

LIBF Level 6 Managing Operational Risk and Governance (MOPR)

Qualification Specification



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Purpose of the qualification

Why study MANAGING OPERATIONAL RISK AND GOVERNANCE (MOPR)

This qualification takes a performance-oriented systematic approach to operational risk management and governance. This includes exploring how banks achieve business objectives, enhance stakeholder returns and meet stakeholder expectations whilst meeting regulatory compliance requirements through effective operational risk management.

Past financial crises and operational risk lapses have demonstrated the significant impact poor management can have on the business / financial performance of a bank as well as impacting a myriad of stakeholders and the wider financial system.

Where operational risk management and governance have not aligned with best practice, there are multiple examples of fines, value destruction and wider economic implications.

The importance of successfully managing operational risk can be summarised into three key areas:

1. The need for banks to comply with their regulatory and contractual obligations.
2. The critical need to manage bank operations as any lapses could result in disruptions to a bank's ability to sell and deliver services, significantly impacting their business performance.
3. Operational risk losses range from small, all the way up to catastrophic. Without clear and effective management, operational risks can lead to fines, loss of reputation, bank failures and wider economic consequences.

These financial and non-financial implications of poor management highlight the need for banks to effectively communicate and oversee the implementation of an appropriate risk appetite via an effective governance structure. This requires a strong governance framework that takes account of the integrated nature of the risks that a modern bank faces, especially given the increasing threat of technological and cyber risks. Core elements which this qualification will explore include board composition, remuneration, risk policy and oversight.

Whilst the regulatory landscape is important and addressed, this unit will primarily focus on managing operational risk from a business performance perspective in the current macro-economic environment.

Running any business requires robust risk management to ensure its operations are well managed and its financial success optimised. However, given the special nature of banking with the economy and wider society, the range of consequences of poor risk management are heightened, especially due to the varied requirements of its many stakeholders.

It draws upon a range of scenarios to inform your understanding and also demonstrate the practical elements of risk management within a contemporary bank.

Objectives

To provide banking professionals with a practical insight into operational risk management in banking using a performance management approach.

Key content areas

- Definition of Operational Risk and how it fits in the wider Risk Governance Framework
- Overview of the key operational risks that banks face
- Business performance implications for poor operational risk management
- The risk to operations management cycle
- Business performance and regulatory consequences of operational risk management lapses
- Operational risk regulation and measurement
- Operational risk evaluation including improving capability, risk control and mitigation
- Risk prioritisation, assessment, management, reporting and recovery
- IT risk management including IT failure and cyber risks
- Bank corporate governance frameworks including the role of the Board of Directors, Risk Committee and other lines of defence
- Board composition and remuneration

Qualification learning outcomes

On completing this qualification, in the context of the financial services sector you will:

LO	Detail
LO1	Identify and understand the implications of operational risk in banking.
LO2	Evaluate the key operational risk regulations that banks must adhere to and justify the best practice they should observe.
LO3	Evaluate and make recommendations of how operational risk should be managed to enhance the operational performance of a bank.
LO4	Analyse and evaluate technological and cyber risks that banks face.
LO5	Evaluate the importance of banks putting in place appropriate governance structures to ensure transparent risk management and decision making to promote public confidence in the banking system.

Key skills developed

The qualification will encourage you to:

- Develop your critical thinking and analytical skills.
- Develop your ability to apply both qualitative and quantitative skills in order to analyse problems, identify appropriate solutions and make decisions.
- Increase your ability to develop and defend arguments and / or concepts.
- Develop your ability to conduct research and assess the outcomes of that research.
- Develop your ability to refine and adapt information to create and support an argument.

Entry requirements

There are no specific entry requirements for this qualification.

You should be confident in your ability to study at this Level. We would strongly recommend that you have previously successfully studied at a similar Level. Our Level 4 Risk and Regulation in Banking qualification provides a good introduction to operational risk management. You also need to be satisfied of your ability to study in English.

Recognition of prior learning (RPL)

In line with The London Institute of Banking & Finance's RPL policy, as a single unit qualification, this qualification is not eligible for recognition of prior learning.

