RSA EXCHANGE

RSA Archer Model Risk Management

R4 released on May 22, 2018
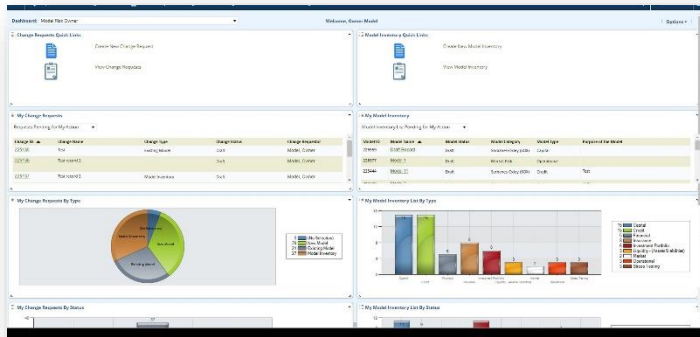
RSA ARCHER MODEL RISK MANAGEMENT

RELEASE DATE	May 22, 2018
SUPPORTED PLATFORM VERSION	Release 6.4
CATEGORY	Enterprise & Operational Risk Management
USE CASE PRE-REQUISITES	Application: Business Unit RSA Archer Issues Management RSA Archer Key Indicator Management *(optional)*
ODA REQUIREMENTS	3 ODAs, 1 Questionnaire

Target industries:

- Financial Services, Banking and Insurance providers
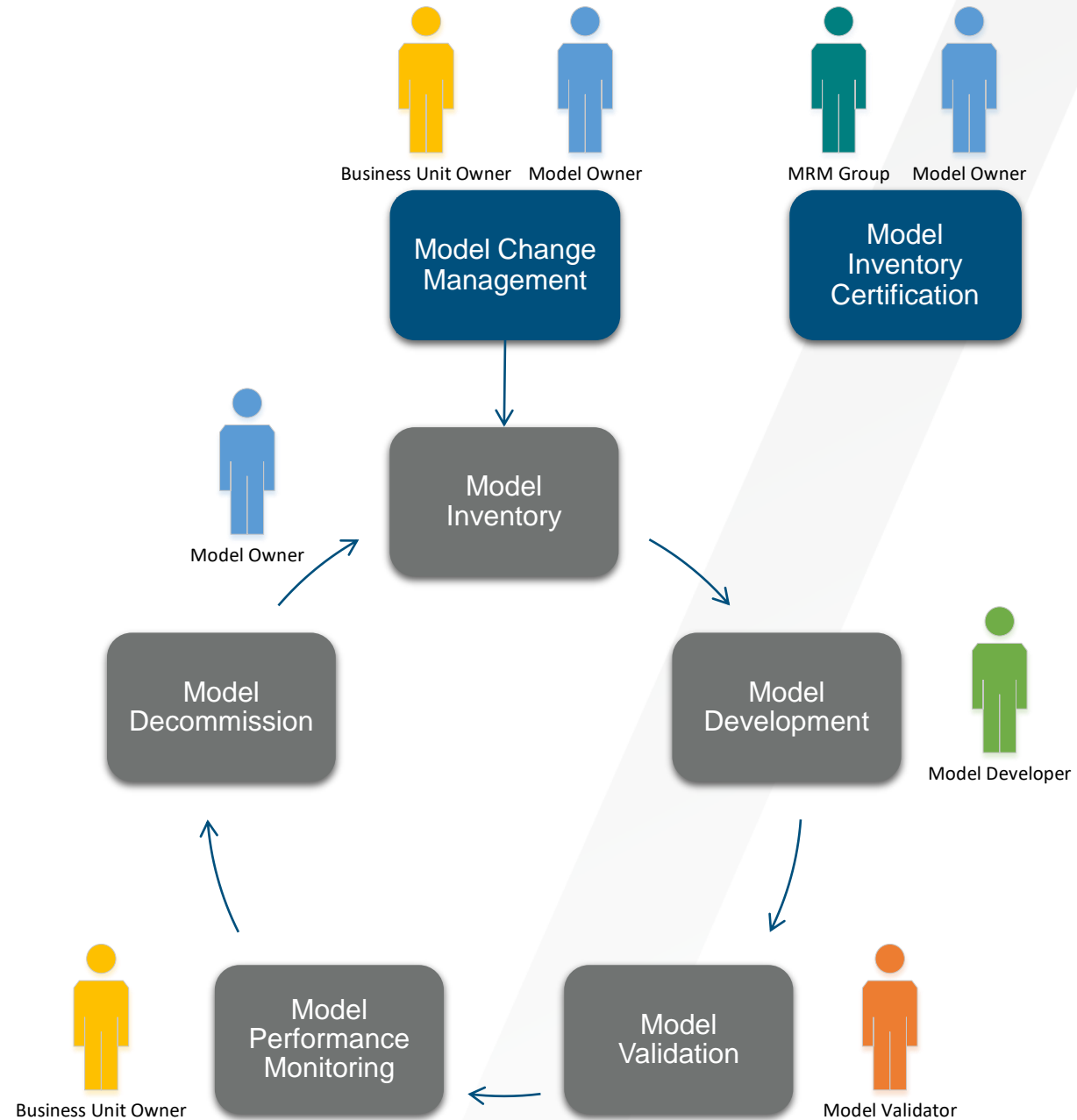
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RSA ARCHER MODEL RISK MANAGEMENT

