

# RISK IN FINANCIAL SERVICES

Successfully managing risk is a fundamental requirement for any effective business. In financial services it is a critical component. Part of the responsibility for the credit crisis is widely attributed to a poor understanding of risk. The CISI Risk in Financial Services qualification is a comprehensive global introduction to all the major risk areas in financial services, providing a sound grounding in:

- ⇒ Principles of the risk management framework
- ⇒ Corporate governance and risk oversight
- ⇒ Operational, Credit, Market, Investment & Liquidity Risk

*The Risk in Financial Services qualification is locally accredited by the (MQC) Malta Qualifications Council at EQF Level 4.*

## Who should study this programme?

The qualification has been developed to provide candidates with a broad understanding of the key risks that arise within the financial services industry and is particularly aimed at:

- ⇒ Risk teams
- ⇒ Compliance teams
- ⇒ Branch management
- ⇒ Corporate lawyers
- ⇒ Finance officers
- ⇒ Senior managers of all disciplines
- ⇒ Existing and aspiring non-executive directors

## Structure and Add-ons

Risk in Financial Services can be taken as a stand-alone qualification or together with the following two modules for the awarding of both the Risk in Financial Services and the Investment Operations Certificate, which the latter is composed of:

- ⇒ Introduction to Securities & Investments (**Core**)
- ⇒ Maltese Financial Regulation (**Regulatory**)
- ⇒ *Risk in Financial Services* (**Technical**)

## Assessment and Examination Settings

The programme is assessed via a two-hour paper consisting of 100 multiple-choice questions held electronically at the local centre based at Computer Domain in Mosta.

## Entry Requirements & Study Time

There are no entry requirements or exemptions.  
The recommended study time is equivalent to 100 hours.

## Syllabus

### Element 1 — Principles of the Risk Management Framework

- ◆ Introduction to risk in business
- ◆ Specific risks in financial services

### Element 2 — International Risk Regulation

- ◆ The Bank for International Settlements
- ◆ Basel regulatory capital and operational risk requirements
- ◆ Principles-based regulation
- ◆ Other relevant regulations

### Element 3 — Operational Risk

- ◆ Definitions of operational risk
- ◆ Operational risk policy
- ◆ Operational risk framework
- ◆ Operational risk identification
- ◆ Operational risk assessment and measurement
- ◆ Managing operational risk

### Element 4 — Credit Risk

- ◆ The identification of credit risk
- ◆ Credit risk measurement
- ◆ Credit risk mitigation

### Element 5 — Market Risk

- ◆ Identification of market risk
- ◆ Market risk management

### Element 6 — Investment Risk

- ◆ The measurement of investment returns
- ◆ Identification and measurement of investment risk

### Element 7 — Liquidity Risk

- ◆ Identification of liquidity risk
- ◆ Measurement of liquidity risk
- ◆ Management of liquidity risk

### Element 8 — Corporate Governance and Risk Oversight

- ◆ Internal corporate governance
- ◆ Culture and leadership
- ◆ Risk governance within financial services organisations

### Element 9 — Model Risk

- ◆ Overview of model risk

### Element 10 — Enterprise Risk Management (ERM)

- ◆ An overview of enterprise risk management (ERM)