

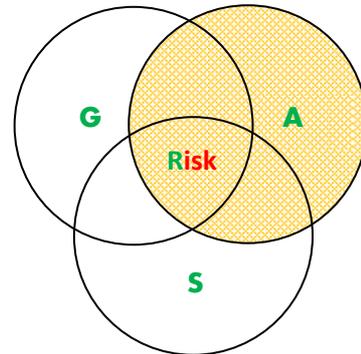
ANALYSIS





Analysis Component

Here GRAS takes a close look at the bank’s current situation. Sometimes, ORM is actually more advanced in the bank than is acknowledged, because the initiatives are scattered through various departments. Also, the business (or indeed even the ORM department itself) is often sitting on much more ORM related data than is realised. By examining this existing information, much progress can be made in upgrading ORM without the intrusion of new ORM tools or techniques. Additional reports based on existing information can rejuvenate the ORM initiative.



Prior to embarking on an upgrade of ORM initiatives, it is worthwhile to benchmark the current status against the desired state. For ORM, this is often the Basel II standard. Both the Standardised Approach (TSA) and the Advanced Measurement Approach (AMA) have now been implemented by us in many banks. GRAS uses its international experience of the past few years to gauge the status quo in your bank and to outline the next steps to be taken. This gap analysis can be executed in relatively short time and may be used to re-align the chosen approach with the reality of the actual implementation efforts.

A separate analysis may be needed to establish whether the current activities will, in due course, lead to sufficient AMA capabilities. Reaching the AMA standard is a long term goal, which requires specialised analysis of ORM data. Lack of ORM data makes it difficult to establish whether the bank is still on course for AMA qualification. Using our experience in AMA banks, we can point out any gaps in the current approach that should be repaired at short notice in order not to jeopardise a future AMA application.

The three modules below focus on Gaps, Data usage and AMA preparedness

Name	Audience	Purpose
GAP ANALYSIS	Senior Management	Provide an overview of the next steps to be taken in the ORM initiative. This analysis can be the start of an ORM programme. Since the introduction of ORM is a multi year activity, it makes sense to conduct a new gap analysis periodically to ensure the project is still delivering results.
ORM DATA	ORM Department, Senior Management	Analyse the available ORM data (losses, assessment data, KRIs) and associated data (like KPIs or other business data), so that the ORM department and the Senior Management can better judge the risks in the bank.
AMA PREPARATION	ORM Dept , Senior Management	Ensure that the current ORM initiatives are in line with the future AMA requirements.



RANGE OF PRODUCTS