ORACLE FINANCIAL SERVICES ENTERPRISE RISK ASSESSMENT

Internal Capital Adequacy Assessment Process (ICAAP), a key requirement of Basel II, is based on the principle of proportionality and therefore banks must determine whether to develop and refine sophisticated economic capital models or opt for more basic methods of risk management to define their risk and capital adequacy strategies. Oracle Financial Services Enterprise Risk Assessment provides an integrated capability for institutions to assess their risk appetite and select appropriate processes, procedures and systems for risk management and regulatory compliance.

Gain a Single View of all Risk for Materiality Assessment

Oracle Financial Services Enterprise Risk Assessment helps financial institutions identify and assess the materiality of risks they face. It adopts a scorecard-based approach that provides for assessing risk using assessment criteria. The materiality of each risk can be classified into categories such as ‘Low, Medium and High’ and viewed in the context of the entire enterprise. Institutions can therefore take suitable action to manage risks based on their materiality levels.

Assess Your Institution’s Risk Appetite

Oracle Financial Services Enterprise Risk Assessment enables institutions to assess their overall risk appetite. Risk assessments are performed at multiple levels of granularity enabling banks to identify risk ‘hot-spots’ that need management attention to bring them within acceptance levels.
Leverage Actionable Information for Strategic Decision Making

Oracle Financial Services Enterprise Risk Assessment provides extensive dashboards, heatmaps and reports that provide senior management with actionable information to manage risk and economic capital. Such risk assessments serve as an indispensable guide for selecting the appropriate sophistication of risk management tools and processes prescribed by Pillar II of the Basel II Accord.

Identify and assess materiality of all risks

Oracle Financial Services Enterprise Risk Assessment is an integrated solution to identify and assess the materiality of all risks. It comes with a pre-configured risk library along with the assessment criteria and underlying logic for aggregating scores across dimensions. It has pre-built processes and workflows to identify risks, carry out and approve risk assessments. Institutions can also modify the risk library and the assessment process based on their specific requirements.

Comply with Pillar 2 Requirements of Basel II

Pillar II of the Basel II Accord requires each institution to identify and measure all material risks upon the principle of proportionality. This principle requires that the more significant a risk is as determined through a formal materiality assessment process, the more sophisticated the bank’s risk measurement and management procedures should be for managing it.

Oracle Financial Services Enterprise Risk Assessment provides an out-of-the-box solution for identifying risks and assessing the associated materiality levels (Low, Medium and High). This can be used for demonstrating to regulators that the bank’s risk management system is in line with the nature and complexity of risks faced by it and that any risk(s) for which capital has not been provided under ICAAP are not significant for the bank.
RELATED PRODUCTS
The following solutions are also available from Oracle Financial Services:

• Oracle Financial Services Economic Capital
• Oracle Financial Services Market Risk
• Oracle Financial Services ICAAP Analytics
• Oracle Financial Services Retail Credit Risk
• Oracle Financial Services Advanced Analytical Applications Infrastructure
• Oracle Financial Services Corporate Credit Risk
• Oracle Financial Services Operational Risk Economic Capital
• Oracle Financial Services Operational Risk
• Oracle Financial Services Basel II
• Oracle Financial Services Asset Liability Management

Meet your Specific Risk Management Needs
Oracle Financial Services Enterprise Risk Assessment provide a flexible framework that allows for:

• Modifying the assessment scales (three scale or five scale) & score mapping
• Creation of user-defined assessment criteria for various risks
• Changing the aggregation specifications

Oracle Financial Services Enterprise Risk Assessment is a user-friendly solution architected on the principle of flexibility.

About Oracle Financial Services Analytical Applications
Oracle Financial Services Enterprise Risk Assessment is part of the Oracle Financial Services Analytical Applications family of solutions for the global financial services industry.

Oracle Financial Services Analytical Applications are built upon a commonly available analytical infrastructure consisting of a unified financial services data model, analytical computations and the industry-leading Oracle Business Intelligence platform.

Oracle Financial Services Analytical Applications include award-winning solutions for Enterprise Risk Management; Governance, Risk, and Compliance (GRC); Enterprise Performance Management (EPM); and Customer Insight for financial services.