

THE STUDY ON RISK MANAGEMENT ANALYSIS IN FINANCE

Submitted in partial fulfilment of the requirements for the award of

MASTER OF BUSINESS ADMINISTRATION

by

GOKUL.V

REGISTER NO:42410090



**DEPARTMENT OF BUSINESS ADMINISTRATION
SCHOOL OF MANAGEMENT STUDIES**

SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE
JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119**

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CATEGORY - 1 UNIVERSITY BY UGC**

SCHOOL OF MANAGEMENT STUDIES

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **GOKUL.V (42410090)** who carried out the Project Training “**A STUDY ON RISK MANAGEMENT ANALYSIS IN FINANCE**” under my supervision from January 2023 to March 2023.

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DECLARATION

I **GOKUL.V(42410090)** hereby declare that the Project Report entitled “**THE STUDY ON RISK MANAGEMENT ANALYSIS IN FINANCE**” done by me under the guidance of **DR.C. LAKSHMI** is submitted in partial fulfilment of the requirements for the award of Master ofBusiness Administration degree.

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ABSTRACT

The research paper is based on study conducted on the Risk Management with reference to finance sector. For undertaking analysis of the risk management practices in finance we have had personal interview and discussion round and survey by questionnaires with finance professionals from various areas within finance as banking, working professionals, public. The emphasis of this paper was to study the criticalness of Risk Management in current environment, its types & techniques to mitigate the adverse impact of each type. In this you can know about the types of risk involved and how to avoid those kinds of risks will be explained and discussed in the following process.

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CHAPTER 1

INTRODUCTION

1.1. INTRODUCTION:

Risk management analysis in finance is a critical process employed by individuals, businesses, and institutions to identify, assess, and mitigate potential risks that could adversely impact their financial objectives. It involves the systematic evaluation of uncertainties that could affect investments, assets, liabilities, or overall financial performance.

Key aspects of risk management analysis in finance include:

Identification of Risks:

This initial step involves recognizing and understanding the various types of risks that could affect financial outcomes. Common risks include market risk (such as fluctuations in stock prices or interest rates), credit risk (the risk of default by borrowers), liquidity risk (availability of cash or assets to meet obligations), operational risk (related to internal processes, systems, or external events), and systemic risk (risks affecting the entire financial system).

Risk Assessment:

Once identified, risks are assessed in terms of their potential impact and likelihood of occurrence. Quantitative techniques, such as statistical models and scenario analysis, along with qualitative assessments, help in evaluating the magnitude and probability of risks.

Risk Mitigation Strategies:

After assessing risks, strategies are developed to manage, minimize, or transfer these risks. This involves implementing risk mitigation techniques tailored to specific types of risks. For instance, diversification of investments, hedging using derivatives, insurance, setting risk limits, and improving operational procedures are common risk mitigation approaches.

Monitoring and Review:

Risk management is an ongoing process that requires constant monitoring and periodic review. Market conditions, regulations, and internal factors can change over time, necessitating continuous evaluation of risks and adjustment of risk management strategies.

Compliance and Regulatory Requirements: In the financial sector, adherence to regulatory guidelines and compliance standards is crucial. Institutions must ensure that their risk management practices align with regulatory requirements and industry best practices.

Risk Culture and Governance: Establishing a strong risk culture within an organization involves embedding risk awareness, accountability, and responsibility at all levels. Effective governance structures facilitate the implementation and oversight of risk management strategies.

Successful risk management analysis in finance enables individuals, businesses, and institutions to make informed decisions, safeguard assets, protect against potential losses, and optimize risk-return trade-offs. It also contributes to financial stability and resilience in the face of uncertain and volatile market conditions.

EMPLOYEE ENGAGEMENT

Employee engagement is a crucial aspect of effective risk management analysis in finance. Engaged employees play a vital role in identifying, mitigating, and managing risks within an organization. Here's how their engagement contributes to the risk management process:

1. **Enhanced Risk Awareness:** Engaged employees are more attuned to their work environment and potential risks. Their active involvement and commitment enable them to better understand the nuances of their roles, leading to increased vigilance and awareness regarding risks specific to their job functions.
2. **Improved Risk Identification:** Engaged employees, being more connected to their work and the organization, are better positioned to identify potential risks. They possess a deeper understanding of operational processes and are more likely to notice irregularities, emerging threats, or vulnerabilities that might not be apparent otherwise.
3. **Diverse Perspectives for Comprehensive Analysis:** Engaged employees tend to be more willing to voice their opinions and share insights. This diversity of thought and perspectives from various levels and departments within an organization helps in comprehensive risk analysis. Different viewpoints contribute

to a more holistic understanding of risks, facilitating more effective risk assessment and mitigation strategies.

4. **Proactive Risk Mitigation:** Engaged employees feel a sense of ownership and responsibility toward the organization's success. They are more likely to take proactive steps to mitigate identified risks within their areas of influence. Their commitment leads them to actively participate in implementing risk management procedures and controls.
5. **Innovation and Continuous Improvement:** Engaged employees are often more creative and innovative. They contribute ideas and suggestions for improving risk management strategies, processes, or systems. Their proactive involvement drives continuous improvement initiatives, enhancing the organization's ability to adapt to evolving risks.
6. **Stronger Communication and Collaboration:** Employee engagement fosters a culture of open communication and collaboration. Engaged employees are more willing to engage in discussions, share concerns, and work collaboratively across departments. This facilitates effective communication of risk-related information, ensuring that critical insights reach the right stakeholders in a timely manner.
7. **Empowered Decision-Making:** Engaged employees are empowered to make informed decisions regarding risk management. Their active engagement allows them to weigh risks and benefits, enabling more prudent decision-making aligned with the organization's risk appetite and objectives.

In essence, employee engagement creates a conducive environment where individuals are more committed, proactive, and invested in identifying, mitigating, and managing risks. Their involvement significantly strengthens an organization's overall risk management capabilities, making it more resilient and better prepared to navigate the complexities of the financial landscape.

a positive impact on engagement. There comprises a strong link between productivity and engagement. Employee's knowledge of an organizations

productivity levels also had a positive impact on engagement.

Employee Engagement depends on four major conditions in the workplace such as organizations culture, continuous reinforcement of people focused policies, meaningful metrics and organizational performance.

Employee engagement is one of the main driving forces and a biggest advantage for organization and there is a great certainty that employee engagement is connected with business performance.

Employee engagement is a fundamental concept in the effort to understand and describe, both qualitatively and quantitatively, the nature of the relationship between an organization and its employees. An "engaged employee" is defined as one who is fully absorbed by and enthusiastic about their work and so takes positive action to further the organization's reputation and interests. An engaged employee has a positive attitude toward the organization and its values.

Employee engagement can be critical to a company's success, given its clear links to job satisfaction and employee morale. Communication is a critical part of creating and maintaining employee engagement. Engaged employees are more likely to be productive and higher performing. They also often display a greater commitment to a company's values and goals.

Employers can encourage employee engagement in many ways, including communicating expectations clearly, offering rewards and promotions for excellent work, keeping employees informed about the company's performance, and providing regular feedback. Other strategies include making efforts to make employees feel valued and respected, and feel that their ideas are being heard and understood. Engaged employees believe that their work is meaningful, believe that they are appreciated and backed by their supervisors and that they have been entrusted with the success of their company

- ☐ Employee engagement describes the level of enthusiasm and dedication a worker feels toward their job.
- ☐ Employee engagement can be critical to a company's success, given its links to job satisfaction and employee morale.

- Engaged employees are more likely to be productive and higher performing.
- Employers can foster employee engagement through effective communication, offering rewards, and discussing career advancement.
- Employee engagement is one of the main driving force and a biggest advantage for organization and there is a great certainty that employee engagement is connected with business performance.

Categories of Employee Engagement

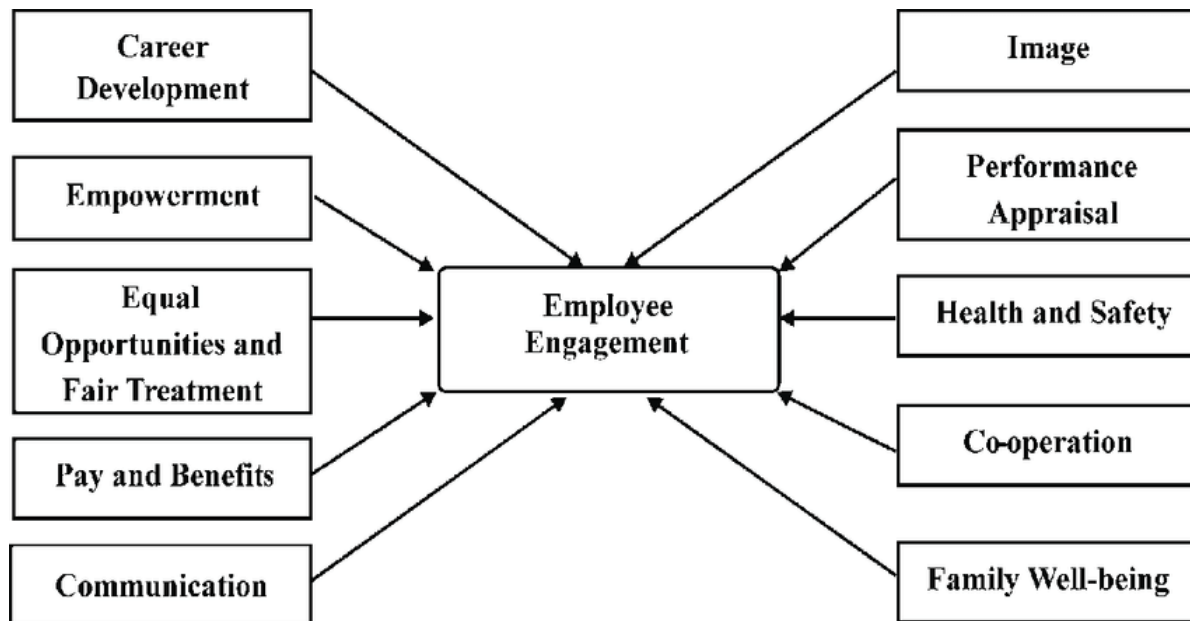
According to the Gallup the Consulting organization there are there are different types of people:-

Engaged--"Engaged" employees are builders. They want to know the desired Expectations for their role so they can meet and exceed them. They're naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. They work with passion and they drive innovation and move their organization forward

Not Engaged--Not-engaged employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks vs. achieving an outcome. Employees who are *not-engaged* tend to feel their contributions are being overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers.

