

ALDEN ADVISORY

RESEARCH PAPER

Operational Resilience: Beyond the Compliance Checklist

Why resilience is tested by incidents,
not impact tolerance statements

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Research Paper — Alden Advisory

Alden Advisory — London — [aldenadvisory.example](#) (concept site)

EXECUTIVE SUMMARY

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Operational resilience regulation has, in our experience, been implemented by many institutions as a documentation exercise: impact tolerance statements written, important business services mapped, scenario testing completed and filed. This paper argues that this compliance-first implementation misses the point of the regulation, which is tested not by the quality of the documentation but by what actually happens during a genuine operational incident.

Risk Culture Versus Risk Theatre

We draw a consistent distinction in our advisory work between risk culture and risk theatre. Risk theatre is committees that meet, documents that get noted, and impact tolerance statements that exist on paper. Risk culture is when the people closest to an operational decision are also the people accountable for its consequences during a live incident — and most institutions, on close inspection, have considerably more of the former than the latter.

The Control Nobody Owns

Across our resilience engagements, the single most common finding is a control that exists in the documented framework but has no genuinely engaged owner in practice — often because responsibility shifted informally after a reorganisation without the documentation being updated. These are, consistently, the controls that fail first under real pressure, not because they were poorly designed, but because ownership ambiguity means nobody notices them degrading.

Testing Resilience Honestly

We recommend scenario testing be designed to genuinely surprise the institution being tested — including scenarios the firm's own staff did not help design — rather than testing against a scenario set the organisation is already confident it can pass. Resilience that has only been tested against comfortable scenarios has not, in any meaningful sense, been tested.