Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 1024

Credit Scoring & Rating Models

CREDIT & LENDING MANAGEMENT
FINANCE, INVESTMENT & BANKING

DURATION
5 Days

DELIVERY
Classroom

Course Overview

Credit Scoring & Rating Models is a comprehensive professional training course designed to provide banking and finance professionals with the knowledge and practical skills required to develop, apply, interpret, and manage credit scoring and credit rating models. As financial institutions increasingly rely on data-driven credit decisions, robust scoring and rating methodologies have become essential tools for improving lending quality, strengthening risk management, enhancing portfolio performance, and ensuring regulatory compliance.

This course provides participants with a structured understanding of the principles, methodologies, and applications of credit scoring and credit rating systems across retail, SME, commercial, and corporate banking. Participants will explore how quantitative and qualitative risk factors are integrated into scoring models to assess borrower creditworthiness, support consistent lending decisions, and improve the effectiveness of credit approval processes.

The program also examines the design, implementation, validation, monitoring, and continuous improvement of internal credit scoring and rating models. Participants will gain practical knowledge of model governance, performance measurement, predictive analytics, probability of default assessment, model calibration, and the role of technology and data analytics in modern credit risk management. The course highlights how effective scoring and rating frameworks contribute to improved asset quality, portfolio monitoring, and strategic decision-making.

Through practical case studies, model development workshops, and real-world credit assessment scenarios, participants will strengthen their ability to evaluate model performance, interpret scoring results, identify model limitations, and apply credit scoring and rating methodologies to support sound lending decisions. The course is ideal for banks, financial institutions, government financing agencies, development banks, and large organizations seeking to strengthen their credit risk assessment capabilities through modern analytical tools.

Objectives

- Analyze the principles and methodologies of credit scoring and credit rating models by the end of the course.
- Evaluate borrower creditworthiness using quantitative and qualitative scoring techniques.

- Apply credit scoring models to support objective and consistent lending decisions.
- Develop internal credit rating frameworks aligned with organizational risk management objectives.
- Assess model performance using validation, calibration, and predictive accuracy techniques.
- Improve credit decision quality through data-driven credit risk assessment methodologies.
- Strengthen the ability to identify model limitations and recommend appropriate enhancements.
- Implement governance and control practices for credit scoring and rating model management.
- Assess the impact of credit scoring and rating systems on portfolio quality and lending performance.
- Align credit scoring and rating practices with regulatory expectations, internal policies, and international best practices.

Who Should Attend

This course is designed for credit analysts, senior credit analysts, credit risk analysts, model validation specialists, credit managers, lending officers, relationship managers, portfolio analysts, commercial and corporate banking professionals, data analytics professionals, and specialists responsible for credit assessment and risk measurement within financial institutions.

It is also suitable for heads of credit, chief risk officers, model risk managers, enterprise risk professionals, internal auditors, compliance officers, regulatory specialists, portfolio managers, banking supervisors, development finance professionals, government financing agencies, and executives responsible for strengthening credit risk management, model governance, and lending decision quality.

Learning Outcomes

- By the end of this course, participants will be able to:
- Explain the principles and applications of credit scoring and credit rating models.
- Apply credit scoring techniques to evaluate borrower creditworthiness.
- Develop structured internal credit rating methodologies for different customer segments.
- Interpret credit scores and ratings to support lending and portfolio management decisions.
- Assess model performance using validation and calibration techniques.

- Identify model weaknesses and recommend improvements to increase predictive accuracy.
- Integrate quantitative and qualitative risk factors into credit assessment processes.
- Prepare professional reports explaining credit scoring and rating outcomes.
- Apply governance and regulatory principles to credit scoring and rating model management.
- Implement international best practices in credit scoring and rating to strengthen credit risk management and organizational performance.

Course Outline

DAY 01

Foundations of Credit Scoring & Rating Models

- The evolution of credit scoring and credit rating methodologies
- Principles of data-driven credit risk assessment
- Differences between credit scoring and credit rating systems
- Governance, policies, and regulatory expectations

PRACTICAL APPLICATION

Understanding credit scoring frameworks through case studies

DAY 02

Credit Scoring Methodologies and Model Development

- Quantitative and qualitative risk factors
- Retail, SME, commercial, and corporate scoring models
- Model design, variable selection, and scorecard development
- Data quality and model input requirements

PRACTICAL APPLICATION

Developing a basic credit scoring model

DAY 03

Credit Rating Systems and Model Validation

- Internal credit rating methodologies
- Probability of Default (PD) and risk classification
- Model validation, calibration, and performance measurement
- Model governance and ongoing monitoring

PRACTICAL APPLICATION

Validating and improving a credit rating model

DAY 04

Model Performance and Credit Decision-Making

- Interpreting scoring and rating results
- Portfolio segmentation and risk-based lending decisions
- Stress testing and scenario analysis for scoring models
- Digital analytics and artificial intelligence in credit assessment

PRACTICAL APPLICATION

Applying scoring and rating models to lending case studies

DAY 05

Best Practices in Credit Scoring & Rating Models

- Regulatory compliance and model risk management
- Continuous improvement of scoring and rating systems
- Data governance and model documentation standards
- Strengthening organizational credit risk frameworks through analytical models

DAY 05 — CONTINUED

> **FINAL WORKSHOP**
>
> Develop a practical credit scoring framework, evaluate a credit rating model, validate model performance, recommend enhancements, and prepare an implementation action plan for improving credit scoring and rating practices within the organization.

Register or Request More Information

Course page: https://quest-training.com/courses/credit-scoring-rating-models
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