Financial Institutions Management: A Risk Management Approach

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Saunders, Anthony Saunders, Cornett. Saunders and Cornett's Financial Institutions Management: A Risk Management Approach provides an innovative approach that focuses on managing return and risk in modern financial institutions. The central theme is that the risks faced by financial institutions managers and the methods and markets through which these risks are managed are becoming increasingly similar whether an institution is chartered as a commercial bank, a savings bank, an investment bank, or an insurance company. Although the traditional nature of each sector's product activity Institutions must rethink their risk management strategy and adopt a holistic approach to NFR in order to reduce potential liabilities while improving effectiveness. 1. Building a comprehensive NFR strategy. An effective NFR management program begins with a comprehensive approach to identify all the non-financial risks facing an organization, based on a detailed risk taxonomy and a holistic risk identification process. The following four specific levers should be considered: First, a clear process and explicit ownership to incorporate all material NFRs into the business strategies and risk app