

**Book Review: The Moorad Choudhry Anthology: Past, Present and Future Principles of Banking and Finance, Moorad Choudhry (Wiley Finance; 1st Edition (2018), Pages: 1328)****TUI Peiris, Vithiyalani Muthusamy, and Dewasiri, N.J.***Department of Accountancy and Finance, Faculty of Management Studies, Sabaragamuwa University of Sri Lanka, Belihuloya, Sri Lanka*

The banking sector is the lifeblood of an economy as modern economies emerge from well-performing banking systems. Also, an efficient banking sector ensures a stable financial system and the country's desirable growth. But, unfortunately, the banking sector has gone through extreme crisis shock waves over the last few years. To tackle the risk exposure, bankers, policymakers, academic scholars, and reformers have to have sound knowledge of banking operations to overcome complexities in the banking industry. Hence, there is a widespread need created to understand the mysterious world of the banking industry. In this regard, Professor Moorad Choudhry's book "The Moorad Choudhry Anthology Past, Present, and Future Principles of Banking and Finance" eminently guides theoretical and practical knowledge of banking to the stakeholders.

© Faculty of
Management Studies
Sabaragamuwa
University of Sri Lanka

ARTICLE INFO

Article history:
Received: 31 March 2021
Accepted: 4 May 2021
Published: 22 July 2021

E-mail Address:
ushan@mgt.sab.ac.lk

The book describes the reality of basic to advance banking practices and the importance of the values underlying compliance justness, transparency, and social awareness. It is also codified past storm of private and public sector failures to explain the grey areas of banking, which can be considered the masterpiece work in this book. Therefore, the readers could realize the mistakes and how the bankers should solve the puzzle. The book starts by explaining fundamental banking concepts, theories, and examples and gradually steps into complex banking and practices that provide a clear path for readers to understand the overall picture of a bank and banking operations. Therefore, the book eminently guides students, academic scholars, practitioners, policymakers, and reformers to unsolve the puzzle in the banking industry to make correct decisions. The complexities of banking are explained in an understandable way using real-world case studies, examples with numerical and graphical forms. This approach gives a precious understanding to the stakeholders. This 1328 pages book consists of five parts; each part contains several chapters. This section is logically organized, which remains pertinent to encapsulate the core of banking. Compared to previous volumes, the current book includes many precise areas such as bonds, derivatives, money market, and bank panic and contagion determinants. The author endeavors the gaps between theoretical concepts of the traditional banking system and the bank's day-to-day risk exposures. The reviewers used the academic approach used by Iddagoda and Dewasiri (2021) and Peiris et al. (2020) in conducting the book review.

Part I of this book focuses on fundamental concepts of banking such as financial markets, financial instruments, derivatives, securitization, and valuation techniques used in a bank. Firstly, this part introduces an elementary form of banking operations of accepting deposits, advancing loans, and the two different interests paid and received for deposits and loans. A precise traditional bank operation will induce the learners to step in to understand the complex and modern banking operations. Therefore, the first part is the North Star to the later sections. This introductory part mainly focuses on guiding the zero-knowledge personals on banking, students, junior bankers, and other interested parties. Therefore, the initial section has developed for the essential learning of banking.

Part II is about bank risk management. It deviates from the traditional banking theory and explains to the readers to understand the banking business's inherent challenges. This part comprises understanding types of balance sheet risks such as credit market, operational risk regulatory capital and requirements,

a basic understanding of the and structure of the financial statement, and its sensitive market factors, making sure the learners gain basic decision-making ability. It also plays a significant role in explaining the elements of financial reporting because learning bank financial statements, ratio analysis, and credit analysis will pave the way to understand the third part of this book.

Part III contains the advance discussion on managing financial statements and interaction with other banking units such as treasury, risk, finance, and business lines. This part leads to understand risk and return consciously solving the problem and timely decision making. Moreover, Part III elaborates the banking background, technical information on banking operation and risk management. The primary purpose of this part is to shed light on the best practices of a bank, mandatory regulatory requirements of a bank, effective banking business model, strategy, and structure of a bank. Hence, bank treasury operating model asset and liability committee (ALCO) practices, strategies, market risk, traded and none traded were discussed with examples.

Part IV focuses on the present and future bank survival strategy, the bank core, viability, target customers, governance, and culture. This chapter provides a vast contribution to the readers, explaining bank governance and culture, which is crucial for banking businesses' success. As a banking professional, it is essential to clearly understand banking operations and bank image, size, and loyal customer programme strategies. Ultimately this section enlightens the bank's proper business model by tackling the future crisis and future banking.

Part V consists of various types of bank case studies with a problem, and it leads to conclude by the reader. The objectives of these case studies start from using the best methods to choose and apply readers' knowledge in this chapter. This chapter ensures that the readers could apply their knowledge in a different problematic situation in the banking industry.

The book chapters aligned in a formal structure with a more meaningful understanding to the readers.

Five parts of the book tremendously contribute to the readers by achieving every chapter's objectives. However, this book review suggests a direction for further improvement based on the observation that the banking industry accelerates a shift to digital value creation. This digital transformation paves the way to drastic changes in the banking industry. Thus, the author could

add the foremost part or chapter to improve the readers' knowledge of digital transformation, challenges, regulations, and best digital banking practices. Moreover, the chapter files contained in the website consist of associated documents and information. As a whole, *The Moorad Choudhry Anthology: Past, Present, and Future Principles of Banking and Finance* written by Professor Moorad Choudhry is a highly recommended book for the readers, particularly for the academics and practitioners in the banking industry.

REFERENCES

- Choudhry, M. (2018). *The Moorad Choudhry Anthology: Past, Present and Future Principles of Banking and Finance*. John Wiley & Sons Limited.
- Choudhry, M. (2011). *An Introduction to Banking: Liquidity Risk and Asset-Liability Management*. West Sussex: John Wiley & Sons Limited.
- Choudhry, M. (2018). *An Introduction to Banking: Principles, Strategy, and Risk Management*. John Wiley & Sons Limited.
- Iddagoda, Y.A. and Dewasiri, N.J. (2021). Book review H. H. D. N. P. Opatha, Sustainable Human Resource Management: Expanding Horizons of HRM, *FIIB Business Review*, 10(1), 33-35.
- Peiris, M.S., Dewasiri, N.J. and Banda, Y.K.W. (2020). Book review: IM Pandey (Ed.), Financial Management, *Asia-Pacific Journal of Management Research and Innovation*, 16(2), 167-168.