

Small Business Lending

CREDIT RISK ASSESSMENT AND DECISION-MAKING BEST PRACTICES



DURATION

25 - 30 hours



DELIVERY CHANNEL

eLearning

Credit Coach Available



Course Sections:

- 1 Financial Risk Assessment
- 2 Industry and Business Risk Assessment
- 3 Management Risk Assessment

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 manage risks throughout the lending process.

Small Business Lending (SBL) leverages Moody's Analytics credit analysis and risk management expertise, providing participants with a comprehensive curriculum that develops their technical skills and teaches them best practices for evaluating the three core areas of credit analysis: financial performance, industry and business risk exposure and management strengths.

By focusing on role-based competencies and employing an engaging user experience, this course meets the needs of today's credit professionals. The course sets out to improve their performance and enable them to make better, faster decisions.

LEARNING OBJECTIVE

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

COMPETENCIES GAINED

Participants will be able to:

- Assess the financial condition of small and medium enterprises
- Calculate and interpret liquidity, solvency and debt service coverage ratios to identify critical credit risks
- Interpret and analyze business cash flow to assess debt service capacity
- Evaluate the economic, industry and market risks and trends that could impact financial performance
- Assess management integrity, employee skill set, and corporate governance
- Make sound, defensible lending decisions

TARGET AUDIENCE

SBL suits professionals involved in the SME/small business lending process, including credit analysts, underwriters, 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 DETAILS

Small Business Lending (SBL) is divided into three sections, comprising a total of 14 modules. At the beginning of each module, participants take a diagnostic test that helps them identify where they need to focus their studies. The course concludes with a comprehensive simulation exercise that allows them to apply the concepts they've learned as they work through a real-world business lending scenario.

Our industry-leading eLearning courses feature multi-media and interactive lessons, including videos and practice quizzes, to appeal to all learning styles.

SECTIONS	MODULES
1 Financial Risk Assessment	1 Credit Analysis Foundations – Financial Risk
	2 Businesses and Their Borrowing Needs
	3 Profitability Ratios
	4 Activity Ratios
	5 Capital Spending, Leverage and Debt Coverage
	6 Cash Flow Analysis and Projections
	7 Personal Financial Statements
	8 Personal Financial Ratios
2 Industry and Business Risk Assessment	9 Credit Analysis Foundations – Industry and Business Risk
	10 Business Environment and Industry Status
	11 Competition
3 Management Risk Assessment	12 Credit Analysis Foundations – Management Risk
	13 Management Integrity and Scope
	14 Management Skill and Execution

This course is on the path to the Moody's Certificate in Small Business Banking (CSBB).



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