

Risk Management and Legal Liability in Corporate Decision Making

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Abstract: *Organisations function in a competitive, uncertain, and complicated regulatory environment in the modern corporate world. Every choice made by corporate executives has the potential to affect the organization's long-term viability, reputation, and legal status in addition to its financial performance. As a result, legal liability and risk management are now crucial components of business decision-making.*

The systematic approach by which businesses recognise, evaluate, and address possible risks that can have an impact on their operations or strategic objectives is known as risk management. Legal liability, on the other hand, is the legal obligation that businesses and their executives may have when their choices result in injury, break the law, or don't comply with regulations.

This study investigates the ways in which legal liability and risk management affect business decision-making. It describes the various risks that businesses encounter, the legal consequences of poor decisions, and the function of corporate governance in guaranteeing responsible leadership. Emerging issues like cybersecurity risks, technological disruption, and environmental laws are also covered in the report.

The purpose of this study is to give a concise and understandable explanation of how businesses might incorporate legal knowledge and risk management into their decision-making procedures. Businesses can enhance their capacity to manage uncertainty, safeguard stakeholders, and attain sustainable growth by doing this..

Keywords: Risk Management, Legal Liability, Corporate Decision-Making