Actively Disengaged--The "actively disengaged" employees are the "cave dwellers." They're "Consistently against Virtually Everything." They're not just unhappy at work; they're busy acting out their unhappiness. They sow seeds of negativity at every opportunity. As workers increasingly rely on each other to generate products and services, the problems and tensions that are fostered by actively disengaged workers can cause great damage to an organization's functioning.

DRIVER OF EMPLOYEE ENGAGEMENT



Career Development

Organizations with high levels of engagement provide employees with opportunities to develop their abilities, learn new skills, acquire new knowledge and realize their Potential. When companies plan for the career paths of their employees and invest in them in this way their people invest in them. Career development influences engagement for employees and retaining the most talented employees and providing opportunities for personal development

Image

How much employees are prepared to endorse the products and services which their company provides its customers depends largely on their perceptions of the quality of those goods and services. High levels of employee engagement are inextricably linked with high levels of customer engagement.

Empowerment

Employees want to be involved in decisions that affect their work. The leaders of high engagement workplaces create a trustful and challenging environment, in which employees are encouraged to dissent from the prevailing orthodoxy and to input and innovate to move the organization forward.

Performance appraisal

Fair evaluation of an employee's performance is an important criterion for determining the level of employee engagement. The company which follows an appropriate performance appraisal technique (which is transparent and not biased) will have high levels of employee engagement.

Equal Opportunities and Fair Treatment

The employee engagement levels would be high if their bosses (superiors) provide equal opportunities for growth and advancement to all the employees

Health and Safety

Research indicates that the engagement levels are low if the employee does not feel secure while working. Therefore every organization should adopt appropriate methods and systems for the health and safety of their employees.

Pay and Benefits

The company should have a proper pay system so that the employees are motivated to work in the organization. In order to boost his engagement levels the employees should also be provided with certain benefits and compensations.

Co-operation

If the entire organization works together by helping each other i.e. all the employees as well as the supervisors co-ordinate well then the employees will be engaged.

Communication

The company should follow the open door policy. There should be both upward and downward communication with the use of appropriate communication channels in the organization. If the employee is given a say in the decision making and has the right to be heard by his boss then the engagement levels are likely to be high

Family Well-being.

A person's family life influences his work life. When an employee realizes that the organization is considering his family's benefits also, he will have an emotional attachment with the organization which leads to engagement

Employee Engagement Strategies

Strategy 1 – Adopt a Bottom-Up Approach

With any major decision in the organization, it is warranted that it starts at the lowest tiers—your employees. Conduct questionnaires and surveys that permit your employees to express their opinions and concerns. A survey might be the best way to spur your employee engagement strategy. The more you ask for their opinions, the more they feel esteemed, entitled, respected, and like they belong to the organization.

Strategy 2 – Promote Two-Way Communication

To promote employee engagement, the first requirement is to keep the employees out of the dark. If organizations act secretive and only divulge information on a “need-to-know” basis, it will likely cause lower engagement rates among their employees. Transparency begets trust when employees get to understand how corporate decisions will affect the workplace or how they should deal with situations.

Strategy 3 – Encourage Community Participation

An organization is essentially a community; each member fulfills a specific task and serves the community as a whole. To encourage this community spirit among your employees, any engagement activity can help, from organizing a big annual event to simply taking a team out to lunch.

Strategy 4 – Recognize Good Work

Two out of three employees feel they do not get enough recognition for their work. As a result, most employees will not deliver their maximum potential and may engage in unwanted behaviour. Also, highly-trained and qualified talent is always looking for better options out there. For this reason, it is wise to create a recognition-rich environment where good work is rewarded with perks and incentives.

Strategy 5 – Invest in Personal Growth

This is part of the nurturing phase of human capital management. Every human

asset that you acquire should be fostered and polished to assist in the long-term growth of the organization.

Strategy 6 – Hire Competent Managers

Your secret weapon to spur employee engagement is the managers—they are the middlemen between boardroom members and the employees. In most cases, the employees interact with the top-level executives rarely, if ever, but have daily interactions with their immediate bosses. Whether they are feeling secure, angry, or ignored depends on the tact of the respective manager.

Strategy 7 – Create a Sense of Purpose

Employees are not robots; they are human. Organizations that tend to see employees as a commodity that can be bought at a certain price have not woken up to the true essence of human capital, unfortunately. Your employees are not another factor of production, but prospective champions of your organization's values and principles.

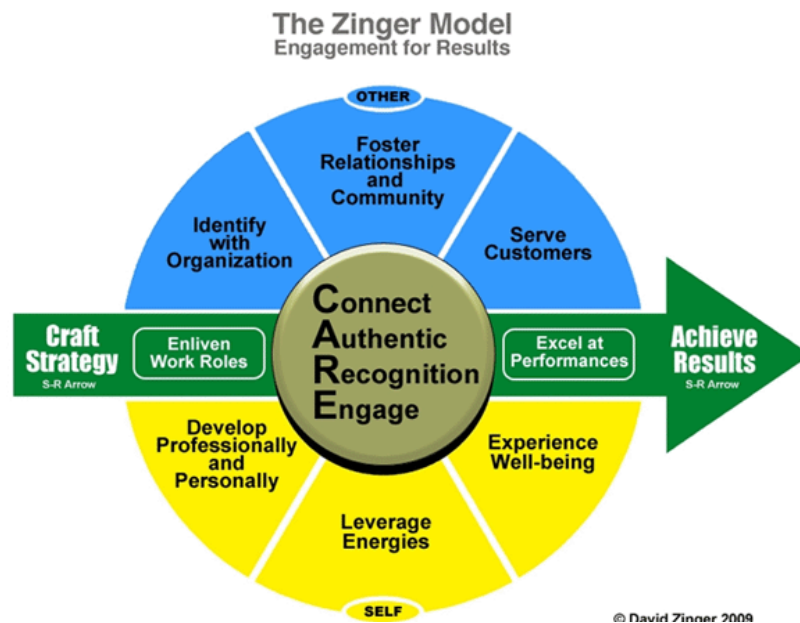
Strategy 8 – Sketch a Success Roadmap

This applies most if you hire millennial in your organization. For many millennial's, just coming to the office, doing the work assigned, and taking the pay check back home is not enough. They are more conscious about where they will stand in the next five or ten years. They need to know there are sufficient growth prospects for the role they are fulfilling.

Top 3 employee engagement models

1. The Zinger Model

Build engagement from the ground up by focusing on core employee needs. The Zinger model of employee engagement focuses on 10 essential actions that managers must take in order to engage employees.



2. The Deloitte Model

Engage employees by creating a culture where people are involved, respected, and challenged.

The premise of the Deloitte employee engagement model is to create a workplace that's "irresistible" to workers—somewhere they want to work every day. The key to following this model, according to Deloitte, is culture. There are five core elements to this culture, each with its own accompanying actions.

 Meaningful work	 Hands-on management	 Positive work environment	 Growth opportunity	 Trust in leadership
Autonomy	Clear, transparent goals	Flexible work environment	Training and support on the job	Mission and purpose
Select to fit	Coaching	Humanistic workplace	Facilitated talent mobility	Continuous investment in people
Small, empowered teams	Invest in management development	Culture of recognition	Self-directed, dynamic learning	Transparency and honesty
Time for slack	Modern performance management	Inclusive, diverse work environment	High-impact learning culture	Inspiration
A focus on simplicity				

3. The AON Hewitt Model

Track the relationship between engagement drivers and business outcomes in order to create more holistic employee engagement strategies.

The Aon Hewitt employee engagement model brings business outcomes into the equation. It recognizes that employee engagement directly affects metrics across the organization—from customer satisfaction to profits and beyond. The research makes this connection very clear, but it's still too easy to get lost in the weeds of engagement initiatives and forget the big picture.

