

CREDIT ADMINISTRATION

UNIT CODE: BUS/CU/BF/CR/03/6/B

Relationship to Occupational Standards

This unit addresses the Unit of Competency: Perform Credit Administration.

Duration of Unit: 180 Hours

Unit Description

This unit specifies the competencies required to perform credit administration. It involves monitoring the credit repayment, analysing periodic financials, conducting customer visit, preparing call report, collecting credit arrears, issuing demand letter and performing credit restructuring.

Summary of Learning Outcomes

1. Monitor the credit repayment
2. Analyze periodic financials
3. Conduct customer visit
4. Prepare call report
5. Collect credit arrears
6. Issue demand letter
7. Perform credit facility restructuring

Learning Outcomes, Content and Suggested Assessment Methods

Learning Outcome	Content	Suggested Assessment Methods
1. Monitor the credit repayment	<ul style="list-style-type: none">• Credits• Credit monitoring• Importance of credit monitoring• Methods of monitoring credit repayment• Warning signs	<ul style="list-style-type: none">• Written tests• Observation• Oral questions• Third party report
2. Analyse periodic financials	<ul style="list-style-type: none">• Introduction to basic accounting• Principles of accounting• Financial statements<ul style="list-style-type: none">➤ Types➤ Preparation➤ Usage➤ Analysis➤ Interpretation	<ul style="list-style-type: none">• Written tests• Observation• Oral questions• Third party report

	<ul style="list-style-type: none"> • Ratios 	
3. Conduct customer visit	<ul style="list-style-type: none"> • Customer visit • Importance of customer visit • Preparation for customer visit • Dos and don'ts of customer visit • Ways of handling difficult customer 	<ul style="list-style-type: none"> • Written tests • Observation • Oral questions • Third party report
4. Prepare call report	<ul style="list-style-type: none"> • Call report • Importance of call report • Content of call report • Formats of call report • Essay writing 	<ul style="list-style-type: none"> • Written tests • Observation • Oral questions • Third party report
5. Collect credit arrears	<ul style="list-style-type: none"> • Credit arrears • Identification of credit arrear • Categories of credit arrears • Credit arrears report • Related accounts 	<ul style="list-style-type: none"> • Written tests • Observation • Oral questions • Third party report
6. Issue demand letter	<ul style="list-style-type: none"> • Demand letter • Types of demand letter • Content of demand letter • Importance of demand letter • Preparation of demand letter • Methods of issuing demand letter • Factors to consider when issuing demand letter 	<ul style="list-style-type: none"> • Written tests • Observation • Oral questions • Third party report
7. Perform credit restructuring	<ul style="list-style-type: none"> • Credit restructuring • Reasons for credit restructuring • Implication of credit restructuring • Types of credit restructuring • Factors to consider in credit restructuring 	<ul style="list-style-type: none"> • Written tests • Observation • Oral questions • Third party report

Suggested Methods of Instruction

- Project
- Demonstration by trainer
- Practice by the trainee
- Discussions
- Direct instruction
- Simulation
- On job training

Recommended Resources

- Writing materials
- Projector
- Computer
- Flip Chart/white board