

Name \_\_\_\_\_

## Navigating Risk in Banking: The Art of Risk Management

### Multiple Choice Questions

1. What is risk management in banking?
  - a) A process to maximize profits
  - b) A process to identify, assess, and minimize risks
  - c) A process to lend money to anyone who asks
  - d) A process to avoid any financial risks
  
2. Which of the following is NOT a type of risk in banking?
  - a) Credit Risk
  - b) Market Risk
  - c) Weather Risk
  - d) Operational Risk
  
3. What does credit risk involve?
  - a) Managing market movements
  - b) Ensuring technology functions correctly
  - c) Assessing the likelihood of borrowers not repaying loans
  - d) Protecting a bank's reputation
  
4. What is liquidity risk in banking?
  - a) The risk of market fluctuations
  - b) The risk of losing customers
  - c) The risk of not having enough cash to meet obligations
  - d) The risk of technology failures
  
5. What is the final step in the risk management process?
  - a) Identification
  - b) Assessment
  - c) Mitigation
  - d) Reporting