The Aon Hewitt Engagement Model



Risk management analysis in the finance industry is a critical function that focuses on identifying, assessing, and mitigating risks inherent in financial activities. The finance sector encompasses a wide range of institutions and activities, each facing distinct risks and requiring tailored risk management strategies. Here's an industry profile highlighting the key aspects of risk management analysis in finance across various sectors:

1. **Banking Sector:** Banks face multifaceted risks, including credit risk (default by borrowers), market risk (fluctuations in interest rates, currencies, and securities), operational risk (internal processes, systems, and human errors), liquidity risk (availability of funds), and regulatory compliance risk. Risk management in banks involves stringent measures to assess and mitigate these risks, ensuring financial stability and regulatory adherence.
2. **Investment and Asset Management:** Investment firms, hedge funds, and asset management companies deal with investment-related risks such as market volatility, asset price fluctuations, counterparty risk, and liquidity risk. Risk managers in this sector employ portfolio diversification, hedging strategies, and rigorous risk assessment models to optimize returns while minimizing potential losses.
3. **Insurance Industry:** Insurers manage risks associated with underwriting policies, including underwriting risk (potential for claims exceeding expectations), catastrophe risk (natural disasters), credit risk (default by reinsurance partners), and operational risk. They employ sophisticated risk assessment tools and actuarial models to price policies and maintain solvency.
4. **Capital Markets:** Stock exchanges, securities firms, and other capital market participants face market volatility, systemic risks, and regulatory compliance challenges. Risk management focuses on ensuring fair and orderly markets, managing settlement and clearing risks, and complying with stringent regulatory frameworks.
5. **Corporate Finance:** Risk management in corporate finance involves identifying risks associated with capital structure, financing decisions, foreign exchange exposure, interest

rate risks, and strategic investments. Treasurers and finance professionals employ various hedging strategies, such as derivatives, to mitigate these risks and safeguard the company's financial health.

6. ****Fintech and Digital Finance:**** With the rise of fintech and digital finance, managing cybersecurity risks, data privacy, regulatory compliance, and technological vulnerabilities has become crucial. These sectors face unique challenges related to innovation, data protection, and compliance with evolving regulations.

7. ****Regulatory and Compliance Frameworks:**** Across all finance sectors, adherence to regulatory requirements is paramount. Risk management practices must align with regulatory guidelines, with a focus on maintaining transparency, integrity, and accountability in financial activities.

In each of these sectors, risk management analysis involves a combination of quantitative modeling, stress testing, scenario analysis, and compliance frameworks tailored to the specific risks prevalent in that sector. The goal is to strike a balance between risk-taking for financial growth and ensuring the stability and resilience of financial institutions and markets. As the financial landscape evolves, risk management in finance continues to adapt to emerging risks and regulatory changes, aiming to foster a robust and sustainable financial ecosystem.

1.3 STATEMENT OF THE PROBLEM

The study of research purpose is to know the risk which are faced by a common person in financial activities and it need to be sort out by this research of study.

1.4. OBJECTIVES OF THE STUDY

- To understand the knowledge of general people living in a society.
- To Identify and diagnosis the risks faced by them in financial process.
- To assess the persons perception towards the risk avoidance in finance.
- To find out the satisfaction level of people with current system

1.5. NEED FOR STUDY

- Studying about the factors which are influencing risk in financial process can be identified and making it as a risk factory by addressing it to people will helps them to avoid these risks in future financial activities.
- To understand and identify the problematic areas and make a plan and take action towards improvement.
- This study helps not only to retain values risk but also the level of performance.
- This study helps to improve overall awareness of risk factors in financial areas effectively.
- This study help to solve the risk process in organization capacity to manage employee engagement that is closely related to its ability to achieve high performance level and superior business level.

1.6. SCOPE OF THE STUDY

- The scope of risk management analysis in finance process requires specific objectivity in identifying the scopes of risk to manage effectively its development.
- Thereby reducing the risk on an acceptable level, through a well crafted risk management plan is the major scope of the study. Employee engagement examine and focus how to make employee moreengaged and committed towards the organizational growth
- To learn various aspects, tools and policies which can be applied for making the risk analysis in easy and effective.

CHAPTER 2

REVIEW OF LITERATURE

2.1 REVIEW OF LITERATURE

In this Chapter, the researcher has made an attempt includes, understanding the basic concepts of Employee engagement and analyzing research studies made by earlier researchers in respect of strategies that are used by company to make employee get engaged, for this, the researcher has used various books, research Journals and websites. The detailed list is further elaborated in the Bibliography. Through this Literature Survey researcher wants to find out which are the important parameters of employee engagement.

Handbook of quantitative finance and risk management

Cheng F Lee, Alice C Lee, John C Lee
Springer, 2010

Quantitative finance is a combination of economics, accounting, statistics, econometrics, mathematics, stochastic process, and computer science and technology. Increasingly, the tools of financial analysis are being applied to assess, monitor, and mitigate risk, especially in the context of globalization, market volatility, and economic crisis. This three-volume handbook, comprised of over 100 chapters, is the most comprehensive resource in the field to date, integrating the most current theory, methodology, policy, and practical applications. Showcasing contributions from an international array of experts, the Handbook of Quantitative Finance and Risk Management is unparalleled in the breadth and depth of its coverage. Volume 1 presents an overview of quantitative finance and risk management research, covering the essential theories, policies, and empirical methodologies used in the field. Chapters provide in-depth discussion of portfolio theory and investment analysis. Volume 2 covers options and option pricing theory and risk management. Volume 3 presents a wide variety of models and analytical tools. Throughout, the handbook offers illustrative case examples, worked equations, and extensive references; additional features include chapter abstracts, keywords, and author and subject indices. From "arbitrage" to "yield spreads," the Handbook of Quantitative Finance and Risk Management will serve as an essential resource for academics, educators, students, policymakers, and practitioners. Employee engagement Interventions - Arthi purushotham (2020)

A successful organization enables effective organization performance by strategic manoeuvre. Leadership skills, motivation, training, Rewards, Career development, Strategic planning, Management support, organization culture and climate are all the factors emphasized for an effective and efficient organization performance. The bottom line for all the above factors which yields benefits is in identifying the right resources. Recently the pandemic has worse hit on economic condition resulting economic recession. In most of the sector, employees were given an option work from home. Drastic swift in work culture, work pressure, digital meetings & conferences. Purpose of then to study is to bring out the intervention applied to increase employee engagement during this phase.

Handbook of quantitative finance and risk management

Cheng F Lee, Alice C Lee, John C Lee

Springer, 2010

Quantitative finance is a combination of economics, accounting, statistics, econometrics, mathematics, stochastic process, and computer science and technology. Increasingly, the tools of financial analysis are being applied to assess, monitor, and mitigate risk, especially in the context of globalization, market volatility, and economic crisis. This three-volume handbook, comprised of over 100 chapters, is the most comprehensive resource in the field to date, integrating the most current theory, methodology, policy, and practical applications. Showcasing contributions from an international array of experts, the Handbook of Quantitative Finance and Risk Management is unparalleled in the breadth and depth of its coverage. Volume 1 presents an overview of quantitative finance and risk management research, covering the essential theories, policies, and empirical methodologies used in the field. Chapters provide in-depth discussion of portfolio theory and investment analysis. Volume 2 covers options and option pricing theory and risk management. Volume 3 presents a wide variety of models and analytical tools. Throughout, the handbook offers illustrative case examples, worked equations, and extensive references; additional features include chapter abstracts, keywords, and author and subject indices. From "arbitrage" to "yield spreads," the Handbook of Quantitative Finance and Risk Management will serve as an essential resource for academics, educators, students, policymakers, and practitioners.

Quantitative finance and risk management:

A physicist's approach Jan W Dash World Scientific Publishing Company, 2016

Written by a physicist with extensive experience as a risk/finance quant, this book treats a wide variety of topics. Presenting the theory and practice of quantitative finance and risk, it delves into the 'how to' and 'what it's like' aspects not covered in textbooks or papers. A 'Technical Index' indicates the mathematical level for each chapter. This second edition includes some new, expanded, and wide-ranging considerations for risk management: Climate Change and its long-term systemic risk; Markets in Crisis and the Reggeon Field Theory; 'Smart Monte Carlo' and American Monte Carlo; Trend Risk—time scales and risk, the Macro-Micro model, singular spectrum analysis; credit risk: counterparty risk and issuer risk; stressed correlations—new techniques; and Psychology and option models. A Study on customer services and employee engagement in the Indian Healthcare Industry - B Shivraj, B Rose Kavitha (2011)

The value of this research is in its ability to recognise the organisational policies and practices that are the most important drivers of customer satisfaction in a specific organisation. Human Resources Management (HRM) plays a central role in the exchange relationships between the organisation's management and its employees. Work has been organized for a very long time and many issues we find today have been addressed in the past. But each generation finds solutions that fit the culture and beliefs of the time. Ultimately, it is an organization's empowered people who can help an organization achieve its goal.

