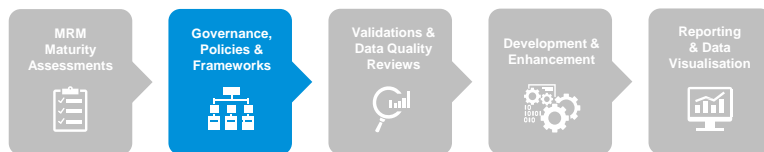


# Model Governance, Policies & Frameworks

**Model errors can be prevented by implementing a robust governance framework for managing model usage.**

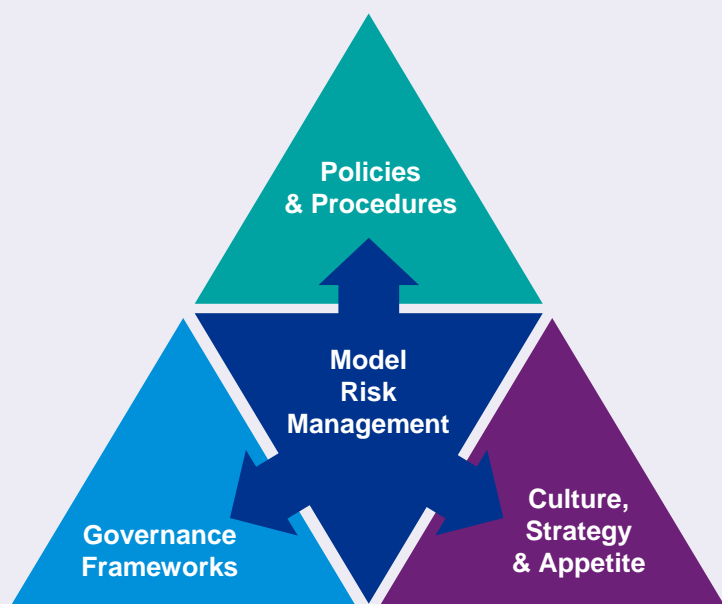


Do you know how many models and spreadsheets are currently active in your organisation and who is responsible for managing and maintaining every business-critical model?

Effective governance, clear and up to date policies and procedures and inclusion of model risk in culture, strategy and appetite discussions are all required for an adequate model risk framework. Whether or not your industry is regulated on its model practices, you can benefit from a controlled model environment.

## How can we help?

*Our governance, risk and compliance specialists combined with model risk experts can help you build an effective inventory, define governance processes and embed a culture of awareness around the use of spreadsheets and advanced models in your business.*



### Governance Frameworks

- Building and maintaining an inventory of models/spreadsheets in your organisation
- Implementing inventory platforms
- Enabling senior management oversight of model/spreadsheet landscape
- Determining escalation procedures for breaches in model risk appetite
- Independent model validation & internal audit review
- Control testing

### Policies & Procedures

- Developing policies and processes to evaluate and manage the exposure of model and spreadsheet risk
- Implementing processes to review and update the internal documentation on models and spreadsheets frequently
- Providing employees with internal documentation and training for ongoing support on model risk management and best practices for spreadsheet use

### Culture, Strategy & Appetite

- Embedding a model risk culture program across the organisation, enabling awareness around the use of spreadsheets
- Defining and implementing a model risk strategy
- Updating your Risk Appetite Framework stipulating the tolerance with regards to model and spreadsheet errors
- Setting limits and early warnings to KRIs on model risk

## KPMG Tools & Accelerators:

- An AI driven technology tool to manage end-user computing by utilising discovery techniques including drive scanning to catalogue spreadsheet usage and support inventory management
- Add-ins to log versioning and audit trail approvals for enhanced control
- Data-lineage assessments for improved workflow management

## Contact us:

**Gillian Kelly**  
Partner  
KPMG Risk Consulting  
T: +353 87 744 1120  
E: gillian.kelly@kpmg.ie

**Brendan Crowley**  
Director  
KPMG Risk Consulting  
T: +353 87 050 4338  
E: brendan.crowley@kpmg.ie

**Ciara O'Callaghan**  
Director  
KPMG Management Consulting  
T: +353 87 050 4528  
E: ciara.ocallaghan@kpmg.ie