

**Deloitte.**



**Safeguarding your reputation**

# At a glance

## Global Board Perspective – A crisis of confidence\*



Three quarters of board members felt their companies were 'crisis ready'. But **less than half** could describe crisis preparation activity



The two areas causing most concern were **corporate reputation** and **cyber attacks**. Others included supply chain, regulatory action and natural disasters



Most board members felt most vulnerable to corporate reputation threat, but fewer than **40%** said they had a crisis plan to address one



Under half of board members say they have engaged with management to understand crisis preparedness



Nearly three quarters of board members that had experienced a crisis said recovery took **between 1 and 5 years**

\* Q3 2015 Forbes Survey, conducted on behalf of the Deloitte Centre for Crisis Management. More than 300 Board members representing every major industry and geographic region were surveyed.

## Safeguarding Reputation is still a growing challenge...

- Reputation is the **top strategic business risk**
- Reputation is a **board and C-Suite issue**
- Reputation is **driven by other business risks**
- **Customers** are key stakeholders for reputation risk
- Banks are least prepared for **risk drivers beyond their direct control**
- **Loss of revenue and brand value** are the key impacts
- **Banks are focusing more attention** and resources on reputation risk

## Performance in a crisis directly impacts reputation and market value

Effective organisations:

- Recognise crisis management as a key reputational risk
- Are resilient, organised and practiced in crisis response
- Can react quickly, perform better and emerge stronger

# Is your bank ready to respond?

The next crisis that could threaten your bank may already be taking shape, putting your reputation and business at risk.

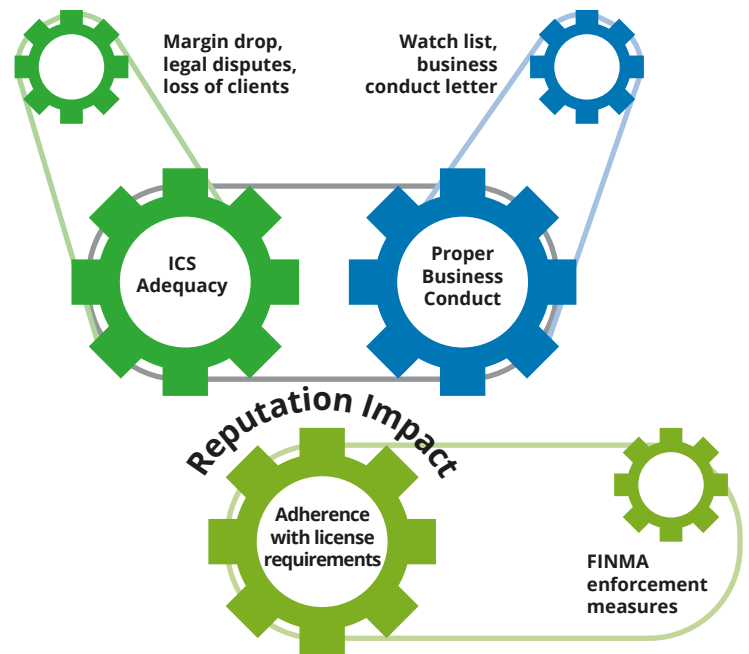
We help you uncover an unforeseen advantage by helping you to prepare for, respond to, and emerge stronger from any crisis.

Because a crisis is unpredictable – due to the magnitude of chaos and distress that it can cost organisations – executives need a documented crisis management plan in addition to their more conventional risk management strategies. When a real crisis emerges, a traditional business continuity plan may be insufficient, especially if it hasn't been tested.

Many banks focus on reactive measures only. With a broad, lifecycle approach to readiness, response and recovery, you can help retain control of the process even when you don't have control of events. You can build in the resiliency that has the potential to turn unforeseen events into unforeseen advantages.

The Regulator (FINMA) follows closely the main banking risks. Nevertheless, Reputation which is one of the **top strategic business risks** deserves a closer attention as described below:

Banking risks covered by FINMA rules	
Credit Risk	FINMA Circ. Credit risks – banks, SBA self regulation for mortgage financing, SBA Guidelines for the management of country risks, ...
Market Risk (Rates, Forex, others)	FINMA Circ. Markets risks – banks, ...
Operational Risk	FINMA Circ. Operational risks, ...
Liquidity Risk	FINMA Circ. Liquidity risks – banks, ...
Capital Adequacy	FINMA Circ. Liquidity risks – banks, ...
Legal and Compliance Risk	FINMA Circ. Supervision and Internal Control – banks, ...



