
Facility Structuring and Negotiating

Overview

The objective of this workshop oriented module is to enhance the analytical, interpersonal and negotiation skills of the participants required for offering packaged structure solutions to clients and to evaluate the credit standing of a company and the attractiveness of the risk - return profile of a transaction.

Learning Outcome Statements

- Understand the importance of effective loan structuring and negotiating in a competitive business environment
- Package facilities/products effectively
- Decide risk rating and pricing of loans
- Stipulate covenants to protect bank's interest
- Negotiate mutually acceptable and beneficial terms

Key Contents

- Lending environment – Opportunities and Challenges
- Elements of loan structuring
- Risk rating of borrowers
- Loan pricing strategies
- Customer Profitability Analysis
- Risk Adjusted Return on Capital (RAROC)
- Types of covenants – affirmative, negative and financial
- Negotiations as a strategic tool for successful lending
- What is negotiation
- Styles of negotiation
- Planning & preparing for negotiations in lending
- Conducting lending negotiations (case analysis and role plays)