

GSBLSU First Year Program



Investing in Your Future

The Graduate School of Banking at Louisiana State University provides an organized course of study of general banking subjects tailored to the particular needs of bankers in the fifteen sponsoring states. The three-year program covers subjects applicable to bank management and operations including monetary, economic, and regulatory theories and practices. The School's purpose is to fill the need for graduate-level study by bank officers and others meeting admission requirements leading toward a broader knowledge and understanding of major banking functions such as credits, investments, asset and liability management, planning and control, regulatory issues, human resources, and marketing.



Course Overview

Required

- Asset/Liability Management I
- Credit Risk Management
- Financial Markets
- Monetary Economics
- Strategic Bank Marketing
- Case Problems

Elective

- Basic Credit Analysis
- Intermediate Credit Analysis



Asset / Liability Management I

Robert L. Schweitzer

This course provides a basic understanding of a bank's balance sheet and income statement and techniques to manage both to achieve bank goals. Discussion focuses on the responsibilities of a bank's asset and liability management committee and the sensitivity of earnings and balance sheet accounts (principally capital) to changes in interest rates. Topics include: GAP management; duration-based interest rate risk management; credit risk; the use of marginal cost and return concepts in pricing loans and deposits; interest rate risk; and non-interest expense control. Emphasis is on securities, pricing, and managing interest rate risk.

Basic Credit Analysis

James T. Sartain

This basic course is designed to assist lesser experienced lenders, as well as students with little or no formal commercial credit analysis training, to appraise the credit risk in lending. Emphasis is given to the importance, methods, and limitations of various risk appraisal tools—including analysis of financial statements, ratios, and cash flow. Case studies are used to demonstrate how these tools are used and how they relate to a specific loan request. Throughout the course, the lender's viewpoint is stressed.

Credit Risk Management

Jerry W. Crigger

This course introduces students to credit risk management in the lending function. Comprehensive credit risk management requires that banks identify and measure risks in the portfolio, develop appropriate policies, procedures, systems and controls to manage and monitor risk and assure that they are working. Portfolio credit risk management is a tool to improve the predictability of portfolio credit quality and earnings that should translate into a higher stock price and enhanced shareholder value.

A bank study project will provide students with an opportunity to assess their institution's tolerance for risk, to develop a risk profile and benchmark their institution's credit process against best practices in credit risk management.

Financial Markets

Robert L. Schweitzer

This course provides an overview of financial markets and investments. Topics covered include: the role of financial markets and financial institutions; return and risk characteristics of investments; the pricing of debt and equity claims; the level and structure of interest rates; the derivative markets and their role in portfolio management; and the use of the financial markets to improve the bank's profitability and control risk.

Intermediate Credit Analysis

Ken B. Cyree

This is an advanced course designed for the student with commercial lending experience who has a working knowledge of accounting and ratio analysis. Emphasis will be placed on refining those techniques, which lead to sound commercial lending decisions and becoming a value-added lender. This emphasis will include analysis of ratio trends, working capital, cash flows, and other important elements in commercial lending operations.

Monetary Economics

Thomas Payne

The course in Monetary Economics is designed to aid the banker in analyzing and explaining economic conditions and forces. Topics discussed pertain to the entire banking and economic system, but relate directly to risk management and other decisions made within the bank. The course deals with the function and role of markets and will take participants “inside” the Federal Reserve as they learn how monetary policy is determined and implemented. The course provides an analytical but practical framework for determining how fiscal and monetary policies affect global, national, and local economies. Other topics include: financial markets, economic measures and indicators, and the trade-offs associated with economic decision making.

Strategic Bank Marketing

Rex O. Bennett

This course focuses on competitive strategies that banks can use to attain strategic, sustainable advantage and achieve superior, long-term profitability in spite of industry or environmental changes, competitor actions, technology enhancements, and customer/ market shifts (including generational shifts.) Customer-driver differentiation that leads to increased customer satisfaction and retention is the essence of such competitive advantage strategies. This course will focus on developing effective strategies through identifying key drivers of profitability and through identifying and measuring the Competitive GAP's which limit a bank's ability to enhance performance and profitability. The relationship of marketing strategies to other functional areas of the bank and to the marketplace is emphasized, as are specific, practical techniques to help bank managers.

Case Problems

For two weeks during the first year and for one week during the second year, a series of cases will be studied. Classes will be divided into groups of approximately 8-10 students for discussion of these cases, and each discussion group will be assigned an instructor. Preparation for the cases will be done not only before the resident session begins, but also at night during the resident session. Specific assignment of students by name and place will be made for both preparation and discussion groups. The cases will cover special credit areas, specific phases of bank management, and business finance. Among the areas to be included are: Bank Financial Analysis; Business Finance; Capital Budgeting; Capital Analysis; Compliance Management; Financial Planning; Financing the Closely Held Business; Improving Market Capitalization; Internal Controls and Loss Prevention; Profitability, Personnel and Growth; Problem Loans and Workouts; Real Estate Finance; Seasonal Lending; and Term Lending.

Along with the cases, students will have a unique opportunity to gain familiarity with personal computer uses in banking. Instruction will be directed toward decision-making with the use of computers as management tools. Students will actually use computers to practice such techniques as credit analysis, forecasting, modeling, and asset/ liability management.

THANK YOU



We hope the outline provides you with more details on the specific requirements for the first year session at GSBLSU. For more details, log on to GSBLSU.org or contact us at 225-766-8595.