

International Diploma in GRC - Syllabus

Module 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

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.

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

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**

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

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

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

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

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