Milliman CRS – Complex Risks Workshop

Cyber, Vendor, Conduct, Operational Risks

What you will learn

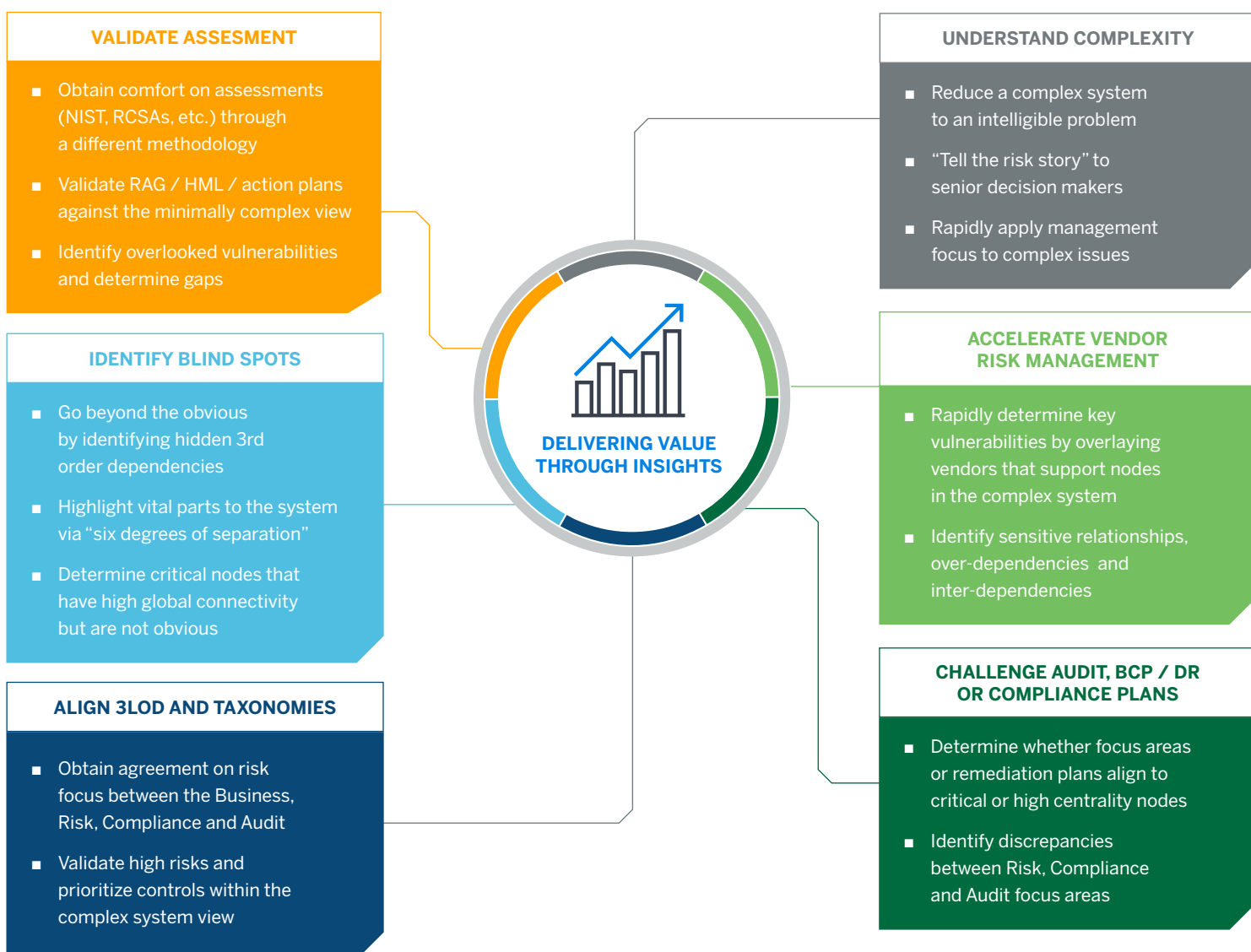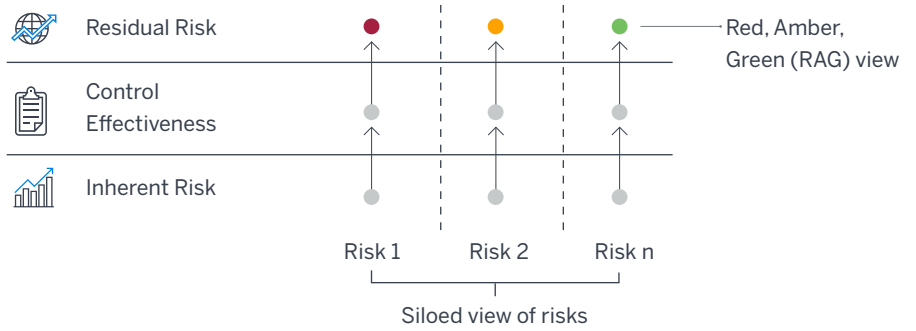|			
Dynamically map your risks	**Validate true risks**	**Identify tipping points to future events**	**Initiate the first step to credible risk quantification**