Developments in risk management in Islamic finance:

A review Naseem Al Rahahleh, M Ishaq Bhatti, Faridah Najuna Misman
Journal of Risk and Financial Management 12 (1), 37, 2019

The purpose of this study is to review recent developments pertaining to risk management in Islamic banking and finance literature. The study explores the fundamental features of risks associated with Islamic banks (IBs) as compared to those associated with conventional banks (CBs) in order to determine the extent to which IBs engage in effective risk mitigation. The study includes a consideration of the major studies in which the fundamental features of Islamic

banks and finance (IBF) and the main characteristics of risk management in IBs are analyzed in comparison with those of CBs. Specifically, these two kinds of banks are compared in relation to the types of risks faced, the characteristics of those risks, and the nature and extent of exposure to those risks. A tabular methodology approach is used in concert with a comparative literature review approach for the analysis. The results show that there is weak support for Shariah-based product development due to the lack of risk mitigation expertise in IBs. The conclusion presented is that in comparison with CBs, IBs are more risk-sensitive due to the nature of their products, contract structure, legal costing, governance practices, and liquidity infrastructure. Furthermore, the determinants of the credit risk of Islamic banks in Malaysia (MIBs) are examined. Overall, bank capital and financing expansion have a significant negative impact on the credit risk level of IBs in Malaysia.

Essentials of risk management in finance

Anthony Tarantino John Wiley & Sons, 2010

A concise and easy to follow introduction to financial risk management This basic survey text offers an accessible introduction to financial risk management, covered in its major components: credit, market, operational, liquidity, legal, and reputational, along with user-friendly processes and tools to conduct your own risk assessments and risk alignments. While there are some mathematical concepts included, these are kept at levels everyone will find easy to grasp. Provides a comprehensive overview of financial risk management, including credit, market, operational, liquidity, legal, and reputational risk areas Discusses the latest trends and next generation techniques emerging in financial risk management Provides risk assessment and risk alignment tools and examples This book offers a good basic understanding of the major areas of risk exposure that all organizations, both public and private, face in operating in today's complex global marketplace. Markos, Solomon, Sridevi, Msandhya (2017), Employee engagement: the key to improving performance Employees fail to fully engage themselves in their job in the response to such kind of mismanagement. The construct employee engagement is built on the foundation of earlier concepts like job satisfaction, employee commitment and organizational citizenship behaviour. Employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success

of their employer, going extra mile beyond the employment contractual agreement.

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Risk analysis and management of private finance initiative projects

Akintola Akintoye, Craig Taylor, Eamon Fitzgerald

Engineering Construction and Architectural Management 5 (1), 9-21, 1998

The Private Finance Initiative (PFI) is a recent development in the UK in which private sector organisations, design, build, finance and operate assets to deliver a service to public sector clients. The initiative is expected to bring the private sector's finance, management skills and expertise into projects which would normally be undertaken by the public sector. Equivalents of this initiative, also found outside the UK, include DBFO (Design Build Finance Operate), BOO (Build Own Operate) and turnkey projects. Two important considerations for a project to receive an approval for the initiative are that it must represent value for money and there must be

sufficient transfer of risk to the private sector. This paper, based on a questionnaire survey, provided the perceptions of clients, contractors and financial institutions on risk associated with PFI and how these determine their approach to PFI schemes. The analysis shows that design changes and the level of information on functional, performance and output requirements for PFI schemes are of major concern to the parties involved in this procurement route.

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Asset and risk management: risk oriented finance

Louis Esch, Robert Kieffer, Thierry Lopez

John Wiley & Sons, 2005

The aim of this book is to study three essential components of modern finance—Risk Management, Asset Management and Asset and Liability Management, as well as the links that bind them together. It is divided into five parts: Part I sets out the financial and regulatory contexts that explain the rapid development of these three areas during the last few years and shows the ways in which the Risk Management

function has developed recently in financial institutions. Part II is dedicated to the underlying theories of Asset Management and deals in depth with evaluation of financial assets and with theories relating to equities, bonds and options. Part III deals with a central theory of Risk Management, the general theory of Value at Risk or VaR, its estimation techniques and the setting up of the methodology. Part IV is the point at which Asset Management and Risk Management meet. It deals with Portfolio Risk Management (the application of risk management methods to private asset management), with an adaptation of Sharpe's simple index method and the EGP method to suit VaR and application of the APT method to investment funds in terms of behavioural analysis. Part V is the point at which Risk Management and Asset and Liability Management (ALM) meet, and touches on techniques for measuring structural risks within the on and off balance sheet. The book is aimed both at financial professionals and at students whose studies contain a financial aspect." Esch, Kieffer and Lopez have provided us with a comprehensive and well written treatise on risk. This is a must read, must keep volume for all those who need or aspire to a professional understanding of risk and its management."—Harry M Markowitz, San Diego, USA

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Financial risk management by insurers:

An analysis of the process Anthony M Santomero, David F Babbel *Journal of risk and insurance*, 231-270, 1997

On-site visits to financial service firms were conducted to review and evaluate their risk management systems. In the insurance sector, this evaluation covered prominent life/health and property-liability insurers, both in the United States and abroad. The information obtained covered both the philosophy and the practice of financial risk management. This article outlines the results of this investigation. It reports the state of risk management techniques in the industry. It reports the standard of practice and evaluates how and why it is conducted in the particular way chosen. In addition, critiques are offered where appropriate. We discuss the problems which the industry finds most difficult to address, shortcomings of the current methodology used to analyze risk, and the elements that are missing in the current procedures of risk management.

Market risk analysis, quantitative methods in finance

Carol Alexander

John Wiley & Sons, 2008

Written by leading market risk academic, Professor Carol Alexander, *Quantitative Methods in Finance* forms part one of the *Market Risk Analysis* four volume set. Starting from the basics, this book helps readers to take the first step towards becoming a properly qualified financial risk manager and asset manager, roles that

are currently in huge demand. Accessible to intelligent readers with a moderate understanding of mathematics at high school level or to anyone with a university degree in mathematics, physics or engineering, no prior knowledge of finance is necessary. Instead the emphasis is on understanding ideas rather than on mathematical rigour, meaning that this book offers a fast-track introduction to financial analysis for readers with some quantitative background, highlighting those areas of mathematics that are particularly relevant to solving problems in financial risk management and asset management. Unique to this book is a focus on both continuous and discrete time finance so that Quantitative Methods in Finance is not only about the application of mathematics to finance; it also explains, in very pedagogical terms, how the continuous time and discrete time finance disciplines meet, providing a comprehensive, highly accessible guide which will provide readers with the tools to start applying their knowledge immediately. All together, the Market Risk Analysis four volume set illustrates virtually every concept or formula with a practical, numerical example or a longer, empirical case study. Across all four volumes there are approximately 300 numerical and empirical examples, 400 graphs and figures and 30 case studies many of which are contained in interactive Excel spreadsheets available from the accompanying CD-ROM. Empirical examples and case studies specific to this volume include: Principal component analysis of European equity indices; Calibration of Student t distribution by maximum likelihood; Orthogonal regression and estimation of equity factor models; Simulations of geometric Brownian motion, and of correlated Student t variables; Pricing European and American options with binomial trees, and European options with the Black-Scholes-Merton formula; Cubic spline fitting of yields curves and implied volatilities; Solution of Markowitz problem with no short sales and other constraints; Calculation of risk adjusted performance metrics including generalised Sharpe ratio, omega and kappa indices.

Big data analysis for financial risk management

Paola Cerchiello, Paolo Giudici

Journal of Big Data 3 (1), 1-12, 2016

A very important area of financial risk management is systemic risk modelling, which concerns the estimation of the interrelationships between financial

institutions, with the aim of establishing which of them are more central and, therefore, more contagious/subject to contagion. The aim of this paper is to develop a novel systemic risk model. A model that, differently from existing ones, employs not only the information contained in financial market prices, but also big data coming from financial tweets. From a methodological viewpoint, the novelty of our paper is the estimation of systemic risk models using two different data sources: financial markets and financial tweets, and a proposal to combine them, using a Bayesian approach. From an applied viewpoint, we present the first systemic risk model based on big data, and show that such a model can shed further light on the interrelationships between financial institutions.

Finance big data: management, analysis, and applications

Yunchuan Sun, Yufeng Shi, Zhengjun Zhang

International Journal of Electronic Commerce 23 (1), 9-11, 2019

Big Data is an emerging paradigm in almost all industries. Finance big data (FBD) is becoming one of the most promising areas of management and governance in the financial sector. It is significantly changing business models in financial companies. Many researchers argue that Big Data is fueling the transformation of finance and business at-large in the ways that we cannot as yet assess. A new research area is evolving to study quantitative models and econometric approaches for financial studies that can bridge the gap between empirical finance research and data science. In this fascinating area, experts and scientists can propose novel finance business models by using the Big Data methods, present sophisticated methods for risk control with machine learning tools, provide visualization tools for financial markets analysis, create new finance sentiment indexes by mining public feelings from the massive textual data from social networks, and deploy the information-based tools in other creative ways.

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The Oxford Guide to financial modeling: Applications for capital markets, corporate finance, risk management and financial institutions

Thomas SY Ho, Sang Bin Lee

Oxford university press, 2004

The essential premise of this book is that theory and practice are equally important in describing financial modeling. In it the authors try to strike a balance in their discussions between theories that provide foundations for financial models and the institutional details that provide the context for applications of the models. The book presents the financial models of stock and bond options, exotic options, investment grade and high-yield bonds, convertible bonds, mortgage-backed securities, liabilities of financial institutions--the business model and the corporate model. It also describes the applications of the models to corporate finance. Furthermore, it relates the models to financial statements, risk management for an enterprise, and asset/liability management with illiquid instruments. The financial models are progressively presented from option pricing in the securities markets to firm valuation in corporate finance, following a format to emphasize the three aspects of a model: the set of assumptions, the model specification, and the model applications. Generally, financial modeling books segment the world of finance as "investments," "financial institutions," "corporate finance," and "securities analysis," and in so doing they rarely emphasize the relationships between the subjects. This unique book successfully ties the thought processes and applications of the financial models together and describes them as one

process that provides business solutions. Created as a companion website to the book readers can visit www.thomasho.com to gain deeper understanding of the book's financial models. Interested readers can build and test the models described in the book using Excel, and they can submit their models to the site. Readers can also use the site's forum to discuss the models and can browse server based models to gain insights into the applications of the models. For those using the book in meetings or class settings the site provides Power Point descriptions of the chapters. Students can use available question banks on the chapters for studying.

