

Navigating CPS 230: Challenges for Financial Services and the Need for Advanced Process Management



Understanding the CPS 230 Challenges

CPS 230, the new risk management standard set by the Australian Prudential Regulation Authority (APRA), represents a significant shift in how financial services (FINS) companies are expected to document and manage their operational risks. This regulation mandates a more robust, integrated, and transparent approach to risk management across all operational facets.

Key challenges FINS companies face with CPS 230

- **Increased Regulatory Scrutiny:** APRA now requires detailed, auditable documentation of risk management processes, with clear evidence of controls and compliance.
- **Complexity of Risk Management:** With multiple layers of operations and numerous processes across various departments, key partners and their suppliers in the organisation's ecosystem, ensuring that every risk is identified, documented, and mitigated is daunting.
- **Real-Time Compliance Monitoring:** CPS 230 emphasizes the need for continuous monitoring of risk management practices, which demands real-time insights and rapid responsiveness operational to risk incidents and potential breaches.

Why Manual Process Documentation Falls Short

Traditional manual process documentation methods, which rely on interviews, workshops, and static reports to produce process maps, are no longer sufficient to meet the stringent requirements of CPS 230. These methods are:

- **Time-Consuming and Error-Prone:** Manual mapping of processes and associated controls is often slow, subject to human error, and typically based on perceptions rather than actual data, leading to incomplete or biased risk assessment.
- **Lack of Real-Time Monitoring:** Manual approaches cannot provide the ongoing, real-time monitoring required under CPS 230, leaving organisations vulnerable to compliance gaps.
- **Inefficient for Complex Environments:** As organisations grow and processes become more complex, manual process & risk documentation struggles to keep up, often leading to outdated or inaccurate records.

Get Ahead of Your Risk Now

In the face of CPS 230, relying on outdated, manual methods is a risk you can't afford. **Apromore's Compliance Center** has been specifically designed to equip your organisation with the right tools to not just meet but exceed regulatory expectations. Ensure your compliance, improve your operational efficiency, and gain peace of mind with Apromore's Compliance Center, altogether building a much more robust and insightful control framework for your organisation.

Contact us today to learn how Apromore can help you navigate CPS 230 with confidence.

Apromore: Your Partner in Achieving CPS 230 Compliance

Apromore's Compliance Center is designed to address these challenges head-on by providing a comprehensive, AI-driven process mining solution that automates and enhances the documentation, monitoring, and reporting of risk management processes.

With Apromore, you can achieve:

- **Compliance Auditing:** Automate key control checking across all transactions, to assess your controls effectiveness and use the power of process mining to identify the root causes of incidents to trigger appropriate remediations. Produce detailed, customizable compliance dashboards and reports that contribute to fulfilling regulatory requirements.
- **Compliance by Design:** Build digital process twins to simulate the impact of process changes on your compliance posture: quickly identify material weaknesses in your control environment, and modify your process design accordingly, to be compliant by design. Perform scenario analysis of operational risk events and stress test the effectiveness of business continuity planning and critical operations.
- **Compliance Monitoring:** Leverage near real-time monitoring of your controls, enabling early identification and escalation of operational risk incidents, as your process cases unfold. Provide a clear, auditable trail of your controls.