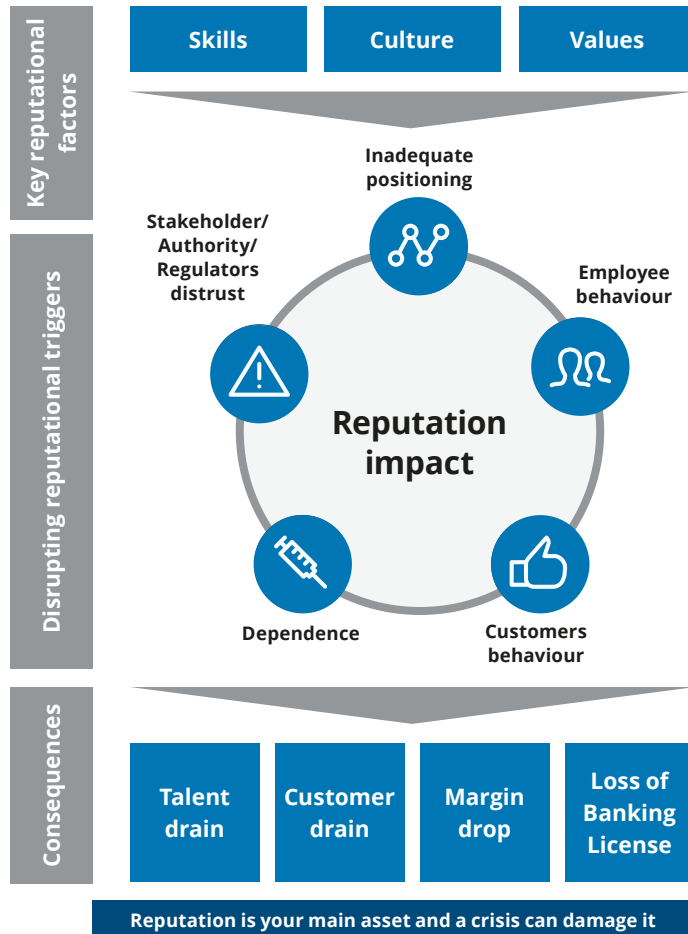
According to a recent crisis study, nearly **80%** of business leaders predict their organisations will experience a crisis within the next year. Despite this, only **54%** of participating organisations had a crisis plan, and about half of those plans were deemed insufficient.

# Are you equipped to protect your reputation?

We developed an efficient rolling programme continually refreshing your crisis readiness and response plan. Our concept identifies your potential crisis triggers based on a robust assessment and simulation exercises covering all aspects of a crisis lifecycle. A Crisis management plan is designed in adherence with FINMA circulars and Swiss Banking Association (SBA) guidance.

## How can a crisis affect your reputation?

Employee or customer behaviour, business model, stakeholders – regulator or authority; all these elements can become a disrupting reputational trigger for your organisation and damage your reputation.



## Our concept to support you

### Recover

- Post Event Review (PER)
- Claim handling, Litigation & Dispute support (Enforcement procedures)
- Back to normal

### Readiness

- Assessment
- Simulation
- Crisis Management Plan design



### Respond

- Organisation
- Investigation
- Communication

# Crisis Readiness

Our readiness work has enabled executives to confidently maintain accountability to stakeholders in the event of a crisis.

## Illustrative framework progression



# Crisis Response

As your network and operations become more globalised, it is vital that your Response is holistic, scalable and agile to meet your needs during a crisis. A Response could be triggered by either a local, regional, or global crisis event. It is essential that you establish an integrated Response Framework to provide a strategic and coordinated response. You need rapid response teams operating under the direction of experts with core competencies and regulatory knowledge and specific expertise. A comprehensive and straightforward programme can bring an organised approach to prepare for, and deal with a crisis.

## Delivery concept & how it works in practice



# Contacts



**Penelope Lepeudry**  
**Fraud Investigations & Litigation support**  
plepeudry@deloitte.ch

Penelope is Partner in our Forensic practice with over 20 years of international experience in Financial Advisory Services.



**Alexandre Buga**  
**Boards and Regulator coordinator**  
abuga@deloitte.ch

Alexandre is Partner and Leader of our Financial Services Industry practice in Romandie with over 20 years of experience in supporting Boards and regulators.



**Charles P. Salvaudon**  
**Fraud Investigations & Risk Management**  
csalvaudon@deloitte.ch

Charles is Director in our Forensic practice with over 20 years of international experience in Financial Advisory Services.



**Mark Carter**  
**Swiss Risk Advisory Leader**  
markjcarter@deloitte.ch

Mark is Managing Partner of our Risk Advisory practice and a member of the Swiss Executive team. He has extensive IT consultancy experience, mainly helping organisations transform their information security capabilities.



**Benjamin Castaing**  
**Audit and Risk**  
bcastaing@deloitte.ch

Benjamin is Senior Manager in our Financial Services Industry practice with over 8 years of experience in Audit & Risk Advisory.



**Antoine Spinelli**  
**Risk and Regulatory Compliance**  
aspinelli@deloitte.ch

Antoine is Senior Manager in our Financial Services Industry practice with over 13 years in risk management and regulatory compliance in the banking industry.



**Sara Ulrich**  
**Crisis management, simulation and war gaming**  
sulrich@deloitte.co.uk

Sara is Director and Simulations Lead with over 15 years of international experience in crisis management, simulations and War games.



**Rémy Wenger**  
**IT & Security**  
rewenger@deloitte.ch

Rémy is Director and leads our IT and Security Assurance team within our Financial Services Industry practice. As a former Chief Information Security Officer in the banking industry he has a significant experience in Cyber Security and Business Continuity.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/ch/about](http://www.deloitte.com/ch/about) for a detailed description of the legal structure of DTTL and its member firms.

Deloitte SA is a subsidiary of Deloitte LLP, the United Kingdom member firm of DTTL.

Deloitte SA is an audit firm recognised and supervised by the Federal Audit Oversight Authority (FAOA) and the Swiss Financial Market Supervisory Authority (FINMA).

This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication. Deloitte SA would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. Deloitte SA accepts no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

© 2016 Deloitte SA. All rights reserved.

Designed and produced by The Creative Studio at Deloitte, Zurich. J10609