CHAPTER 3

RESEARCH METHODOLOGY

3.1. METHODOLOGY:

Research methodology is mainly needed for the purpose of framing the research process and the designs and tools that are to be used for the project purpose. Research methodology helps to find Employee engagement in the company. This time research methodology is framed for the purpose of finding the level of Employees in the Current System. To know the attitude of the Employees data is collected through a structured questionnaire.

3.2. RESEARCH DESIGN:

Descriptive Research Design

Descriptive research is a study designed to depict the participants in an accurate way. More simply put, descriptive research is all about describing people who take part in the study.

3.3. SAMPLING TECHNIQUE:

Random sampling method

A Random sample is one of the main types of non-probability sampling methods. A convenience sample is made up of people who are easy to reach.

3.4. SOURCES OF DATA:

In this research, internal and external source of data are used. Collected raw materials through facts and figure of researcher's works. Collecting data from general public and working professionals, these are all internal data and other data are external.

In data collection, there are 2 types

➤ Primary Data

It is a source of collecting data by first-hand information through observation, direct communication or personal interviews of

respondent's customers. In this, questionnaire is used for conducting personal interviews and for collecting the data.

➤ **Secondary Data**

It is collected from standard books, internal sources, magazines and newspapers and also collecting data from external and internal sources from the experience, incidents and issues faced by public from news and internet.

3.5. STRUCTURE OF QUESTIONNAIRE:

Questionnaire was divided into two sections. First part was designed to know the general information about EMPLOYEES and the second part contained the respondent's opinions about employee engagement at THE HINDU NEWSPAPER

- Basic Introduction
- Personal Details
- Research related Questions
- Perception Questions

3.6. SAMPLE SIZE

The sample size for this research project is 100

SAMPLE DESIGN

It is a particular definite plan formulation before collecting the data from population. The research should select a particular sample. In sampling, there are 2 types- probability sampling and non-probability sampling. In this research, only non-probability sampling is used.

➤ **Sampling**

- ☐ Sampling design : Non-probability sampling
- ☐ Sampling technique : Random sampling
- ☐ Sample unit : GENERAL PUBLIC
- ☐ Sample size : 100 respondents

3.7. PERIOD OF STUDY

The period of the study is to determine that research process is carried out for 3 months.

3.8. AREA OF THE STUDY:

The targeted people are the common person, Friends , groups and Public opinions.

3.9. HYPOTHESIS:

HYPOTHESIS 1:

H0: There is no significant difference in financial stability and resilience between organizations with robust and proactive regulatory and compliance risk management frameworks and those without such frameworks.

H1: Organizations with robust and proactive regulatory and compliance risk management frameworks exhibit a significantly higher level of financial stability and resilience compared to those without such framework.

HYPOTHESIS - 2

- ▶ H0: There is no significant difference in the identification and management of operational risks, including fraud and technology risks, between organizations with different risk management frameworks.
- ▶ H1: There is a significant difference in the identification and management of operational risks, including fraud and technology risks, between organizations with different risk management frameworks.

3.10. TOOLS FOR ANALYSIS:

Questionnaire was created in order to receive the necessary response required from the sample to achieve the research objective. The tools used for this are

3.10.1. PERCENTAGE ANALYSIS

Research questions are always answered with a descriptive statistic: generally, either percentage or mean. Percentage is appropriate when it is important to know how many of the participants gave a particular answer. Generally, percentage is reported when the responses have discrete categories.

3.10.2. ANALYTICAL TOOLS(SPSS)

Tool for testing the Hypothesis (SPSS)

- Chi-square
- Correlation

Chi-square

A chi-square test is a statistical hypothesis test used in the analysis of contingency tables when the sample size are large. in simple terms, this test is primarily used to examine whether two categorical variables are independent in influencing the test statistic.

CORRELATION

Correlation analysis in research is a statistical method used to measure the strength of the linear relationship between two variables and compute their association.

➤ **PEARSON CORRELATION**

The Pearson correlation coefficient (r) is the most common way of measuring a linear correlation. It is a number between -1 and 1 that measures the strength and direction of the relationship between two variables.

CHAPTER 4 DATA ANALYSIS AND INTERPRETATION

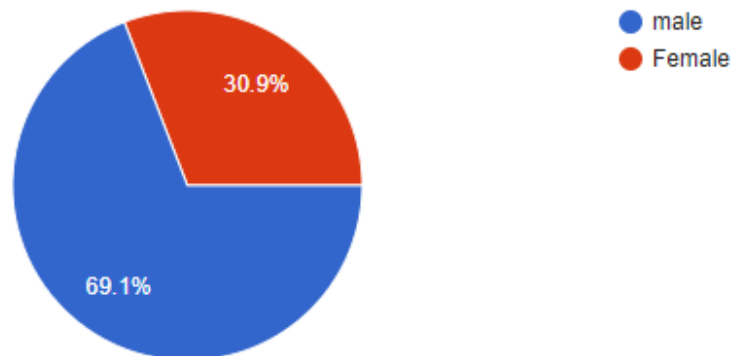
4.1. PERCENTAGE ANALYSIS

4.1.1 Table indicating the gender of respondents

S.no	Gender	No of Respondents	Percentage analysis
1	Male	69	69.1%
2	Female	31	30.9%
Total		100	100%

2.GENDER

100 responses



Interpretation

From the above table it is interpreted that the gender of the respondents is male 69% and number of respondents in female are 31 %

INFERENCE

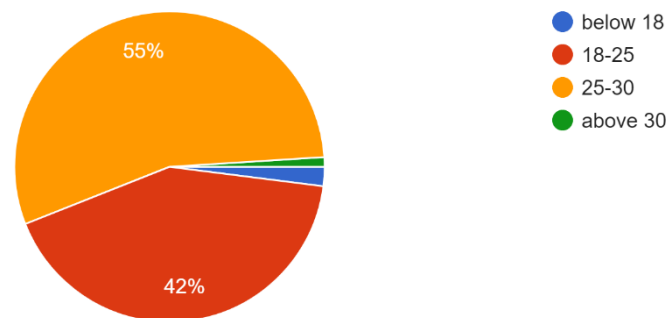
- Majority 69% of the respondents are male.

4.1.2 Table indicating the age of respondents

S.no	Age	No of Respondents	Percentage analysis
1	Below 18	2	2%
2	18-25	42	42%
3	25-30	55	55%
4	Above 30	1	1%
Total		100	100%

3.Age

100 responses



Interpretation

From the above table it is interpreted that the number of respondents below 18 age of respondents are 2%, between 18-25 age of respondents are 42%, between 25-30 age of respondents 55%, above 30 age of respondents are 1%.

INFERENCE

- Majority 55 % of the respondents belong to the age group of 25-30 category.

4.1.3 Table indicating the occupation of respondents

S.no	occupation	No of Respondents	Percentage analysis
1	student	15	15%
2	Working professionals	82	82%
3	entrepreneur	3	3%
4	Unemployment	0	0%
Total		100	100%

Interpretation

From the above table it is interpreted that the number of respondents are working professionals 82% students respondents are 15%, and entrepreneurs of respondents 3 %, unemployment of respondents are 0%.

INFERENCE

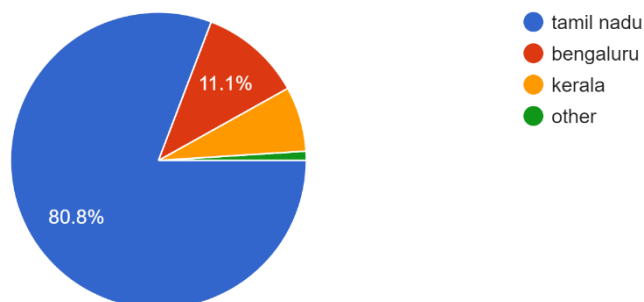
- Majority 82 % of the respondents belongs to working professionals.

4.1.4 Table indicating the location of respondents

S.no	location	No of Respondents	Percentage analysis
1	Tamil nadu	81	81%
2	Bengaluru	11	11%
3	Kerala	7	7%
4	other	1	1%
Total		100	100%

5.Location

99 responses



Interpretation

From the above table it is interpreted that the number of respondents were 80% were from Tamil nadu,11%were from Bengaluru,7% from kerala, and 1% from other.

