



# PROFETA CONSULTING

## Risk Analysis and Consulting Services

Profeta Consulting is a specialist risk analysis company, serving corporations and business organizations. We are recognized as experts in quantitative risk analysis, and provide clients with our risk expertise in three complementary forms: consulting, software and training.

## **Overview of the Team**

Profeta is a specialized risk consulting company. Our goal is to provide diverse organizations with improved insight into the uncertainty and risks they face, through rational and transparent risk analysis methods. Our team's ultimate mission is to provide our clients with more sophisticated information so that they can make better decisions, and thus improve their quality in managing uncertainty and risk. We are most widely recognized for our involvement in complicated probabilistic or mathematical modeling. However for less complex solutions we work with qualitative risk analysis methods as they are often less cost and time demanding and still provide very valuable arguments.

## **Philosophy**

We pride ourselves on our record of being experts in the application of risk analysis principles to improve our clients' decision making. We are renowned for bringing innovative and creative solutions that are focused on the clients' objectives. The broad scope of our expertise not only allows us to bring fresh ideas to a client from our experience in other fields, but also gives us the ability to remain objective and see the big-picture.

We believe in strong relationships with our clients. We prefer to work alongside the client so that we can demonstrate the results of our work and teach the clients personnel continuously during the project the methods we use and share as much of the work as possible with the clients' personnel. This maximizes the value added of our work and transfers as much knowledge as possible so that the client is better able to understand our work, and more capable of doing future projects by themselves.

We aim for long-term relationships with our clients. Our low overhead and infrastructure costs allow us to offer a fee structure that is highly competitive compared to the larger consulting and advisory firms. Our small size means that the person with whom you negotiate the work will be the person who does the work: an approach markedly different from major consultancy firms. We also believe in telling the client when there may be a simpler, cheaper consulting option or when the work is outside our field of expertise. We are happy to help build a team of experts for wide-scoping projects, through our large network of outside-experts including industry and academic professionals.

## **Professional Independence**

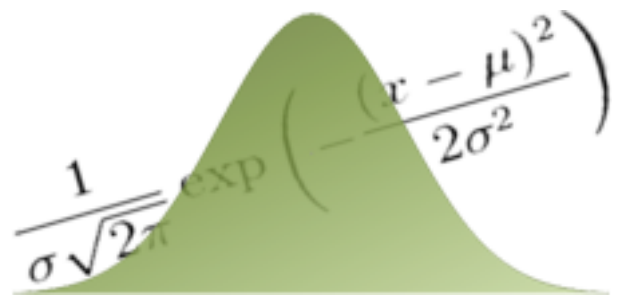
Our client base includes many business organizations. Some clients compete with each other commercially or represent countries with conflicting interests. We therefore jealously guard our reputation for professional independence. We can only accept modeling and auditing assignments where the client accepts that our findings may not match their hopes. We will not accept any assignment that requires us to demonstrate a pre-defined conclusion.

## Consultancy Services

Many clients like to have the in-house capacity to perform quantitative risk analyses and have the resources to train some personnel up to a certain level. However, some problems can be rather complicated or there may be a lot riding on the model being correct and in such circumstances, we provide a specialist service to produce the quantitative risk analysis model. The client usually provides the data and problem logic and we construct the model around this logic alongside with the data, ensuring that both are adequate to the problem. This approach is a very efficient use of consultancy time and allows the client to both maintain control of the assessment and improve their modeling skills in the process. Modeling work is frequently carried out over the Internet to minimize travelling time and expense.

## Risk Analysis Software

Profeta Risk Analyzer is a quantitative risk analysis tool specifically designed for companies dealing with operational risk that allows the user to incorporate Monte Carlo simulation technique into all types of Excel models. Profeta Risk Analyzer gives the user ability to use the most up-to-date, advanced quantitative techniques available without having to resort to complex programming. The development of Profeta Risk Analyzer is based on previous projects and reflects all needs of our customers. Every time we are facing a new challenge in any of our projects, we also develop and incorporate appropriate functionality.



## Training

Profeta Consulting provides training on various aspects of risk analysis and modeling, from basic awareness and communication of the results of a risk assessment to more complex mathematical modeling. We believe in using practical examples to flesh out and reinforce the concepts and techniques that are presented in our in-house and open courses. These problems will continuously refer to the course material as it is being presented. Courses of the seminar are closely connected with each other. The participants continuously built up their knowledge in each course so that they can exercise them in practical examples in later stages of the seminar. This approach encourages the creative problem solving that is critically important in risk assessment. In addition we offer to design certain courses of the seminar so that they are reserved for solving problems that are relevant to the participants' field and interests.



## **Our Expertise**

Our consultants have diverse, practical experience across many industries. They have helped clients make better decisions through providing insight in the uncertainties they face in many areas, including marketing, corporate finance, investments, operations, safety and project management. Focused and committed to work with you every step of the way, our consultants partner with you from project conception to execution to resolution.

Over the years our consultants have provided high quality consulting services to many satisfied clients in a wide variety of industries and applications. These include Batt & Partners Consulting, Clearstream Banking, Česká Pojišťovna, CK Fischer, GE Money Bank, Generail PPF Holding, Charouz Group, Jordan Ahli Bank, Siemens, Veolia Voda Česká Republika.

## **Operational Risk Analysis Framework**

Our framework comprises eight distinct phases of a successful and comprehensive risk analysis implementation, going from a qualitative management screening process to creating clear and concise reports for risk management. This process was developed by our consultants based on previous successful implementations of risk analysis projects both in the consulting area and in industry-specific problems. These phases can be performed either in isolation or together in sequence for a more robust integrated analysis. A complete risk assessment consists of the following parts:

- ❖ **Risk Identification** – List of projects and strategies to be evaluated
- ❖ **Risk Quantification** – Recognize approximations and co-relations of risk factors
- ❖ **Risk Modeling** – Generate a traditional static cash flow model
- ❖ **Risk Analysis** – Perform a Monte Carlo simulation and sensitivity analysis
- ❖ **Risk Mitigation** – Frame relevant projects and strategies
- ❖ **Risk Diversification** – Optimization conjunctions of projects and strategies
- ❖ **Risk Hedging** – Secure persistent risk expositions
- ❖ **Risk Management** – Iterative reporting and decision making