

Professional Certification in SME Banking & Cash Flow Lending

Professional Certification | 25–30 Credit Hours

1. Program Overview

SME banking requires a different analytical approach from conventional corporate lending. Many SME borrowers operate with limited documentation, informal cash flows, family-managed structures, weak financial reporting, and high dependence on working capital. Effective SME lending requires bankers to understand the business behind the numbers, assess real cash generation, evaluate owner behavior, and structure facilities around actual operating cycles.

2. This Program Helps Participants Answer

- 1 How does this SME actually generate and use cash?
- 2 Can the borrower repay without relying only on collateral?
- 3 Are informal financial records enough to assess repayment capacity?
- 4 What business, owner, and working-capital risks could affect repayment?
- 5 How should SME facilities be structured and monitored?

3. Key Learning Areas

SME lending, SME business models, cash-flow-based lending, informal financial assessment, surrogate analysis, working capital, borrower behavior, owner-management risk, collateral, guarantees, monitoring, and SME credit judgment.

4. Target Participants

SME banking teams, branch managers involved in SME lending, relationship managers, commercial banking professionals, credit analysts, credit underwriting staff, risk professionals, business development officers, banking trainees, and finance professionals working with SME clients.

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Structure & Information

Professional Certification | 25–30 Credit Hours

5. Program Structure / Modules

| Module | Focus | Indicative Hours |
|--|--|------------------|
| Foundations of SME Banking & Lending | SME finance role, SME vs corporate lending, borrower characteristics, and practical lending challenges. | 3 |
| Understanding SME Business Models | Trading, manufacturing, services, retail, distribution, revenue generation, margins, seasonality, and sustainability. | 4 |
| Cash Flow-Based Lending for SMEs | Cash inflows/outflows, owner withdrawals, business reinvestment, and real cash availability. | 4 |
| Informal Financial Assessment & Surrogate Analysis | Bank statements, sales records, purchase patterns, stock movement, supplier terms, tax records, and market intelligence. | 5 |
| Working Capital & Operating Cycle Analysis | Receivables, inventory, payables, supplier credit, collections, and cash conversion pressure. | 4 |
| Borrower Quality, Owner Behavior & Management Risk | Owner credibility, discipline, reputation, succession risk, related-party dealings, and repayment willingness. | 3 |
| SME Credit Risk Assessment & Lending Decisions | Integrating financial, operational, behavioral, and market information into SME credit judgment. | 3 |
| SME Facility Structuring, Collateral & Monitoring | Facility selection, repayment alignment, collateral, guarantees, monitoring, documentation, and early warning signals. | 3 |
| Practical SME Credit Case Workshop | SME borrower cases involving cash flow, informal records, working capital, behavior, and structuring. | 3–4 |

6. Practical Learning Methodology

SME borrower case studies, cash-flow exercises, informal financial analysis workshops, bank-statement interpretation, working-capital exercises, borrower interview simulations, sector discussions, facility-structuring exercises, and SME credit workshops.

7. Expected Learning Outcomes

- 1 Understand how SME business models generate and use cash.
- 2 Assess repayment capacity using cash-flow-based lending principles.
- 3 Evaluate informal records, bank statements, and surrogate financial information.
- 4 Identify owner, business, working-capital, and sector risks.
- 5 Structure SME facilities with suitable collateral, guarantees, and monitoring controls.

8. Program Information

| Item | Details |
|--------------------------|--|
| Course Code | C2026/03/05 |
| Certification Type | Professional Certification |
| Duration | 25–30 Credit Hours |
| Delivery Format | In-Person / Online / Hybrid, subject to institutional requirements |
| Recommended Cohort Size | 20–35 participants |
| Scheduling Options | Weekday / Weekend / Customized corporate cohorts |
| Corporate Delivery | Available for in-house institutional delivery |
| Assessment Format | SME case exercises, cash-flow analysis, practical assessments, and credit workshop |
| Certification Awarded By | NID Capital |
| Pricing | Customized corporate pricing available upon request |
| Note | Module hours are indicative and may be adjusted for customized corporate cohorts. |