



CORPORATE Banking Strategy

Course Introduction:

The course will teach you how to use the planning process to set goals, control costs and to increase the profitability of clients and sales channels. You will focus on the needs of corporate customers to screen clients efficiently and identify profitable marketing opportunities.

In addition the course will give hands-on examples of how to create value by implementing efficient credit policies and procedures. Through examples the program shows how qualitative and quantitative ratios are applied to examine the creditworthiness of clients and transactions; in addition, concepts of risk adjusted pricing and minimum pricing are discussed.

Finally, you will assess the main risk factors in corporate banking; you will learn how to mitigate these risk factors and to use an effective portfolio management

Course Objectives:

- How to implement a successful corporate banking strategy to maximise profitability
- Understand the success factors of corporate banking
- Use the planning and budgeting process to increase the value of your bank and control costs
- Build a competitive, client oriented sales organisation and respond to the needs of your corporate clients
- Introducing client oriented products and product bundles
- Implementing an effective rating system for corporates and cash flow based lending
- Deepen your understanding of RAROC, EVA and risk adjusted pricing under Basel II
- Identify and manage the major risk factors in corporate banking

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International Centre For Training & Development

Who Should Attend?

The course will be of value to professionals in the following areas:

- CEOs, CFOs
- Credit and Risk Management Executives
- Corporate Banking, International Banking, Corporate Finance Experts
- COOs and Controllers
- Executives responsible for Corporate Strategy and Planning
- Banking and Strategy Consultants

Course Outline:

Welcome and Introduction

- Program overview
- Delegates' expectations

Strategies in corporate banking

- The competitive environment in developed and emerging markets
- The key success factors in banking
 - Corporate banking
 - SME banking
 - Retail banking
- **Workshop:** products and services required by customers
- The profitability of different banking products
- How clients look at banks
- Different strategies for corporate banks
- **Case study:** SWOT analysis of incumbent banks facing international competition.

The importance of the planning process

- Mission and vision statements
- Seven principles of a successful planning process
- Setting SMART objectives
- Setting financial and performance goals for each level
 - Profit goals
 - Market goals
 - Product goals
 - Cost targets
- The execution of the planning process
- **Workshop:** setting goals for different banking departments.

Building an efficient corporate banking organisation

- Defining strategic business units
- Choosing the right organizational structure
 - Client segmentation
 - Regional approach
 - Product approach
 - Matrix organisation

- Designing and managing the distribution network
- Efficient client relationship management
- Improving cross selling
- Success factors for the international banking business
- **Case study:** designing and managing a branch network.

Building a competitive product range

- From corporate lending to cash flow based lending
- The introduction of corporate finance and investment banking products
- Understanding the economics and the risk profile of the corporate banking product portfolio
 - From general lending to cash flow based financing
 - Defining structured and transactional products
 - Asset based lending
 - Investment banking services
- How to successfully build a portfolio of structured products
- Establishing a policy paper for an asset based finance sector
- **Case study:** identifying a corporate clients needs and increasing the 'share of wallet' for your institution.

Measuring product and client profitability

- Introduction to the different concepts of measuring success and profitability
 - Revenues / volume / risk weighted assets
 - ROI / ROE / ROA
 - RAROC / RORAC
 - EVA
- Calculating the profitability on all bank levels
- The concept of risk adjusted pricing
- Calculating the minimum pricing for products
- Dealing with loss leaders
- **Workshop:** risk adjusted pricing for different clients and banking products.

Dealing with risk

- Introduction to risk in corporate banking in:
 - Developed markets
 - Emerging markets
- Basel II changed the perception of risk

- Assessing risk in the different banking sectors
- Identifying, analyzing and managing risk categories
 - Credit risk
 - Market risk
 - Liquidity risk
 - Operational risk
 - Business / reputation risk
- Employing risk mitigating factors
- **Workshop:** the design of an efficient risk management system.

Mastering credit risk

- Establishing a rating system for corporations
- Defining ratings for corporations
 - Qualitative assessment
 - Quantitative ratios
- Defining ratings for structured lending products
- The credit approval process
 - The appropriate approval level
 - Credit committees vs. expert structure
 - Portfolio responsibility
- Establishing an early warning system
- Enhancing cooperation between sales force and credit department
- **Workshop:** the effectiveness of credit ratings and financial ratios in corporate banking

Introduction to portfolio management

- Role and responsibility of the risk management department
- Establishing risk-limit systems
- Rules of engagement between the departments involved
- Introducing a loan transfer system
- Applying risk mitigating factors by active portfolio management
- Establishing a value creating management information system
- **Round table:** discussion about risk limits and performance parameters for different banking departments and products.

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation

Course Fees:

To be advised as per the course location. This rate includes participant's manual, and-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session