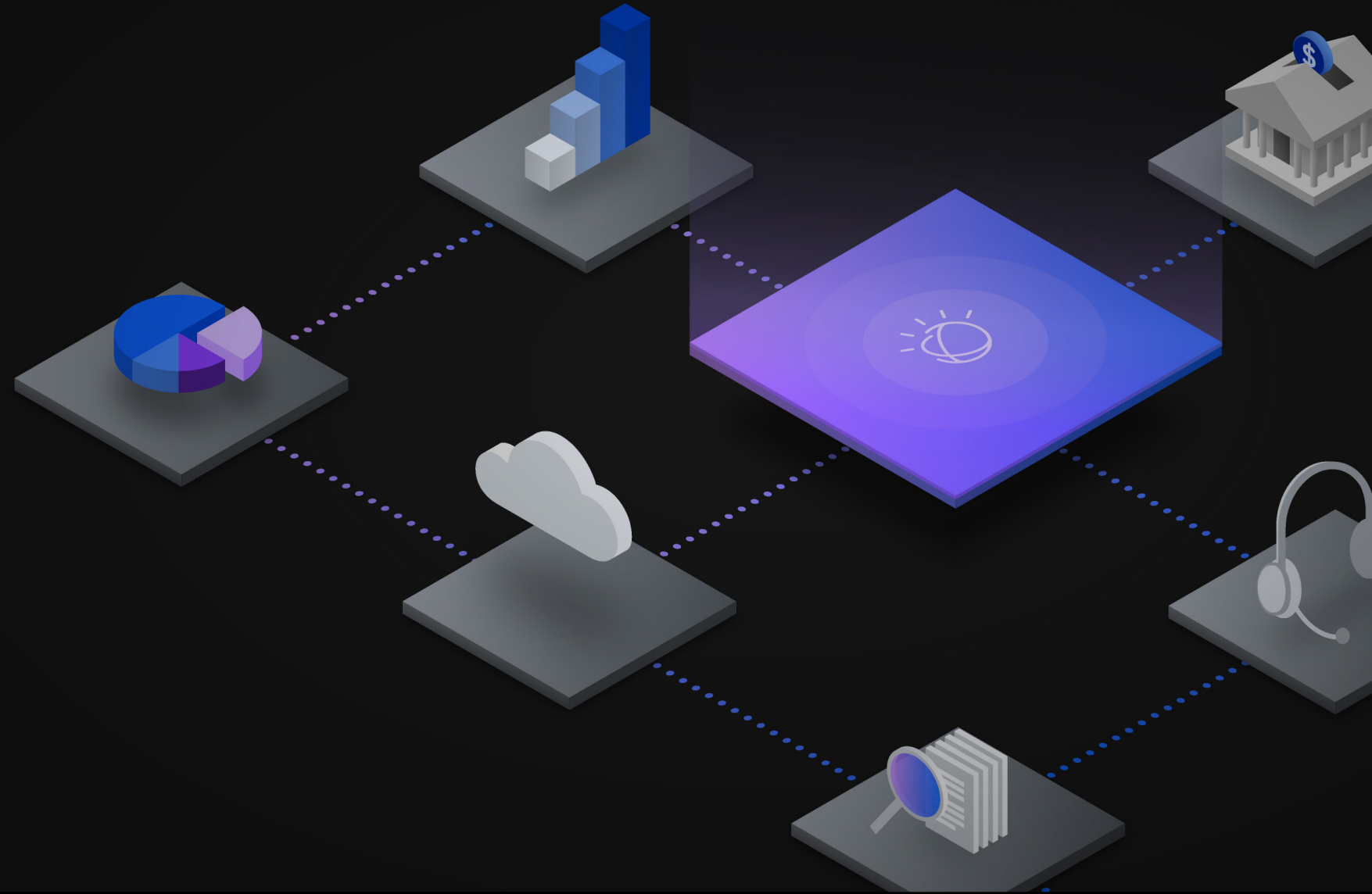


IBM OpenPages with Watson

Operational Risk Management



Confidence you
can **achieve**
your business
objectives in
a world of
dynamic risk

Market challenges

In a business environment defined by sustained market volatility and ever-increasing regulations, companies need the ability to integrate enterprise-wide risk management processes and multiple regulations. Firms are witnessing a dramatic increase in active first-line users—sometimes tens of thousands—scattered across the organization and using tools with inconsistent capabilities. These users require solutions that integrate the power of artificial intelligence (AI) with enhanced user experience to to empower the first line, and all others within the organization.

