
Non-Financial Analysis

Overview

The objective of this course is to acquaint participants with the importance of qualitative aspect of bank lending by emphasizing the business approach to lending, integrating financial and qualitative analyses and molding these into coherent credit assessment propositions.

Learning Outcome Statements

- Use qualitative analysis in credit assessment
- Balance the quantitative and qualitative aspect of risk assessment
- Use relevant management tools for conducting qualitative analysis
- Identify idiosyncratic risk pertaining to company or industry
- Include results of qualitative analysis in the credit memo

Key Contents

- Industry/market analysis
- Strategic evaluation using stakeholder analysis
- SWOT analysis
- Porter 5 forces
 - Buyer power
 - Supplier power
 - Competitive Rivalry
 - Threat of substitution
 - Threat of new entry
- Competitive position
- Management and controls
- Corporate governance
- Principles of risk evaluation
- Business Cycles
- Ingredients of a good credit application