

ICA Diploma in Governance, Risk and Compliance



Syllabus

Module 1

1 Unit 1 - The need for regulation

- **Understanding the relationships between governance, risk and compliance**
 - Defining effective GRC
 - The components of GRC
 - Why do we need effective GRC?
 - The definition of effective GRC
- **What is effective regulatory compliance?**
 - Conduct of business
 - Prudential compliance
- **What are the objectives of regulation?**
 - Consumer protection
 - Market confidence and stability
 - Promoting market integrity
- **Managing regulatory compliance in a dynamic environment**
 - Where to begin with a GRC regulatory strategy
 - Where next for GRC?
- **Unit 1 Appendices**
 - The Basel Accords
 - The regulatory objectives of the FCA and the PRA
 - Making the business case for centralised GRC – a scenario

2 Unit 2 - Lessons from the history of regulation

- **History: how did we get to where we are today?**
 - A timeline
 - Financial scandals
 - Political change
 - World events and international pressure
 - Globalisation and technology
 - Is regulation therefore reactive?
 - The aftermath of the financial crisis
- **Do past events represent regulatory failures?**
 - The credit crisis: why existing regulation failed
 - Regulatory 'maturity'
- **Who and what are the key influencers on the regulated environment?**
 - The industry which is regulated
 - Politics
 - Economics
 - Environmental aspects
 - Globalisation
- **What is happening now - the current situation**
 - Constant change - what does this mean?
 - The hierarchy of regulation
 - The legal, or structural, basis of regulation

- **How can GRC professionals be proactive?**
 - Expected and unexpected changes
- **Unit 2 Appendices**
 - Suggested reading for Section 1.2
 - The collapse of Enron
 - A brief history lesson
 - The collapse of Lehman Brothers Inc.

3 Unit 3 - Managing the regulatory relationship

- **Know your regulator!**
 - Structures
 - Approaches
 - Methodologies – or powers of regulators
- **Integrity from a regulator's perspective**
 - Ethics is a serious issue
 - Establishing the importance of ethics and integrity
- **Purpose, principles and values**
 - Suggestions for best practices for purpose, principles and values
- **Unit 3 Appendices**
 - The FCA's role in the reduction of finance-related crime
 - Conflicts of interest – McKinsey & Co?

Module 2

4 Unit 4 - Understanding behavioural compliance

- **Culture, ethics, integrity, values and principles**
 - Defining values, ethics and principles in industry
 - Different types of values
 - Values and the regulators
 - Values and customers
- **Behavioural compliance in practice**
 - Psychology in the workplace
 - Six of the basics in the workplace
- **The differences between accountability and responsibility**

5 Unit 5 - Using corporate governance for the benefit of the firm

- **Ethics and integrity – practical application**
 - Making the business case
 - Whistle-blowing as an example

- **Remuneration as a behavioural tool**
 - Remuneration and the longer-term view
- **Corporate governance regulation**
 - Common principles of good governance
 - Independence
 - Competence
 - Challenge
 - Implementing good corporate governance
 - The management of good governance
- **Corporate social responsibility: a tool to enhance values, ethics and principles**
 - How corporate social responsibility fits in
 - Convergence of values, ethics, principles and corporate social responsibility
 - A values-development model
- **Environmental, Social and Governance: its rise in importance**
 - ESG criteria and considerations
 - The current position on ESG
 - Implications for the compliance function
- **Unit 5 Appendices**
 - Remuneration
 - The Parliamentary Commission on Banking Standards Report 'Changing Banking for Good'
 - A case study – remuneration, culture, values and governance
 - Governance in the Co-operative Group
 - Corporate social responsibility: Apple and Foxconn
 - ESG Greenwashing

6 Unit 6 - Achieving effective corporate governance

- **The six steps process for effective governance**
 - The right information
 - The right people
 - The right time
 - The right decision
 - The right action
 - The right outcome
- **The benefits of effective GRC**
 - Preparing for regulatory change
- **Ethics in practice – combatting financial crime**
 - A robust ethical culture
- **Unit 6 Appendices**
 - Corporate Governance within the Olympus Corporation
 - Corporate Governance – Siemens AG

Module 3

7 Unit 7 – Effective regulatory risk management

- **Risk leadership, risk appetite and risk stewardship**
 - Risk leadership
 - Risk appetite
 - Risk stewardship
- **Understanding regulatory risk**
 - Governance, risk and compliance and the reasons why we manage regulatory risk
 - The risk management process
 - Understanding critical risk types
- **Systems and controls as risk management tools**
 - The links with GRC
 - Risk as a prioritisation tool
- **What to include when designing a regulatory risk management programme**
- **Opportunities and threats from new developments**
 - The triple bottom line
 - In pursuit of a purpose
 - Disruptive innovation
 - Is RegTech the answer?
 - Big data
 - Artificial intelligence (AI) and machine learning (ML)
 - Opportunities or threats?
- **Unit 7 Appendices**
 - Establishing and designing a compliance programme

8 Unit 8 – The role of the compliance function

- **Compliance training and education**
 - Training
 - Education
- **Advice, guidance and consultation**
 - Giving advice
 - Guiding the business and colleagues
 - Compliance as a consultant
- **Compliance monitoring and reporting to give assurance**
 - Monitoring plans
 - Reporting requirements
 - Management information (MI)
 - Disclosure

- **Designing and implementing systems and controls**
 - Reporting lines
 - Access to the board
 - Roles and responsibilities
 - Developing GRC policy and procedures
 - Getting all employees to understand the importance of the GRC framework
 - Factors affecting the GRC framework
 - Implementing a principles-based, values-led compliance culture

9 Unit 9 – The role of the compliance professional

- **Key compliance relationships – who, what and why**
 - Key relationships
 - Why relationships are so important
- **The importance of knowledge**
 - Technical knowledge
 - Personal skills and qualities
 - Data protection and compliance
- **What does good look like?**
 - Product development and selling practices
 - Advertising: Clear, fair and not misleading?
 - Conflicts of interest
- **Educating others in the value of effective compliance**
 - Demonstrating the value of compliance to senior management teams
 - The position with other employees
 - How can compliance education be more effective?
- **Dealing with regulatory issues and enforcement**
 - What to do if you have a potential regulatory breach
 - Internal investigations
 - The sanctions a regulator can impose
 - Making sure it does not happen again
- **Unit 9 Appendices**
 - Managing a visit from the regulator
 - Risk management and governance: the Fukushima Dai-Ichi nuclear power plant disaster