Manage your operational risks with ease

IBM OpenPages Operational Risk Management automates the process of identifying, measuring, monitoring, analyzing, and managing operational risk. It enables businesses to integrate all risk data—risk and control assessments, internal and external loss events, key risk indicators, and issue/action plan management—within a single environment. This next-generation governance, risk and compliance (GRC) solution features the business intelligence capabilities of IBM Cognos® Analytics for self-service data exploration and insights. The UI was developed with IBM Enterprise Design Thinking® for optimal user experience.

With IBM OpenPages Operational Risk Management, organizations obtain a holistic view of risk and embed operational risk management and governance into the corporate culture. This helps make business processes more effective while providing management with the assurance that top-line and bottom-line performance goals are being met, legal liability requirements are being adhered to, and brand equity is protected.

IBM OpenPages with Watson is an AI-driven GRC solution built to help organizations manage risk and regulatory compliance challenges. Using AI capabilities from IBM Watson®, the OpenPages platform consolidates disparate GRC systems and centralizes siloed risk management functions in one integrated solution. This helps reduce the cost of maintaining multiple solutions.

With OpenPages, clients can operationalize AI across the business, build and scale AI with trust and transparency, and create a business-ready analytics foundation. The solution drives GRC adoption with zero training into all three lines.

IBM OpenPages
Operational Risk Management

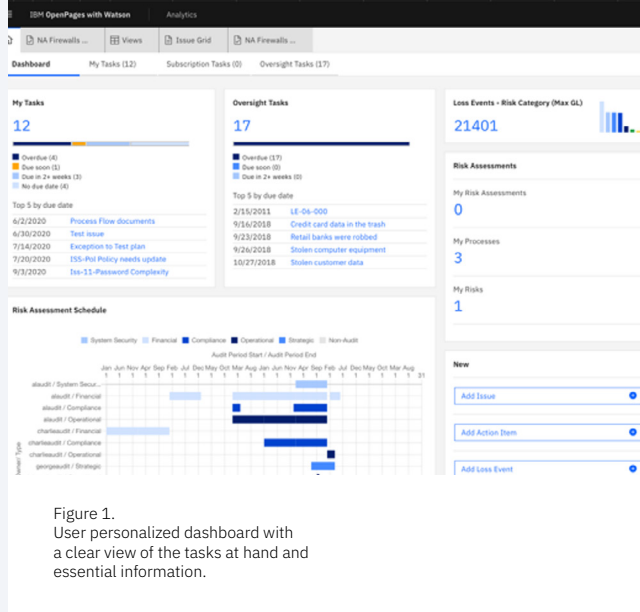


Figure 1.
User personalized dashboard with a clear view of the tasks at hand and essential information.

Capabilities that address the new GRC landscape

GRC systems must support a unified, cross process-view. This approach can improve governance to ensure that everyone in the organization is responsible for managing risk. It also helps drive out costs while maintaining agility.

The market today demands more participation from all lines within an organization, especially the first line. A more holistic view of risk and compliance across the enterprise is needed to every employee and supplier. IBM OpenPages with Watson addresses these challenges with useful features.

- Dynamic dashboard capabilities support improved productivity and risk management.
- Administrators and users can customize views, visualizations, widgets, task tabs and personalized landing page options based on duties and responsibilities.

- The embedded GRC workflow feature now covers more use cases and can run on a scheduled basis. Assignments can leverage multiple sources. New options include drag and drop functionality and workflow variables.
- Common risk library and single data model ensures consistent holistic views of risk and compliance.
- A single view of risk across all domains for all users creates GRC transparency. Visual design using UI and embedded workflow drives agile collaboration between business and IT. Pre-built and configurable content adds speed and efficiency to GRC processes.