- Document the organization's model inventory and model documentation
- Track model and model inventory changes
- Track model validation and approvals
- Formally certify that the model inventory is complete and up to date
- Document validation findings
- Analyze model performance indicators
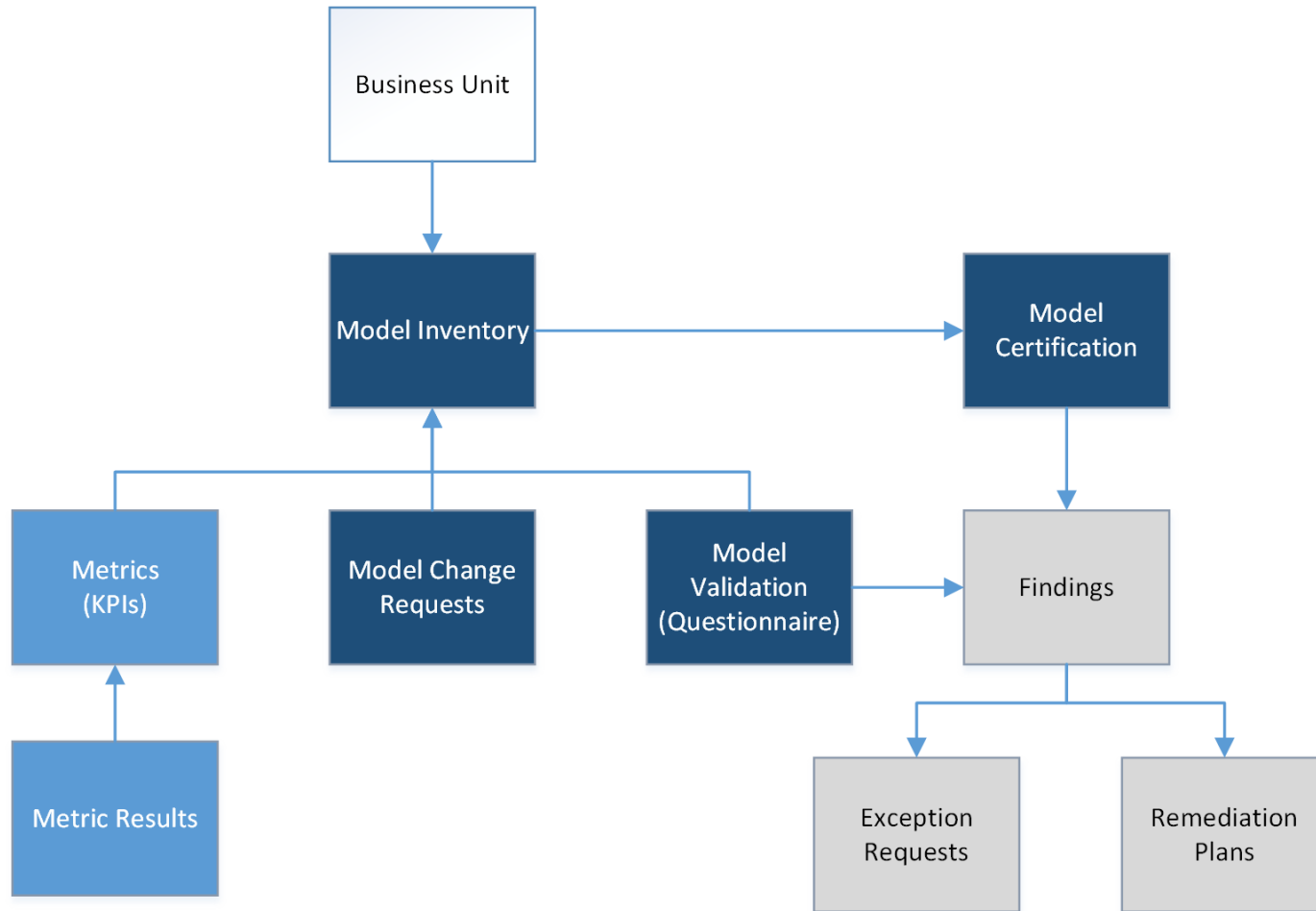- Decommission models as needed