INFERENCE

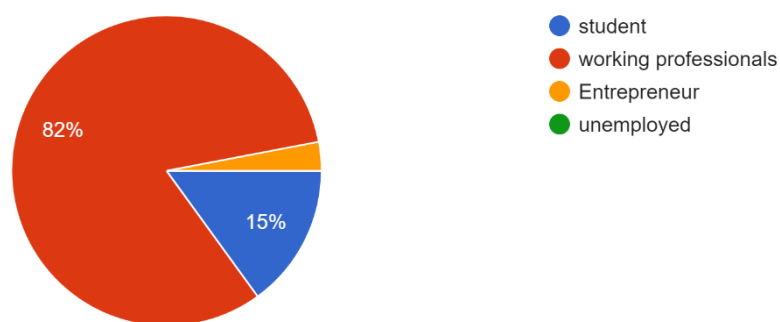
Majority 80% of the respondents from Tamil Nadu.

4.1.5 Table indicating the basic knowledge about finance of respondents

S.no	options	No of Respondents	Percentage analysis
1	yes	98	98%
2	no	2	2%
Total		100	100%

4.OCCUPATION

100 responses



Interpretation

From the above table 98 % of respondents telling yes and 2 % of respondents telling no.

INFERENCE

- Majority 98% of the respondents having basic knowledge about finance.

4.1.6 Table indicating the basic knowledge about finance of respondents

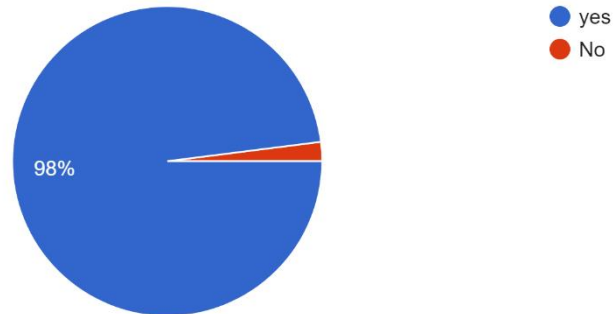
Having the basic knowledge about finance?

Sn.no	No of respondents	Percent
1. yes	98	98%
no	2	2%
Total	100	100.0



6. Having a basic knowledge about finance

100 responses



Interpretation

From the above table 98 % of respondents telling yes and 2 % of respondents telling no.

INFERENCE

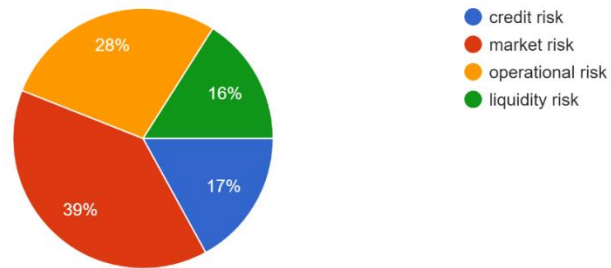
- Majority 98% of the respondents having basic knowledge about finance.

4.1.7 Table indicating What are the primary financial risks that the organization faces of respondents

What are the primary financial risks that the organization faces?			
Sn.no	respondents	Cumulative Percent	
1	Credit risk 17	17%	
2	Market risk 39	39%	
3	Operational risk 28	28%	
4	Liquidity risk 16	16%	
total	100	100%	

7.What are the primary financial risks that the organization faces?

100 responses



Interpretation

From the above table it is interpreted that the number of respondents were 17% is credit risk, 39% is marketing risk, 28% is operational risk, 16% is liquidity risk.

INFERENCE

- Majority 39% of the respondents belongs to market risk.

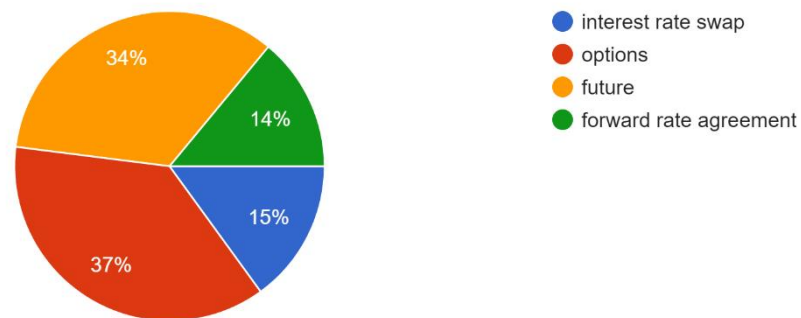
4.1.8 Table indicating the what strategies are in place to hedge against interest rate fluctuations in the financial markets

what strategies are in place to hedge against interest rate fluctuations in the financial markets?

s.no	options	Frequency	Cumulative Percent
1	Interest rate swap	15	15%
2	Options	37	37%
3	Future	34	34%
4	Forward rate agreement	14	14%
	Total	100	100%

8.What strategies are in place to hedge against interest rate fluctuations in the financial markets?

100 responses



Interpretation

From the above table it is interpreted that the number of respondents were 37% is options, 34% is future, 15% is interest rate swap, 14% is forward rate agreement.

INFERENCE

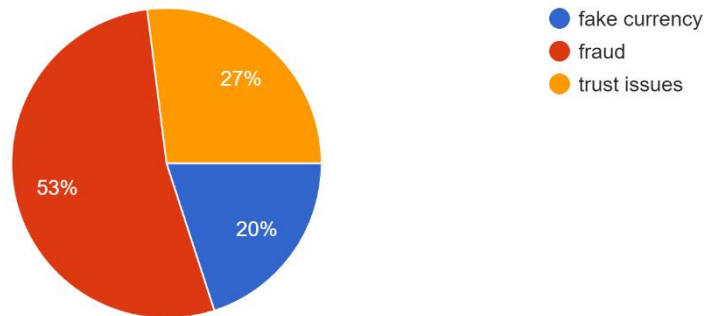
- Majority 37% of the respondents said that options as their answer.

4.1.9 Table indicating What are the risks people facing while dealing with finance

What are the risks people facing while dealing with finance?"			
s.no		Frequency	Cumulative Percent
1	Fake currency	20	20%
2	fraud	53	53%
3	Trust issues	27	27%
	Total	100	100%

9.what are the risks people facing while dealing with finace

100 responses



Interpretation

From the above table it is interpreted that the number of respondents were 20% is fake currency, 53% is fraud, 22% is Neutral, 27% of the respondents agree that trust issues.

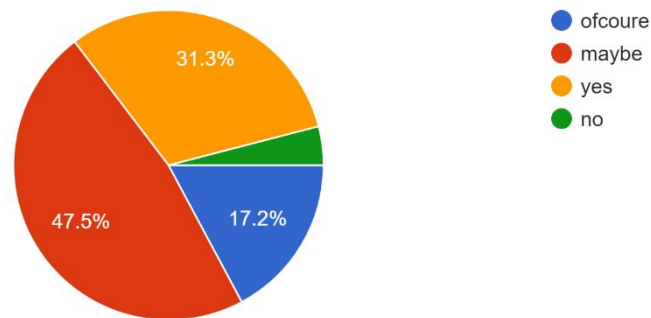
4.1.10 Table indicating Do you think that finance is an important factor while dealing with money

Do you think that finance is an important factor while dealing with money?

s.no	options	Frequency	Cumulative Percent
1	Of- course	17	17.2%
2	maybe	47	47.5%
3	yes	31	31.3%
4	no	4	4%
	Total	100	100%

10.Do you think that finance is an important factor while dealing with money

99 responses



Interpretation

From the above table it is interpreted that the number of respondents were 47.5% istelling maybe, 31.3% is yes, 17.5% is Neutral, 50.7% is ofcource,1% is no.

INFERENCE

- Majority 47.5% of the respondents agree that maybe is their opinion

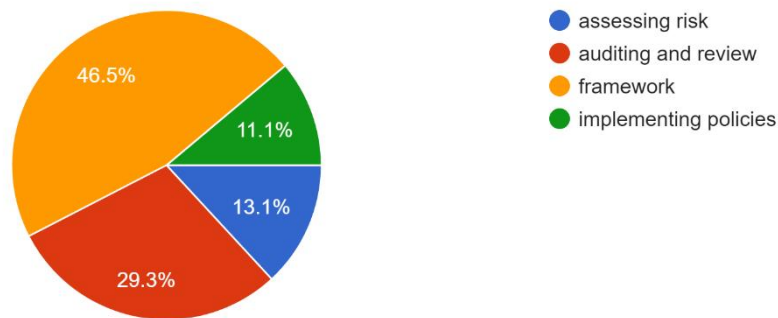
4.1.11 Table indicating How are regulatory and compliance risks addressed and monitored

How are regulatory and compliance risks addressed and monitored?

s.no	options	Frequency	Cumulative Percent
1	Assessing risk	13	13.1%
2	Auditing and review	29	29.3%
3	Framework	47	46.5%
4	Implementing policies	11	11.1%
	Total	100	100%

11.How are regulatory and compliance risks addressed and monitored?

99 responses



Interpretation

From the above table it is interpreted that the number of respondents were 46.5% is Framework , 29.3% is auditing and review, 13.1% is assessing risk, 11.1% is implementing policies.

INFERENCE

- Majority 46.5% of the respondents agree that framework is used to monitor companies risk.

Table indicating How frequently are stress tests conducted to evaluate the impact of adverse economic scenarios on the organization's financial health?