- Task views enable zero-training for all lines within an organization. A task-focused user interface streamlines even complex processes and actions for users.
- Users can add favorites, heat-maps, sibling relationships and more, while user guidance quickly and dynamically builds key fields.
- Embedded with IBM Cognos Analytics to drive relevant, predictive insights.
- Deploy anywhere: Whether it's IBM, Amazon, Google, or Microsoft, OpenPages runs in any cloud and on-premises environment through IBM Cloud Pak for Data.
- Integrates with Watson Natural Language Processing to enable suggestions for categorizing or associating records.
- Integrates with Watson Assistant to facilitate the creation of a virtual assistant that can assist users in a question-and-answer format using natural language understanding.

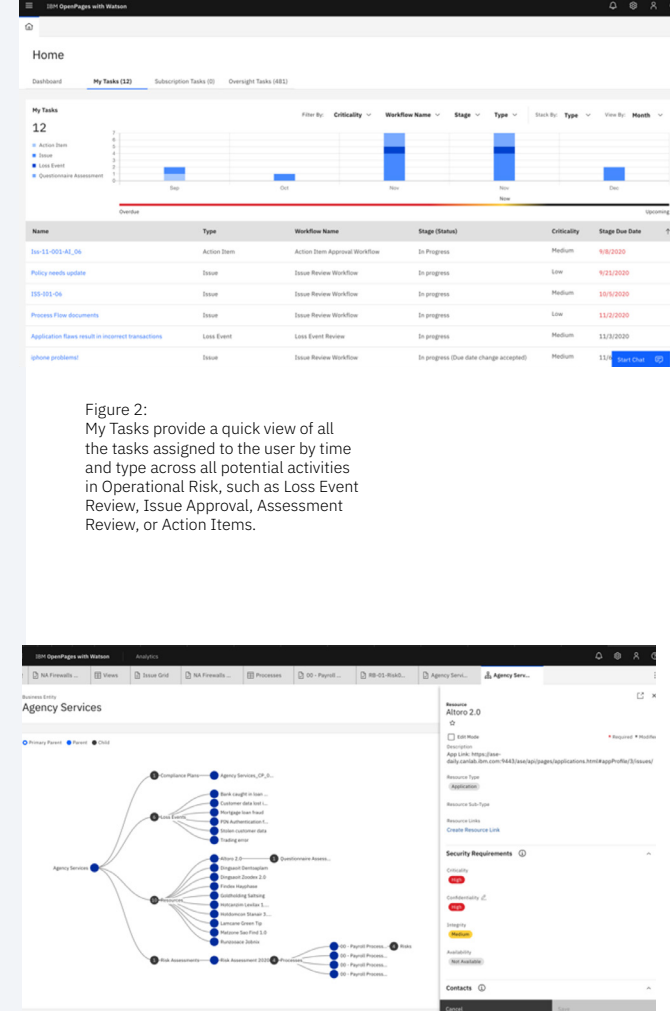


Figure 2:
My Tasks provide a quick view of all the tasks assigned to the user by time and type across all potential activities in Operational Risk, such as Loss Event Review, Issue Approval, Assessment Review, or Action Items.

Figure 3.
Tree View visualization with quick view showing how GRC activities are connected.

