**Name: Vedant Sawant Class: D12B Roll No.: 52**

**EXPERIMENT - 4**

**ONLINE BANKING MANAGEMENT SYSTEM**

**Risk Identification Table:**

|  | **Risk Identification** | **Category** | **Probability** | **Impact** |
| --- | --- | --- | --- | --- |
| 1 | Unauthorized access to the bank’s systems | Operational and Security risk | 50% | 3 |
| 2 | Outdated system | Technical Risk | 20% | 1 |
| 3 | Money Laundering Risk | Business Risk | 40% | 2 |
| 4 | Risk of loss of reputation | Reputational Risk | 30% | 1 |
| 5 | Risk of Approving Loans electronically | Credit Risk | 30% | 2 |

**Risk Impact Assessment:**

| **Category/Components** | **Performance** | **Support** | **Cost** | **Schedule** |
| --- | --- | --- | --- | --- |
| **Catastrophic** | Unauthorized access to the bank’s systems. | | Unauthorized access to the bank’s systems. | |
| **Critical** | Money Laundering Risk | | Risk of Approving Loans electronically | |
| Money Laundering Risk | |
| **Marginal** | Outdated System | |  |  |
| **Negligible** | Risk of loss of reputation. |  |  |  |

**RMMM:**

| Risk information sheet | |
| --- | --- |
| Risk ID: 01 | Customer id: 123 |
| Risk Title: Unauthorized access to the bank’s systems | |
| Description:  Since all information is online, there is always a chance that someone might retrieve the information and misuse it. It arises from hacking threats and unauthorized access to the bank’s systems. | |
| Category: Operational and Security Risk | |
| Person responsible: System Designer | |
| Requirements: When a customer is the victim of electronic banking fraud, he/she has 60 days to figure that out and report the theft without being liable for the entire amount at issue. | |

| Risk information sheet | |
| --- | --- |
| Risk ID: 02 | Customer id: 123 |
| Risk Title: Outdated system | |
| Description:  If the bank has an outdated system that is not upgradable, then it can turn into an investment loss for the bank along with inefficient service. | |
| Category: Business Risk | |
| Person responsible: System Designer | |
| Requirements: Ensure the system is tested and assessed properly and updated regularly | |

| Risk information sheet | |
| --- | --- |
| Risk ID: 03 | Customer id: 123 |
| Risk Title: Money Laundering Risk | |
| Description:  All transactions through the e-banking channel are done remotely. Therefore, it is difficult to use traditional methods to detect and prevent criminal activities. | |
| Category: Business Risk | |
| Person responsible: System Analyst | |
| Requirements: Having a strong compliance and risk assessment team with an AML officer and inculcating brisk and informed KYC processes while onboarding customers. | |

| Risk information sheet | |
| --- | --- |
| Risk ID: 04 | Customer id: 123 |
| Risk title: Risk of loss of reputation | |
| Description:  When it comes to electronic banking, if a bank fails to perform critical functions or not work according to the expectations of its customers, then it faces a risk of loss of reputation. This eventually leads to a loss of funding or customers. One rogue e-bank could cause significant problems for all banks providing services via the Internet. | |
| Category: Reputational Risk | |
| Person responsible: Project Manager | |
| Requirements: Manage online reviews, social media, and customer feedback.Banks should Become more customer-focused. | |

| Risk information sheet | |
| --- | --- |
| Risk ID: 05 | Customer id: 123 |
| Risk Title: Risk of Approving Loans electronically | |
| Description:  Loan origination and approval online tend to make risk management of the lending process more challenging.Credit risk refers to the risk of debtors failing to make required payments. | |
| Category: Credit Risk | |
| Person responsible: System Analyst | |
| Requirements: Verifying the customer’s identity for on-line credit applications and executing an enforceable contract,monitoring and oversight of third-parties doing business. | |