Cognitive mapping use cases

Creating the cognitive map will "tell your story" while providing insights and validation of critical risk issues before moving to causal modeling.
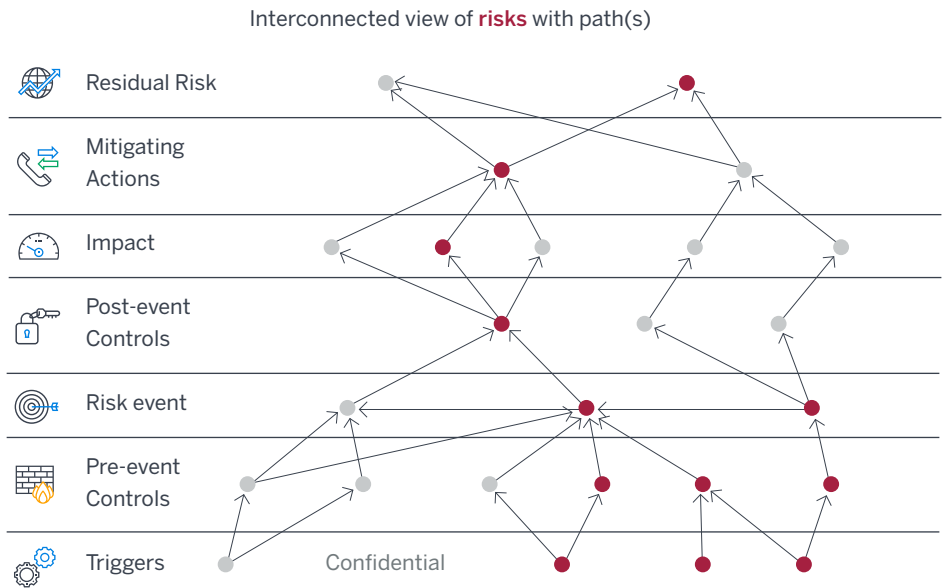
VALIDATE ASSESMENT

- Obtain comfort on assessments (NIST, RCSAs, etc.) through a different methodology
- Validate RAG / HML / action plans against the minimally complex view
- Identify overlooked vulnerabilities and determine gaps

IDENTIFY BLIND SPOTS

- Go beyond the obvious by identifying hidden 3rd order dependencies
- Highlight vital parts to the system via "six degrees of separation"
- Determine critical nodes that have high global connectivity but are not obvious

ALIGN 3LOD AND TAXONOMIES

- Obtain agreement on risk focus between the Business, Risk, Compliance and Audit
- Validate high risks and prioritize controls within the complex system view

DELIVERING VALUE THROUGH INSIGHTS

UNDERSTAND COMPLEXITY

- Reduce a complex system to an intelligible problem
- "Tell the risk story" to senior decision makers
- Rapidly apply management focus to complex issues

ACCELERATE VENDOR RISK MANAGEMENT

- Rapidly determine key vulnerabilities by overlaying vendors that support nodes in the complex system
- Identify sensitive relationships, over-dependencies and inter-dependencies

CHALLENGE AUDIT, BCP / DR OR COMPLIANCE PLANS

- Determine whether focus areas or remediation plans align to critical or high centrality nodes
- Identify discrepancies between Risk, Compliance and Audit focus areas

Milliman

CLASSIC ASSESSMENT

- Siloed view
- Relative results
- Arithmetic view of cumulative exposure
- Root cause analysis lacking
- Singular path

Residual Risk — Red, Amber, Green (RAG) view

Control Effectiveness

Inherent Risk

Risk 1   Risk 2   Risk n

Siloed view of risks

Interconnected view of **risks** with path(s)

CASUAL MODEL

- Network (system) view
- Financial impact and results
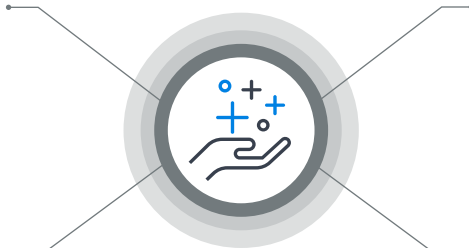- Cumulative view of risk
- Root cause explained
- Multiple paths

RISK CHAIN

Residual Risk

Mitigating Actions

Impact

Post-event Controls

Risk event

Pre-event Controls

Triggers   Confidential

* Red nodes indicate risk being realized

Why Milliman?

The only solution that analyzes non-linear relationships, which can expand to consume other operational risks and continue to learn.

Our approach helps customers displace high priced consultants by reducing staffing requirements, reducing the time onsite, lowering costs, and exposing better insights that can be easily updated.

Reduce costly staffing requirements and expose better insights

Replace models that fail and analyze non-linear relationship

Key contact

Aaron Swan
Director, Cyber Risk Solutions (CRS)
+1 609 516 7307 (Mobile)
+1 917 923 6180 (Alternative)
www.milliman.com/cyber
www.milliman.com/insight/2019/Cyber-risk

Milliman