

MANAGEMENT RISK - AN ANALYSIS

Dr. G. V. Kokkalki*

**Assistant Professor, Department of Commerce, CSI College of Commerce, Dharwad, Karnataka- 580001.*

ABSTRACT

Financial Risk Management deals with risk management in banks and financial institutions. It discusses the various methods available for measuring credit risk, market risk and operational risk. The emphasis of Risk Management is on effective ways of identifying and measuring risks and ensuring that there is adequate capital to back them up so that bank failures can be minimized. Banks or Financial institutions make an attempt to raise risk awareness and develop a culture that focuses attention on risks. Risk management is effective when managers and employees are attuned to risk. Risk management is a mindset and risk management and corporate ethics go hand in hand. There is significant role for diverse functional specialists in Risk Management. Asset liability management provides a macro-level framework and a sophisticated tool for risk management in banks.