

BUSM 7021 CREDIT AND LENDING DECISIONS

Credit Points 10

Legacy Code 51166

Coordinator Vivienne Saverimuttu ([https://directory.westernsydney.edu.au/search/name/Vivienne Saverimuttu/](https://directory.westernsydney.edu.au/search/name/Vivienne+Saverimuttu/))

Description Lending is one of the most important functions of any financial institution. If not managed properly, it can lead to credit quality problems, threatening the existence of the financial institution. This subject aims to provide an analysis of the various lending activities of financial institutions, emphasising the assessment of credit proposals and the management of credit risk.

School Business

Discipline Business And Management

Student Contribution Band HECS Band 4 10cp

Check your fees via the Fees (https://www.westernsydney.edu.au/currentstudents/current_students/fees/) page.

Level Postgraduate Coursework Level 7 subject

Restrictions

Students must be enrolled in a postgraduate Business program.

Assumed Knowledge

51163 Financial Institutions and Markets and/or 51164 Finance / 200426 Corporate Finance.

Learning Outcomes

On successful completion of this subject, students should be able to:

1. Apply constructive lending practices with due consideration of the interactive relationship between different banking activities, structures and risks;
2. Apply knowledge of credit risk assessment principles and processes to conduct proficient credit risk assessment;
3. Analyse lending information to detect different credit risk components and to make reasoned judgements appropriate to the circumstances;
4. Integrate the spectrum of knowledge and information to generate constructive lending solutions.

Subject Content

1. The principles of lending and lending basics
2. Financial statements analysis
3. Credit scoring techniques
4. Credit risk analysis
5. Consumer lending
6. Real estate lending
7. Security, consumer credit legislation and legal issues
8. Corporate lending
9. Small business lending
10. International lending
11. Credit risk measurement and loan portfolio management

Assessment

The following table summarises the standard assessment tasks for this subject. Please note this is a guide only. Assessment tasks are regularly updated, where there is a difference your Learning Guide takes precedence.

Type	Length	Percent	Threshold	Individual/ Group Task	Mandatory
Intra-session Exam	2 hours	30	N	Individual	Y
Report	3,000 words	20	N	Group	Y
Final Exam	2 hours	50	N	Individual	Y

Prescribed Texts

- Saunders, A, Cornett, M. & Erhemjamts, O. 2024. Financial Institutions Management. A risk Management Approach Eleventh Edition, McGraw Hill.

Teaching Periods

Quarter 3 (2025)

Parramatta City - Macquarie St

On-site

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View timetable (https://classregistration.westernsydney.edu.au/odd/timetable/?subject_code=BUSM7021_25-Q3_PC_1#subjects)