

Commercial Lending

BEST PRACTICES FOR CREDIT RISK ASSESSMENT, DECISION-MAKING AND LOAN STRUCTURING



DURATION

35 hours



DELIVERY CHANNEL

eLearning

*Skills Application Lab and
Credit Coach Available*



Sections:

- 1 Credit and the Decision Process
- 2 Preliminary Assessment
- 3 Industry and Business Risk Assessment
- 4 Management Risk Assessment
- 5 Financial Risk Assessment
- 6 Integrated Analysis and Decision-Making
- 7 Risk Mitigation Through Loan Structure

COURSE OVERVIEW & BENEFITS

Commercial Lending (CL) is *the* training solution of choice for lenders, analysts and underwriters worldwide. From analyzing requests to building risk-aware loan structures, this comprehensive, industry-leading course introduces the skills and knowledge learners need to establish—or expand—their professional currency.

In addition to robust content on financial, business and industry risk identification and analysis, CL also features a section on Integrated Analysis and Decision-Making, which introduces a systematic process for prioritizing and then sensitizing the quantitative and qualitative factors that drive a borrower's creditworthiness.

Underpinning the entire course is a practical loan scenario that grows in complexity as participants progress, enabling them to apply their knowledge and link concepts together.

Delivered in a "bite-size," on-demand format the course includes a range of activities, videos, microlessons and job aids designed to create an overall engaging and enjoyable learning experience that meets the needs of today's lending professionals.

LEARNING OBJECTIVE

Develop the skills, knowledge, and confidence to identify and evaluate business lending opportunities, make sound lending decisions and build effective loan structures that strengthen the organization's portfolio and reduce its exposure to risk.

COMPETENCIES GAINED

Participants will be able to:

- Conduct in-depth analysis of borrowers' historical and projected financial performance, in order to determine the quality, consistency and sustainability of cash flow.
- Identify and evaluate risks related to a borrower's industry, business operations, and overall management.
- Integrate qualitative and quantitative data in order to formulate and test hypotheses about the risk factors most likely to affect a borrower's repayment capacity.
- Mitigate identified risks by building effective loan structures.

INTENDED AUDIENCE

Commercial Lending is suitable for anyone involved in the commercial lending process, including credit analysts, underwriters, and relationship managers, and anyone involved in the second line of defense, such as loan reviewers and auditors. It is also appropriate for business analysts who gather and analyze data at the portfolio level.

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COURSE DETAIL

SECTIONS		MODULES	
1	Credit and the Decision Process	1	Integrated Analysis and Decision-Making
		2	Credit Analysis Scope and Framework
2	Preliminary Assessment	3	Opportunity Assessment
		4	Businesses and their Borrowing Needs
3	Industry and Business Risk Assessment	5	Economic and Industry Risk
		6	Competition
		7	Business Risk
4	Management Risk Assessment	8	Management
		9	Integrity, Skill, and Execution
5	Financial Risk Assessment	10	Sales and Profitability
		11	Activity and Liquidity Ratios
		12	Capital Spending and Leverage
		13	Cash Flow Analysis and Debt Service
		14	Projections and Credit Risk Assessment
6	Integrated Analysis and Decision-Making	15	Synthesize and Hypothesize
		16	Analyze, Sensitize, and Decide
7	Risk Mitigation Through Loan Structure	17	Deal Structuring and Credit Enhancements
		18	Structure Risk Mitigation

This course is on the path to the Moody's Certificate in Commercial Credit (CICC).



Contact us for more information at: elearning@moody.com