



UNIVERSITY OF EDINBURGH
Business School



Designing and Teaching Courses on Credit Scoring for Post Graduate Students

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What's different about Post Grads?

What's different about Post Grads compared to undergrads?

- work experience
- willing to pay higher price
- more precise idea about what they want
- more precise idea about what price they are willing to pay
- more market research – choose from courses throughout the world, not just their own country



What do PG students want?

- Whole Masters degree
- Course(s) within a Masters degree

Depends on

- Background: UG degree in Mathematics, Statistics, Physics etc - specialist
UG degree in Business, Accounting etc – conversion
- Intended job function so what do they need to get this?
- What can afford

Supply Considerations

Does the educational institution have the specialist skills (ie people doing research in the area) to teach it?

Would the course be financially viable?



Experience at Credit Research Centre, University of Edinburgh Business School

Current:	PG course in Credit Risk Management within MSc Marketing & Business Analysis degree
New:	MSc Banking & Risk (first entry September 2012)
Planned degree:	MSc Credit Risk Analysis



Content based on Thomas, Edelman, Crook (2002) *Credit Scoring and its Applications*, SIAM

Lectures

- Introduction
- Statistical models
- Non-statistical models
- Behavioural scoring
- Measuring performance
- Practical issues: definitions of good, bad, bureaux data, coarse classification, optimal splits, reject inference,
- Monitoring and Tracking
- Basle Regulations

Tutorial exercises in computer lab: estimating models; coarse classification; decision trees; predictive accuracy

Practical focus



Student self selection

Practitioner Comments welcome on content

items that should be included or left out?

too technical-not technical enough?

When might such a course be useful to financial institutions?



- **Analysis Of Corporate Financial Information**
- Introduction To Banking
- **Statistics**
- **Introduction To Risk Management For Banks**
- **Credit Risk Management**
- Financial Markets And Institutions
- Investment Management
- Derivatives
- **Risk Management And The Basel Accords**
- Microfinance
- **Datamining**

- **Dissertation (15,000 words)**



Finding dissertation topics

Practitioner involvement in teaching/ seminars/dissertation supervision

Practitioner comments on content

Jobs!