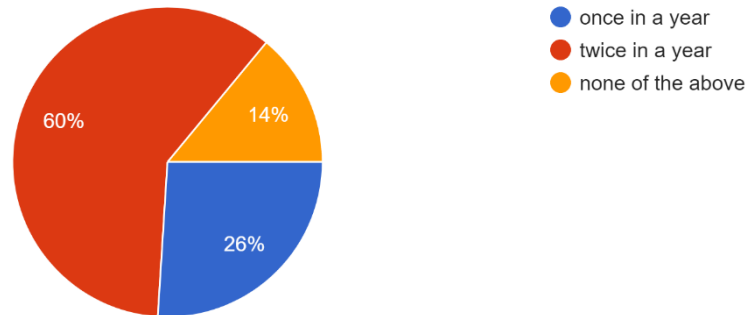
4.1.12

How frequently are stress tests conducted to evaluate the impact of adverse economic scenarios on the organization's financial health?

s.no	options	Frequency	Cumulative Percent
1	Once in a year	26	26%
2	Twice in a year	60	60%
3	None of the above	14	14%
	Total	100	100%

12.How frequently are stress tests conducted to evaluate the impact of adverse economic scenarios on the organization's financial health?

100 responses



Interpretation

From the above table it is interpreted that the number of respondents were 60% is twice in a year, 26% is once in a year, 14% is none of the above.

INFERENCE

- Majority 60% of the respondents agree that twice in a year as answer .

Table indicating What steps are taken to diversify the investment portfolio to mitigate concentration risk?

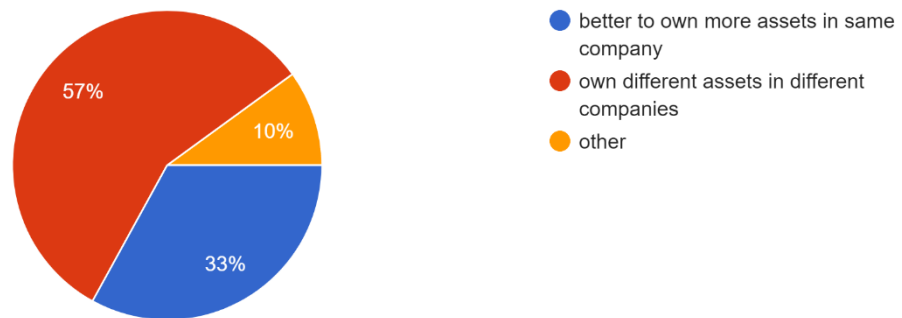
4.1.13

What steps are taken to diversify the investment portfolio to mitigate concentration risk?

s.no	options	Frequency	Cumulative Percent
1	Better to own more assets in same company	33	33%
2	Own different assets in different companies	57	57%
3	others	10	10%
	Total	100	100%

13.What steps are taken to diversify the investment portfolio to mitigate concentration risk?

100 responses



Interpretation

From the above table it is interpreted that the number of respondents were 57% is own different assets in different companies, 33% is better to own more assets in same company, 10% is other.

INFERENCE

Majority 57 % of the respondents said agreed with own different assets in different companies.

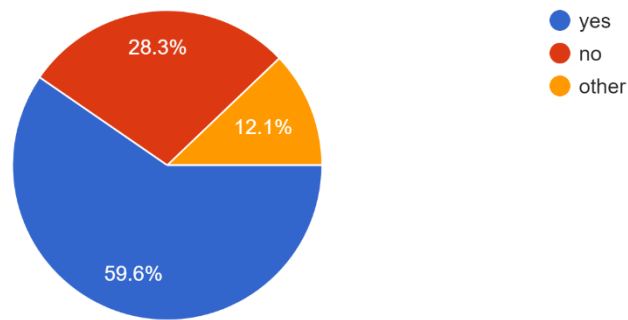
4.1.14 Table indicating Are there any legal or reputational risks that requires attention

Are there any legal or reputational risks that requires attention

s.no	options	Frequency	Cumulative Percent
1	yes	60	59.6%
2	no	28	28.3%
3	other	12	12.1%
	Total	100	100%

14.Are there any legal or reputational risks that require attention?

99 responses



Interpretation

From the above table it is interpreted that the number of respondents were 59.6% is yes, 28.3% is no, 12.1% is other.

INFERENCE

- Majority 59.6% of the respondents agree that legal and reputational risks requires attention.

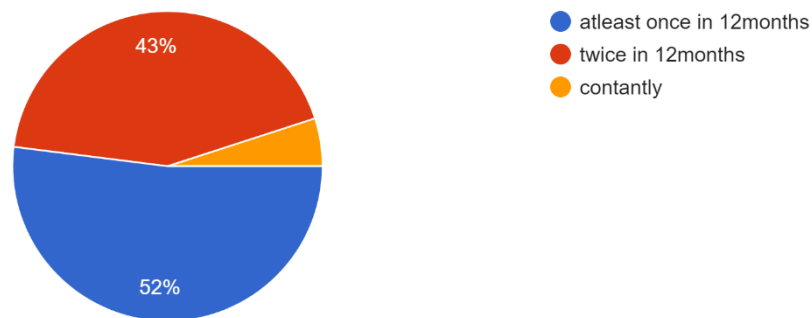
Table indicating How often are risk assessments and reports provided to senior management and the board

4.1.15

How often are risk assessments and reports provided to senior management and the board

S.no	options	Frequency	Cumulative Percent
1	Atleast once in 12 months	52	52%
2	Twice in 12 months	43	43%
3	constantly	5	5%
	Total	100	100%

15.How often are risk assessments and reports provided to senior management and the board?
100 responses



Interpretation

From the above table it is interpreted that the number of respondents were 52% is atleast once in 12 months, 43% is twice in 12 months 5% is constantly

INFERENCE

- Majority 52% of the respondents agree atleast once in 12 month as their answer

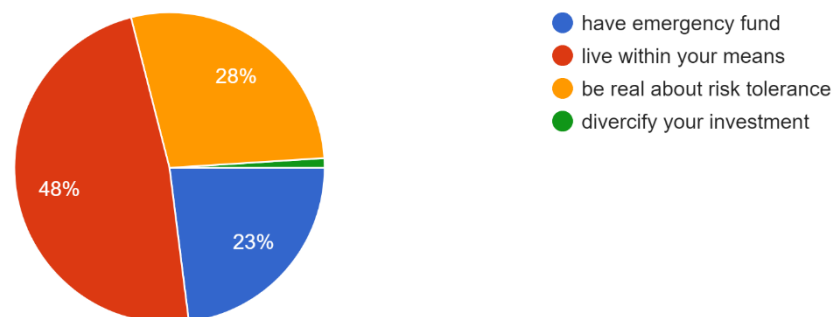
4.1.16 Table indicating What is the plan in place to deal with a sudden and severe market downturn

What is the plan in place to deal with a sudden and severe market downturn?

S.no	options	Frequency	Cumulative Percent
1	Have emergency fund	23	23%
2	Live within your means	48	48%
3	Be real about risk tolerance	28	28%
4	Divercify your investment	9	9%
	Total	100	100%

16.What is the plan in place to deal with a sudden and severe market downturn?

100 responses



Interpretation

From the above table it is interpreted that the number of respondents were 48% is live within your means, 23% is have emergency fund, 28% is be real about risk tolerance, 1% is diversify your investment

INFERENCE

- Majority 48% of the respondents agree that live within your means

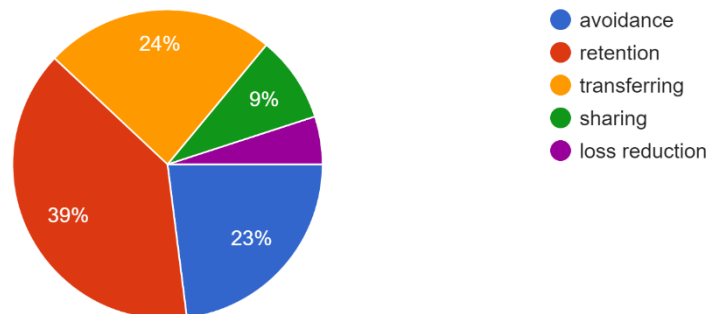
4.1.17 Table indicating how does the organization adapt its risk management strategy to change in the financial environment or regulations

how does the organization adapt its risk management strategy to change in the financial environment or regulations?

s.no	options	Frequency	Cumulative Percent
1	Avoidance	23	23%
2	Retention	39	39%
3	Transferring	24	24%
4	Sharing	9	9%
5	Loss reduction	5	5%
	Total	100	100%

17.How does the organization adapt its risk management strategy to changes in the financial environment or regulations?

100 responses



INTERPRETATION

From the above table it is interpreted that the number of respondents were 39% is retention, 24% is transferring, 23% is avoidance, 9% is sharing, 5% is loss reduction.

INFERENCE

- Majority 39% of the respondents agreed that retention as response.

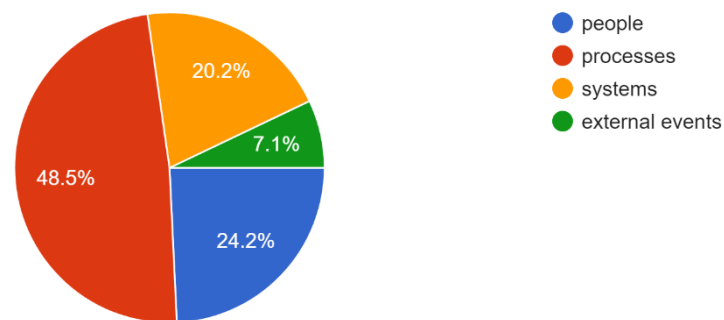
4.1.18 Table indicating What operational risks, including fraud and technology risks, are identified and managed?

