



DURATION

25 - 30 hours



DELIVERY CHANNEL

eLearning



Modules:

- 1 The Decision Strategy
- 2 Understanding the Business
- 3 Preliminary Assessment
- 4 Identifying Borrowing Causes
- 5 Assessing Industry Risk
- 6 Assessing Business and Management Risk
- 7 Principles of Financial Statement Analysis
- 8 Analyzing Business Financial Statements
- 9 Understanding Business Tax Returns
- 10 Analyzing Personal Guarantors
- 11 Principles of Cash Flow Analysis
- 12 Analyzing Cash Flow
- 13 Evaluating Future Cash Flows
- 14 Making the Decision
- 15 Mitigating Credit Risk

eLEARNING

Business Lending

BEST PRACTICES FOR CREDIT RISK ASSESSMENT AND LOAN STRUCTURING

COURSE OVERVIEW & BENEFITS

Business Lending teaches business bankers, lenders, analysts, and underwriters how to use the Decision Strategy™ to analyze lending opportunities with closely held businesses.

This comprehensive, risk-focused training solution begins by examining the asset conversion cycle and the different ways it unfolds at manufacturing, wholesaling, retail, and service businesses.

Participants then explore potential borrowing causes, so that they're able to identify the underlying factors driving the business's financing needs. They also learn how to identify and evaluate risks inherent to the client's industry, and perform an in-depth analysis of management and its strategies and goals. Their evaluation of a business's financial condition incorporates both business and personal financial statements and tax returns, and focuses on the often-close relationship between a business's finances and the owner's personal finances.

Finally, the course explores proper loan structuring techniques, including the use of collateral, guarantees, loan subordination, and covenants to mitigate risks uncovered during the loan analysis process.

The recommended prerequisite to Business Lending is Financial Accounting for Business Lenders (or the ability to demonstrate an equivalent understanding of business financial statement construction and content).

LEARNING OBJECTIVE

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

COMPETENCIES GAINED

Participants will be able to:

- Follow an efficient and systematic decision-making process.
- Identify and assess industry, business, and management strengths and risks.
- Evaluate the effectiveness of management's strategies to preserve the business's strengths and mitigate the impact of risks.
- Assess a business's financial condition by identifying trends and evaluating the quality of historical cash flow.
- Evaluate the link between a business's finance and its owners' personal finances.
- Recognize how the economic and industry trends and management strategies are likely to impact future cash flow.
- Identify the appropriate structure and support for a loan.

TARGET AUDIENCE

Business Lending is suitable for anyone with business lending responsibilities, including business bankers, lenders, underwriters, and analysts.