Features	Description	Benefits
Engaging UI User Experience	Provide users with a modern UI with views tailored to the task at hand with task guidance, in line guidance, and a configurable homepage.	When 1st, 2nd, or 3rd line login for the first time, they will be confident they can complete tasks. As they mature in the different GRC activities, users will be able to make it their own.
Agile GRC	Nearly 100% configurable by business users, including forms, user interface, language, reporting, workflow, and system-wide settings.	Facilitates a flexible approach to risk management that can rapidly accommodate changes and align with the organization's existing procedures and naming conventions. Helps lower total cost of ownership.
AI and NLP	Integrates with Watson Natural Language Processing (NLP) solutions such as Watson Assistant, Watson Language Translator and Watson Language Classifier.	Provides expertise support at the fingertips of every user. Helps the user by suggesting classifications, removing the burden of understanding daunting taxonomies, and inserting a virtual assistant to answer most common questions.
Key risk indicator	Create and monitor performance indicators for all key risks and controls. Track risk metrics and thresholds, with an automated notification when thresholds are breached.	Mitigates risk via proactive management of key risks. Improves top- and bottom-line corporate performance.
Risk register and single data repository	A central source for all risk documentation including entities, processes, risks, controls, tests, and test results. Full document management provides check-in/check-out, version control, and audit trail capabilities.	Enables unlimited levels of entities, processes, risks, and control hierarchies to match the unique structure of an organization. Eliminates redundancies through shared documents, processes, risks, and controls.
Business Analytics	Dynamic dashboards, charts, and dimensional reporting gives insight into the state of risk across the organization. Drill-down through sub-reports for root cause analysis. Provides browser-based ad hoc, drag-and-drop report design.	Delivers on-demand, actionable reporting on the current state of operational risk across the entire organization. Ensures the immediate execution of risk mitigation strategies.
Loss event Management	Track loss incidents and near misses, record amounts, and determine root causes and ownership.	Improves risk measurement, minimize losses, and manages risk.
Scenario analysis	Supplements risk assessment processes by identifying key scenarios and assessing their impact on the business. Integration with Algo FIRST external loss database.	Provides input for capital modeling and enables business lines to assess high impact risk areas and emerging risks. Provides a forward-looking view of industry trends and losses to inform risk management scenarios and assessments.

Figure 4.
Features and benefits

IBM OpenPages Operational Risk Management (ORM) is a software solution that automates the process of identifying, measuring, monitoring, analyzing and managing operational risk. The solution enables businesses to integrate risk data within a single environment. Examples of risk data include risk and control assessments, internal and external loss events, key risk indicators, and issue and action plan management. Key solution features include:



Risk and control self-assessments (RCSA)
Automate the end-to-end process for identifying, analyzing, mitigating, managing and monitoring operational risk.



Key risk and performance indicator tracking
Create and monitor performance indicators for all key risks and controls. Track risk metrics and thresholds, with an automated notification when thresholds are breached.



Loss event management
Enables risk managers to track loss incidents and near misses, record amounts, and determine root causes and ownership. Statistical and trend analysis capabilities allow users to track remedies and action plans.



External loss events
Integration with IBM FIRST Risk Case Studies, an external loss event database, which makes sure that users are not inwardly focused and consider what has happened to other organizations.



Scenario analysis
Use all of the relevant data in the system to inform scenario workshops and determine scenarios that require additional risk treatment.



Issue management and remediation
Create and track issues with automation through their entire lifecycle. Creates a single source of truth. Repository issues can be raised by any business line or risk and compliance function, making risk decisions visible and actionable to all.

Benefits

IBM OpenPages Operational Risk Management mitigates risk by proactive management of key risks, improving top-line, and bottom-line corporate performance.

- Enables identification and treatment of high risk and emerging risk areas.
- Delivers on-demand, actionable reporting on the current state of operational risk across the entire organization.
- Helps manage risk, improve risk measurement and minimize losses.

Why IBM OpenPages with Watson

IBM OpenPages with Watson transforms the way risk and compliance professionals work. By providing core services and functional components on a scalable platform that spans operational risk, model risk, third party risk, regulatory compliance, IT governance, business continuity, internal audit, policy and financial controls management, IBM OpenPages with Watson delivers a holistic view of risk and regulatory responsibilities across the enterprise.

IBM OpenPages with Watson merges Watson's AI capabilities and the expertise of our extensive partner network to help risk and compliance professionals make more informed decisions to manage risk and compliance processes. It delivers on the marketplace demand for an integrated end-to-end solution that enables organizations to connect internal GRC policies and practices to the external regulatory environment. To learn more, visit our product page at: ibm.com/openpages

For more information

To learn more about IBM OpenPages Operational Risk Management, visit ibm.com/openpages



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