

ABSA's Risk Responses

Share

- Outsourcing IT security to a specialized firm.
- ABSA shares the risk of cybersecurity threats by outsourcing its IT security operations to a specialized firm with expertise in cyber defense.

Avoid

- Exiting a market with unstable regulatory environments.
- Explanation: ABSA decides to cease operations in a region with unpredictable regulatory change rather than risk compliance issues.

Accept

- Not purchasing additional insurance for currency fluctuations.
- ABSA determines that the impact of currency fluctuations is within their risk tolerance and can be managed internally.

Pursue

- Aggressively expanding digital banking services.
- ABSA pursues an aggressive expansion of its digital banking services to capitalize on emerging market opportunities.

Mitigate

- Implementing enhanced fraud detection systems.
- ABSA enhances its fraud detection systems to mitigate the risk of financial losses due to fraudulent activities.