

Risk Management for SME Banking

Course Hours: 24

Course Code: 11031E

Target Audience

Bankers with SME banking responsibilities; including those working directly with SME clients and others in Risk Management teams, 'Credit' Departments, Branch management and Internal Inspection.

Course Description

This course will enable bankers to understand the fundamental causes of risk in SME banking and the tools, processes and organization required to manage those risks. The course also exposes participants to the success factors and international best practice needed for effective SME banking risk management.

Course Objectives

- Define the international trends in risk management and regulation.
- Explain the causes of SME banking risks.
- Apply the SME Banking Risk Management tools.
- Demonstrate SME Banking Risk Management process.

Course Outline

Module 1: Background Trends in Risk Management (RM)

- Introduction and overview
- The 'credit culture'
- International trends in RM
- The growing range of typical risks
- The tools available for banking risks
- Regulation and its effects

Module 2: SME Banking RM – The Difference

- The different parameters of SME banking
- The specific risks affecting SME banking
- The package of tools needed to manage SME banking risks

Module 3: SME Banking RM – The Tools

- Manuals
- Advice
- Credit scoring
- Early warning systems (EWS)
- Adapted HR and training
- Adapted intensive inspection
- Stress-testing

Small & Medium Enterprises

- Re-negotiation packages (for portfolios)
- Strategic plan for SMEs
- Risk-pricing models
- Compliance structure and responsibilities
- Change management

Module 4: SME Banking RM – Making it Happen

- Application
- Good practice – how top SME banks did it
- The challenge – how you too could do it

Assessment Strategy

Participants will be informally assessed on their interaction during sessions; their participation in group exercises and their performance in presentations, in addition to an individual end of course test.

Upon Successful Completion of this Course, participants will obtain 1.9 CEUs

Course Language

Arabic/English

Prerequisites

- Minimum three years of banking experience
- Good command of English (in case of attending the program in English)