

Certificate in SME Banking

CREDIT RISK ASSESSMENT AND DECISION-MAKING BEST PRACTICES



DURATION

36 hours



DELIVERY CHANNEL

eLearning



Sections:

- 1 Overview of SME Credit
- 2 Accounting and Financial Statements
- 3 Fundamentals of Credit Risk, Credit Models and the Appraisal Process
- 4 Business Risk Assessment
- 5 Owner/Management Risk Assessment
- 6 Financial Risk Assessment
- 7 Risk Mitigation Through Loan Structure

COURSE OVERVIEW & BENEFITS

Should the financial institution make the loan? If so, on what terms?

SME lenders play an important role in your organization's loan origination and credit approval process. To succeed, they need to maximize the likelihood of repayment by identifying the appropriate type and amount of credit, and proactively managing risks throughout the lending process.

Moody's Analytics Certificate in SME Banking (CSMEB) course provides a sound grounding in credit principles as well as in applied credit skills. CSMEB is best suited to bankers involved in SME credit functions. The course helps to enhance the quality of SME and retail loan appraisal/underwriting, credit need assessment and loan structuring. It also covers key accounting concepts and analysing financial statements that are critical to credit assessment and lending.

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:

- Understand and apply the techniques required to conduct effective due diligence before making credit decisions for SME loans
- Conduct a structured credit risk analysis
- Conduct high quality financial statements analysis and assess key cash flow, liquidity and solvency metrics to determine repayment capacity
- Mitigate identified risks by building effective loan structures

TARGET AUDIENCE

All professionals involved or aspiring to be involved in any aspect of SME credit, including such functions as client sourcing, credit underwriting and credit monitoring.

Certificate in SME Banking (CSMEB) Pathway



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

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COURSE DETAIL

SECTIONS		MODULES	
1	Overview of SME Credit	1	Overview of bank credit, SME landscape and the unique lending challenges
		2	Types of customers and legal provisions
		3	Types of credit facilities offered for SME borrowers
2	Accounting and Financial Statements	4	Understanding basics of accounting and reading financial statements
		5	Accounting systems linked to borrower type
		6	Understanding the operating cycle
3	Fundamentals of Credit Risk, Credit Models and the Appraisal Process	7	Credit risk and the SME credit assessment framework
		8	Credit underwriting - process and due diligence
4	Business Risk Assessment	9	SME credit analysis framework - business risk assessment
		10	SME business - operating risk
		11	Business sustainability risk
5	Owner/Management Risk Assessment	12	Credit analysis framework - owner management risk
		13	Owner/management Integrity, execution and scope
6	Financial Risk Assessment	14	Credit analysis framework: financial risk assessment
		15	Financial ratios
		16	Cash flow risk metrics
7	Risk Mitigation Through Loan Structure	17	Deal structuring and credit enhancements
		18	Structure risk mitigation