

# TECHNOLOGY ENABLED SOLUTIONS DELIVER SUPERIOR RETURN ON INVESTMENT



# QUESTIONS

# GET IN TOUCH

Request Protiviti follow-up <https://www.protiviti.com/US-en/contact-us>

Request a demo <https://www.fusionrm.com/request-a-demo>

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THANK YOU FOR ATTENDING!