

CCH® SWORD

# Risk & Control Assessment Overview

Measure

Monitor

Manage

Many institutions will use a form of Risk & Control Assessment (RCA) as the basis for the identification and evaluation of their exposure to operational risk.

CCH SWORD's RCA module provides enterprises with stable and secure support for their RCA programmes.

Self-assessment exercises are usually conducted by means of a bottom-up approach, the business line managers providing the information needed within a framework devised by operational risk specialists. RCAs can also be performed as a top-down exercise, often starting at the most senior management level, in order to get a high-level enterprise-wide view of the institution.

Institutions make use of these tools to establish the risk profile for both the institution as a whole and its business units, by identifying and gauging the risks and by assessing the necessary controls that should be in place to mitigate them.

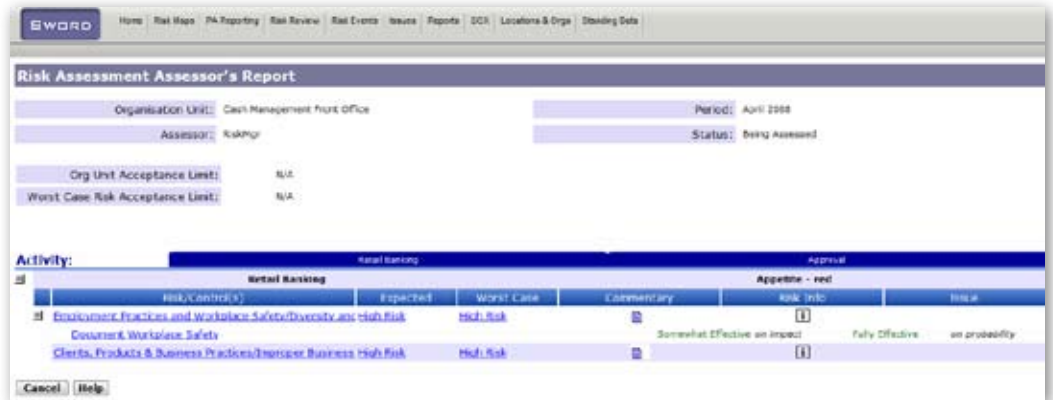
RCAs can also be used by different levels of management to enhance decision-making, as they can help establish transparency as to what is happening within the institution by delineating its risks and controls. Institutions may additionally be able to leverage this for compliance with Sarbanes-Oxley and its requirement for senior managers to approve the efficacy of controls.

Impact / Probability	Once every 200 years	Once every 50 years	Once every 10 years	Once every 2 years	Once every year	At least once every year
>50m	-	-	-	-	-	-
10m-50m	-	-	1	-	-	-
5m-10m	-	1	-	-	-	-
1m-5m	-	1	2	-	-	-
500k-1m	-	-	1	3	-	-
500k	-	-	1	2	1	-
250k	-	-	5	3	3	-
100k	-	-	4	3	2	-
50k	-	-	-	-	-	-
10k	3	-	14	4	70	1

### Bottom Up/Top Down

Within CCH SWORD it is possible to set up RCA at any level of the organisational hierarchy, thus enabling a top-down, bottom up or combined approach.

An RCA (Risk Assessment in CCH SWORD) is a process by which all of the risk and controls relevant to a particular organisation unit are grouped together for review by a relevant officer of the institution. This process may be set to run automatically (annually, quarterly, etc.) or may be initiated manually by the risk management team.



### RCA Approaches

There are a number of approaches to the actual assessment of risks and controls available within the Risk Assessment module of CCH SWORD

In order to assist the user in the RCA process each risk will have an "info" screen that shows risk relevant occurrences since the last RCA (losses, issues, etc.)



### Risk Details

When an individual risk is assessed it is possible to insert specific comments and to raise an issue concerning the risk and its controls and have this issue followed up within its own workflow. It is also possible for the group risk team to set residual risk thresholds such that any risk assessed as being above the threshold is required to have an issue raised against it.

### RCA Approval

Within the Risk Assessment screen the user may also add new risks or controls or delete obsolete items as necessary.

It is possible in CCH SWORD to configure the RCA module such that there is an approval process before the results are stored in the main organisation unit risk map. This approval process can have many stages and people within varying roles can take part in the process.

## Search

The RCA module also includes a full search capability to enable users to find risks and controls based upon their scores, dimensions and/or textual descriptions



The screenshot shows the 'Search Risks and Controls' interface. It features a navigation bar with 'SWORD' and various menu items like 'Home', 'Risk Maps', 'PA Reporting', etc. Below the navigation bar, there are tabs for 'Risk' and 'Control'. The search form includes the following fields and controls:

- Risk Name:** A text input field.
- Responsible Person:** A dropdown menu.
- Expected Risk:** A dropdown menu.
- Worst Case Risk:** A dropdown menu.
- GLRM:** A checkbox.
- Risk Register:** A button.
- Find Matches, Cancel, Help:** Action buttons at the bottom.

## CCH SWORD Integration

The CCH SWORD Risk & Control Assessment module is fully integrated with the CCH SWORD platform which gives it access to high quality security, auditability and reporting.

All of the proven technical and management functions within the CCH SWORD platform, that support blue chip organisation across the world, are used by the Risk & Control Assessment module providing it with enterprise level usability and supportability.

The Risk & Control Assessment system is built using CCH's SWORD Application Architecture Platform (SWORD AAP). This platform provides;

- Organisation Unit and Geographical Location data structures
- A role based secure authorisation framework
- An Issues and Actions log module
- Enterprise Reporting

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For further details or to organise a demonstration, please contact your local CCH SWORD sales office.

Details of CCH SWORD sales offices are available at: [www.swordrisk.com](http://www.swordrisk.com)