- Consistent and repeatable process for documenting, validating, and managing changes to models
- Reduce unauthorized changes to the model
- Improve accuracy of models
- Reduce likelihood model includes outdated information
- Reduce financial penalties, financial losses, or unforeseen risks due to model inaccuracies or insufficient testing
- Improve visibility into the health and status of the model inventory

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PROCESS AND PERSONAS

Business Unit Owner   Model Owner

MRM Group   Model Owner

Model Change Management

Model Inventory Certification

Model Owner

Model Inventory

Model Decommission

Model Development

Model Developer

Model Performance Monitoring

Model Validation

Model Validator

Business Unit Owner

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SOLUTION DIAGRAM
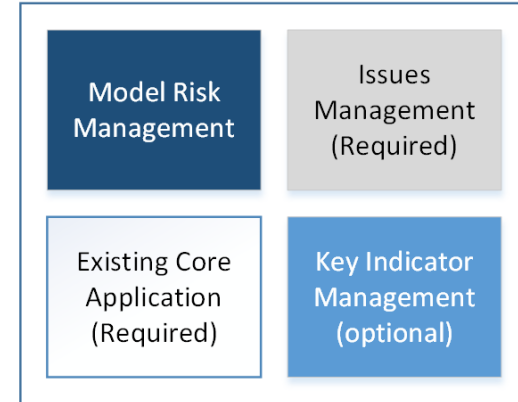
APPLICATIONS

APPLICATION NAME	DESCRIPTION
Model Inventory	Documenting meta-data for each model, how a model may relate to another model, and all processes associated with the model.
Model Change Requests	Allows users to document the Model change requirements, rationale and obtain approvals to complete the requested change.
Model Certification	A mechanism for model owners to attest that the model inventory and the model's meta-data is correct and up to date
Model Validation	Questionnaire capturing high level tasks and outcomes and a description of the tools used to validate the model

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PERSONAS

ROLE	DESCRIPTION
Model Owner / Business Unit Owner	The Model Owner / Business Unit Owner is the first line of defense. They identify and manage the model.
Model Developer	The Model Developer owns the tools that create the actual mathematical model or algorithm.
Model Validator	Model validators are likely the 2nd line of defense risk managers or, in very large organizations, another individual in the business unit that owns the model. Due to segregation of duties controls, this person must be different than the Quant or Model Owner. They may be in the same business unit.
Model Risk Program Manager	The Model Risk Program Manager is responsible for ensuring the model inventory is up-to-date.
Executive Management	The Executive Management team is interested in assuring that there are internal controls for model risk.

* Detailed swim lane definitions available for personas in offering documentation.

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Short Demonstration