

MANAGING AND MINIMIZING VARIOUS RISK LEVELS IN THE CURRENT BANKING ENVIRONMENT THROUGH REGULATION AND BANK SUPERVISION: LESSONS FROM POST GLOBAL FINANCIAL CRISIS

Dauda Alusine Kuyateh

Research Scholar, B.K. School of Professional and Management Studies, Gujarat University, Ahmadabad, India

Received: 08 May 2021

Accepted: 21 May 2021

Published: 31 May 2021

ABSTRACT

Interestingly, given today's high pace and changing nature of market vulnerabilities, imbalances, and their associated risk factors, banks are inherently prone to excessive losses and failure. Central banks around the world have the statutory mandate, to regulate and supervise banking business as they are custodians of the financial system. Indeed, in the aftermath of the 2008 global financial crisis, productivity growth has staggered in advanced economies despite very easy monetary conditions. This study seeks to evaluate and review the vulnerabilities and imbalances, affecting the banking system, identify and oversee the action needed to address them. Furthermore, as a matter of public policy, restoring depositors' interest, confidence, and trust through regulation and supervision to improve bank effectiveness and efficiency is a financial and economic imperative. Thus, the time has come for a new and changing regulatory framework that would stand the test of times is the only way out to make the banking system effective and efficient.

KEYWORDS: *Bank's Profitability and Performance, Financial Regulation and Supervision, Operational Efficiency, Global Financial Crisis, Risk Management, and Banking Environment*