Progression and preparation for further study

This qualification provides a platform for continued study within the financial services sector and a wide range of other business-related disciplines. The qualification can be studied as a standalone award but also provides a sound basis for further study of risk management, including the LIBF Level 6 Financial Risk Management in Banks. The credits gained on successfully passing this award count towards achievement of the Chartered Associate Programme of The London Institute of Banking & Finance.

Apprenticeships

MOPR is not currently available through an apprenticeship standard.

Preparation for employment / professional development

This qualification develops knowledge and understanding of operational risk management in banking and enhances skills that are valued within that sector and others. This qualification takes a very practical approach ensuring students develop a good underpinning and an inquisitive approach to operational risk management. A wide range of data and real life case studies are used to help demonstrate practical issues and considerations for a modern banking industry.

Structure

Level 6 Managing Operational Risk and Governance (MOPR) is made up of one mandatory unit which must be successfully completed to achieve the qualification:



Total Qualification Time (TQT)

Total Qualification Time (TQT) is a prediction of the total time a student with no prior knowledge might need to complete the course.

TQT consists of two elements, Guided Learning (GL) and all other hours:

- GL is time spent studying under the immediate guidance of supervision of a teacher.
- All other hours include hours spent unsupervised in research, learning, e-learning, exam preparation, and formal assessments.

MOPR is primarily considered a distance-learning, session-based qualification.

Guided Learning Hours	20 hours
Other hours	80 hours
Total Qualification Time	100 hours

Learning resources

Study for MOPR is undertaken part-time on a distance learning basis, supported by comprehensive learning materials, on-line forums and the input of tutors.

Students are provided with the following learning resources:

- hard copy text
- online access to the text through MyLIBF - www.myLIBF.com
- study guide
- access to KnowledgeBank (e-library) through MyLIBF
- unit syllabus
- study plan
- student handbook
- specimen coursework
- videos and podcasts
- tutor support
- student forum

What to do before the assessment

On registration for the qualification, you will be allocated to a specific coursework session.

Coursework is submitted via the course site; once submitted, all assignments are checked by

TurnitinUK, an originality checking and plagiarism prevention service. Guidance on the submission process, TurnitinUK and referencing is provided on the course site.

To prepare for the assessment, you should make use of all learning resources.

Assessment

The unit will be assessed through one 3,000 word assignment.

The pass mark for the assignment is 50%.

The structure of the assignment ensures that all learning outcomes are subject to external assessment.

Qualification grading

The overall qualification is graded pass / distinction. To achieve a pass, you must achieve a minimum of 50%. A Distinction is awarded for marks 70% or higher.

Grade	Percentage mark
Pass	50% - 69%
Distinction	70% - 100%

Grade classifications are pre-determined and align to the published grade descriptors available to learners.

However, the grade classifications may be subject to change under the jurisdiction of the assessment board where this is necessary to maintain standards of validity.

Study period

MOPR has a 6 month study period.

Resubmission and resit attempts

If you do not pass the coursework you can have one attempt to rework and resubmit your assignment within one calendar month of receiving your results and subject to paying the appropriate fee. The mark for resubmitted coursework will be capped at the pass mark. If you fail the resubmitted assignment you can re-register. There are no limits on the number of times you can re-register.

Appendices

Appendix 1 – Regulation detail

This document describes the regulation detail that is applicable to the qualification.

Qualification title	Level 6 Managing Operational Risk and Governance (MOPR)
Ofqual qualification number	603/3159/8
Qualification level	6
European Qualifications Framework (EQF) level	6
Qualification Type	Vocationally-Related Qualification
Guided learning hours	20
Total qualification time	100
Total credits	10
Sector Subject Area	15. Business, Administration, Finance and Law
Sub SSA	15.1 Accounting and finance
Overall grading type	Pass / Distinction
Assessment methods	Individual written assignment
Available in	England
Qualification for ages	19+
Operational start date	01/05/18
Qualification description	The Level 6 Managing Operational Risk and Governance (MOPR) consists of one mandatory unit. A total credit value of 10 must be obtained for achievement of the qualification.