

TRUST



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A background image showing a close-up of a desk. On the left, a portion of a white computer keyboard is visible, including keys for 'alt', 'option', 'Home', 'PgDn', and 'End'. In the center, a silver spiral-bound notebook lies on a dark wooden surface. A fountain pen with a gold and black finish is positioned on the left side of the notebook. The text 'CREDIT RISK MANAGEMENT' is overlaid on the notebook in a large, bold, yellow, sans-serif font, slanted upwards from left to right.

CREDIT RISK MANAGEMENT

IDENTIFYING AND MANAGING CREDIT RISK

Members of the banking industry know that one of the major hazards of the sector is Credit Risk and the resulting implications that stem from this hurdle.

However, being peripherally aware of the danger of credit risk is only one aspect— knowing how to identify and avoid potential problems is the true mark of performance excellence in the field.

The National Certificate in Banking is a NQF Level 5 qualification offered at Felix Risk Training Consultants which is aimed at educating candidates about the impact of credit risk on business units.

Credit risk is what occurs when a potential borrower will fail to perform as projected based on past history.

For most banks, loans are the largest and most obvious source of credit risk. There are however, other sources of credit risk which can appear both on and off the balance sheet.

Off-balance sheet items include letters of credit unfunded loan commitments, and lines of credit. Other products, activities, and services that expose a bank to credit risk are credit derivatives, foreign exchange, and cash management services.

The objective of credit risk management, is to maximise the bank's risk-adjusted rate of return. This is accomplished by ensuring that the risk exposure is maintained.

The Felix qualification provides students with the tools to develop and implement business continuity strategies. These are continually moderated and tested to ensure fail-safe systems are introduced to the field.

“Determining credit risk is a delicate procedure. While a potential client's credit history may be an open book, it is an acquired skill to determine if they are inevitably worth the risk of a long-term partnership. The National Certificate in Banking qualification enables students to locate and appropriately manage red flags – no matter the sector they appear in,” said Bernadette Felix, Director of Felix Risk Training Consultants.

“The key to managing credit risk in this sector is ensuring all manoeuvres are calculated ones,” she added.

The credit risk course forms part of the National Certificate in Banking qualification, and takes a period of 12 months to complete.

CONTACT US

 www.frtc.co.za
 www.facebook.com/felixrisktraining
 info@frtc.co.za

B-BBEE Recognition :
Level 1 contributor to BBBEE
BEE Procurement Recognition Level : 135%

Black Ownership : 100%
Black Women Ownership : 100%
Empowering Supplier : Yes