JUPITER PRIME

Consulting • Training • Advisory

جوبيتر برايم للاستشارات والتدريب

COURSE BROCHURE

AI Loss Event Analytics and Key Risk Indicators Training Course

jupiterprime.uk

info@jupiterprime.uk

Registered in the United Kingdom and Saudi Arabia

AI Loss Event Analytics and Key Risk Indicators Training Course

AI Loss Event Analytics and Key Risk Indicators is a 1-week training course for operational risk officers and internal control managers in banks and insurers, who build a Loss Event and KRI Early Warning Playbook during the course. Incident narratives now pile up faster than analysts can read them, so machine learning helps reveal emerging exposures before they become losses. Jupiter Prime Training delivers this course.

Why AI Loss Event Analytics and Key Risk Indicators Matter Now

Three forces shape this field today. Free-text incident reports keep growing across branches, claims units and outsourced providers. Boards and risk committees expect forward-looking indicators instead of backward loss tallies. Every classifier the second line uses is itself a model needing oversight. Organisations that handle this well catch control drift early; those that do not mislabel events and miss repeat failures. The course rests on ISO/IEC 42001 AI management system and the NIST AI Risk Management Framework AI RMF for treating these tools responsibly.

Who Gains Most from AI Loss Event Analytics and Key Risk Indicators

- Officers who capture and categorise internal loss events
- Specialists who design and report key risk indicators
- Internal control managers who plan and evidence control testing cycles
- Analysts who run scenario analysis and feed loss data into capital estimates
- Validators who challenge the models used inside the second line of defence

A second-line unit gains most when its loss data owners, KRI designers and control testers attend together and agree one shared event taxonomy.

AI Loss Event Analytics and Key Risk Indicators Capabilities

Participants move from reading incident text by hand to classifiers and thresholds that flag exposures.

- Apply text classification to incident narratives — consistent event-type mapping for loss committees
- Design KRI thresholds with anomaly detection — earlier escalation to risk owners
- Test controls with sampling guided by machine learning — internal audit and control owners
- Calculate the stability of a loss classifier over time — model validators
- Assess AI model risk against ISO/IEC 42001 and the NIST AI RMF — chief risk officers
- Communicate indicator signals in plain dashboards — board risk committees

Key AI Loss Event Analytics and Key Risk Indicators Terms

- Loss event — an incident causing financial loss, recorded with date, amount, business line, cause and event type.
- Near miss — an operational failure that could have caused loss but did not, still valuable for spotting weak controls.
- Key risk indicator KRI — a measurable metric that signals rising exposure before a loss occurs, with amber and red thresholds.
- Text classification — a machine learning method that assigns free-text incident descriptions to categories of an event taxonomy.
- Concept drift — a change in incoming data that makes a trained model less accurate over time.
- Risk and control self-assessment RCSA — a structured exercise where business units rate their own risks and the strength of their controls.

AI Loss Event Analytics and Key Risk Indicators Day by Day

Day 1: Operational Loss Data in Context

- Event Type Taxonomy and Business Line Mapping — Consistent Loss Categorisation
- Loss Data Collection Thresholds and Fields — Completeness of Internal Records
- Near Miss and Gain Event Capture — Visibility of Weak Controls
- Link Between RCSA, KRIs and Losses — One Coherent Exposure View
- Data Quality Profiling of Loss Registers — Readiness for Machine Learning

Day 2: Text Analytics for Incident Narratives

- Cleaning and Tokenising Incident Descriptions — Usable Training Corpus
- Supervised Classifiers for Event Types — Faster, Repeatable Categorisation
- Topic Modelling to Surface Hidden Causes — Root Cause Prioritisation
- Duplicate and Related Event Linking — Accurate Aggregated Loss Amounts
- Human Review Queues for Low Confidence Labels — Analyst Workload Allocation

Day 3: Designing AI-Driven Key Risk Indicators

- KRI Selection From Causal Drivers — Indicators Tied to Real Exposure
- Anomaly Detection on Indicator Time Series — Earlier Amber Alerts
- Threshold Calibration With Back-Testing — Fewer False Escalations
- Combining Internal and External Loss Signals — Wider Exposure Coverage
- Indicator Dashboards for Risk Committees — Escalation and Ownership Decisions

Day 4: Control Testing and AI Model Risk

- Risk-Based Sampling for Control Testing — Targeted Testing Effort
- Process Mining of Transaction Logs — Evidence of Control Bypass
- Classifier Validation and Drift Monitoring — Ongoing Fitness of Models
- ISO/IEC 42001 Controls for Second-Line AI — Accountable Model Ownership
- NIST AI RMF Map and Measure Functions — Documented Model Limitations

Day 5: Practising the Loss Event and KRI Early Warning Playbook

- Insurance Claims Leakage Case — Applying Narrative Classification
- Retail Payments Outage Case — Applying Indicator Anomaly Alerts
- Peer Challenge of Thresholds and Samples — Defensible Testing Choices
- Model Inventory Entry for Each Tool — Clear Oversight Responsibilities
- Loss Event and KRI Early Warning Playbook — Endorsement by Risk Committee

Applying AI Loss Event Analytics and Key Risk Indicators After the Course

- Run a pilot classifier on the last quarter of incident narratives and compare its labels with analyst categorisation.
- Back-test two existing KRIs with anomaly detection and propose revised amber and red thresholds to their owners.

AI Loss Event Analytics and Key Risk Indicators Questions FAQ

What is AI loss event analytics and why does it matter now?

It is the use of machine learning to classify, link and learn from operational incidents and indicators. It matters now because incident volumes outpace manual review, and committees expect warning signals before losses crystallise.

Which roles gain most from AI loss event analytics and key risk indicators?

Loss data officers, KRI designers, control testers, scenario analysts and model validators in banks and insurers gain most.

How does AI loss event analytics differ from a general AI risk governance course?

It works hands-on with operational loss registers, incident text and indicator series. A general AI risk governance course covers enterprise AI policy instead.

What do you bring back from AI loss event analytics and key risk indicators training?

You bring back a tested narrative classification approach, recalibrated thresholds, a control testing sampling method and model inventory entries.

AI Loss Event Analytics and Key Risk Indicators: The Way Forward

The Loss Event and KRI Early Warning Playbook first informs which indicators deserve new thresholds and which incident categories need automated labelling. Loss data officers, control testers and the risk committee use it as their shared reference. After its first quarter in use, revisit classifier drift and the false alert rate.