4.1.19 What operational risks, including fraud and technology risks, are identified and managed?

s.no	options	Frequency	Cumulative Percent
1	People	24	24.2 %
2	Processes	49	48.5 %
3	Systems	20	20.2 %
4	External events	7	7.1%
	Total	100	100%

18. What operational risks, including fraud and technology risks, are identified and managed?

99 responses



INTERPRETATION

From the above table it is interpreted that the number of respondents were 48.5% is processes, 24.2% is people, 20.2% is systems, 7.1% is external events.

INFERENCE

- Majority 48.5% of the respondents agreed processes is the right answer.

HYPOTHESIS - 1

- H0 : There is no significant difference between the age of the employees and their career growth and opportunities.
- H1 : There is a significant difference between the age of the employees and their career growth and opportunities.

ANOVA

AGE

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.659	4	.915	.939	.443
Within Groups	141.301	145	.974		
Total	144.960	150			

INTERPRETATION

The p value is 0.443 which is greater than the significance value (0.05) hence null hypothesis (H0) is accepted. And H1 is rejected

INFERENCE

Therefore, there is a no significant difference between the age and career opportunities

Correlations

Correlations

		AGE	Do you see a path for career advancement at the organization?
AGE	Pearson Correlation	1	-.062
	Sig. (2-tailed)		.452
	N	150	150
Do you see a path for career advancement at the organization?	Pearson Correlation	-.062	1
	Sig. (2-tailed)	.452	
	N	150	150

INTERPRETATION

The p value is -0.62 which is less than the significance value (0.05) hence alternate hypothesis (H1) is accepted. Therefore, there is a significant difference between the age and career opportunities

HYPOTHESIS 1:

H0: There is no significant difference in financial stability and resilience between organizations with robust and proactive regulatory and compliance risk management frameworks and those without such frameworks.

H1: Organizations with robust and proactive regulatory and compliance risk management frameworks exhibit a significantly higher level of financial stability and resilience compared to those without such framework

Chi Square:

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
4.OCCUPATION * 11.How are regulatory and compliance risks addressed and monitored?	100	100.0%	0	0.0%	100	100.0%

4.OCCUPATION * 11.How are regulatory and compliance risks addressed and monitored? Crosstabulation

			11.How are regulatory and compliance risks addressed and monitored?				Total
			assessing risk	auditing and review	framework	implementin g policies	
4.OCCUPATI ON	Entrepreneur	Count	0	1	1	1	3
		Expected Count	.4	.9	1.4	.3	3.0
	student	Count	4	5	5	1	15
		Expected Count	2.0	4.4	7.1	1.7	15.0
	working professionals	Count	9	23	41	9	82
		Expected Count	10.7	23.8	38.5	9.0	82.0

Total	Count	13	29	47	11	100
	Expected Count	13.0	29.0	47.0	11.0	100.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2sided)
Pearson Chi-Square	5.435 ^a	6	.489
Likelihood Ratio	4.964	6	.548
Linear-by-Linear Association	.460	1	.498
N of Valid Cases	100		

a. 7 cells (58.3%) have expected count less than 5. The minimum expected count is .33.

Hypothesis 2 :

H0: There is no significant difference in the identification and management of operational risks, including fraud and technology risks, between organizations with different risk management frameworks.

H1: There is a significant difference in the identification and management of operational risks, including fraud and technology risks, between organizations with different risk management frameworks.

Correlations

Correlations			
		2.GENDER	18.What operational risks, including fraud and technology risks, are identified and managed?
2.GENDER	Pearson Correlation	1	
	Sig. (2-tailed)		.104
	N	100	.303
18.What operational risks, including fraud and technology risks, are identified and managed?	Pearson Correlation	.104	1
	Sig. (2-tailed)	.303	
	N	100	100

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1. FINDINGS

- Majority 56% of the respondents are male.
- Majority 55 % of the respondents belong to the age group of 25-30 category.
- Majority 82 % of the respondents were working professionals.
- Majority 80 % of the respondents belongs to Tamil Nadu.
- Majority 98 % of the respondents having basic knowledge about finance.
- Majority 39% of the respondents had said that market risk is the primary risks that the person faces.
- Majority 37% of the respondents said options are in place to hedge against interest rate fluctuation in finance.
- Majority 53% of the respondents said that fraud is the financial risk people facing while dealing with finance.
- Majority 47% of the respondents chosen maybe as their response.
- Majority 46% of the respondents responded that framework is used to monitor risk.
- Majority 60% of the respondents twice in a year is when stress tests are conducted.
- Majority 57% of the respondents agree that own different assets in different companies.
- Majority 59 % of the respondents said yes to legal reputational risks.
- Majority 52% of the respondents at-least once in 12 months is the response from majority.
- Majority 48% of the respondents agree that live within your means is the plan in place to deal with a sudden and severe market downturn.
- Majority 39% of the respondents agree that retention is the adapted by risk management .
- Majority 48% of the respondents agreed processes is operational risk ,including fraud and technology risks ,are identified and managed.
- By using chi-square for finding the relationship between the occupation & How are regulatory and compliance risks addressed and monitored? that the 7 cells (58.3%)

have expected count less than 5. The minimum expected count is .33.

- By using chi-square for finding the relationship between the .OCCUPATION & How are regulatory and compliance risks addressed and monitored? that the 7 cells (58.3%) have expected count less than 5. The minimum expected count is .33.

- By using the Correlation for finding the relationship between, GENDER& What operational risks,104 1 including fraud and technology risks, are identified and managed? we found that there is a Negative correlation underlies between both the factors with the value of 0.01 level of significance and also found that strong relationship (-0.062) found between each variable.
- By using the Correlation for finding the relationship between What operational risks,104 1 including fraud and technology risks, are identified and managed? we found thatthere is a positive correlation underlies between both the factors with the valueof 0.01 level of significance and also found that strong relationship (0.042) found between each variable.

5.2 SUGGESTIONS

- IDENTIFICATION OF RISK: the identification of various risk such as market risk, credit risk ,operational risk and liquidity risk, clearly define each risk and its potential impact on financial activities.
- Use statistical models to quantify potential losses associated with identified risks. This involves estimating the probability of occurrence and the magnitude of impact for each risk.
- Conducting stress tests to assess how the financial system would perform under extreme conditions..
- Establishing a robust monitoring system to track changes in risk factors and update risk assessments accordingly.

5.3. CONCLUSION

- Based on the thoughtful study of risk analysis in finance, it is found that it is emerging as an important trust concept.
- RISK MANAGEMENT is a positive attitude held by the employees towards the organization and its values. It is rapidly gaining popularity and importance in the workplace and impacts organizations in many ways.
- An organization should STRESS testing , more than any other variable, as powerful contributors to its competitive position.
- People should be aware of risk involving factors while dealing with financial activities.
- The majority of the people who given their response were working professionals and they have a common knowledge about risk factors in finance process.
- This research also states the focus on the various factors which influence employee engagement. It has been observed that organizations with higher levels of employee engagement outperform their competitors in terms of profitability.
- Would hence conclude saying that raising and maintaining employee engagement lies in the hands of an organization and requires a perfect blend of time, effort, commitment and investment to craft a successful endeavour.

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ANNEXURE – QUESTIONNAIRE
A STUDY ON RISK MANAGEMENT ANALYSIS IN
FINANCE

1. Name

2. Gender

a. Male b. Female

3. Age Groups

a. below 18 b. 18-25 c. 25-30 d. 30 and above

4. Occupation

a. student b. working professionals c. entrepreneur d. unemployed

5. Location

a. Tamil Nadu b. Bengaluru c. Kerala d. others

6. Having a basic knowledge about finance

a. yes b. no

7. What are the primary risks that the organization faces?

a. Credit risk b. market risk c. operational risk
d. liquidity risk

8. What strategies are in place to hedge against interest rate fluctuations in the financial markets?

a. Interest rate swap b. options c. future
d. forward rate agreement.

9. what are the risks people facing while dealing with finance ?

a. Fake currency b. fraud c. trust issues

10. Do you think that finance is an important factor while dealing with money?

- a. of-course b. maybe c. yes d. no

11. How are regulatory and compliance risks addressed and monitored?

- a. Assessing risk b. auditing and review c. framework d. implementing policies

12. How frequently are stress tests conducted to evaluate the impact of adverse economic scenarios on the organization's financial health?

- a. Once in a year b. twice In a year c. none of the above

13. What steps are taken to diversify the investment portfolio to mitigate concentration risk?

- a. Better to own more assets in same company b. own different assets in different companies c. other

14. Are there any legal or reputational risks that require attention?

- a. yes b. no

15. How often are risk assessments and reports provided to senior management and the board?

- a. At-least once in 12 months b. twice in 12 months c. constantly

16. What is the plan in place to deal with a sudden and severe market downturn?

- a. Have emergency fund b. live within your means c. be real about risk tolerance d. Diversify your investment

17. How does the organization adapt its risk management strategy to changes in the financial environment or regulations?

- a. Avoidance b. retention c. transferring d. sharing e. loss reduction

18. What operational risks, including fraud and technology risks, are identified and managed?

- a. People b. processes c. systems d. external events