
Relationship Banking Course: Client Coverage, Credit Judgement and Portfolio Growth

5 – 9 July 2027
Madrid





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Programme Summary

Relationship banking is the subject of this one-week training course for senior relationship bankers, heads of corporate and business banking, and credit and portfolio managers at managerial level, ending in a client portfolio plan for one banker's book. Banks hold much of what they know about a client in one person's head, so credit views and growth plans vary from desk to desk. The programme moves from client segments and soft information to credit judgement, monitoring and portfolio growth. Mars Training Centre UK delivers this programme on relationship banking to mixed-organisation cohorts.

The Business Case

A bank gains from a client relationship only when the information it collects improves its decisions across repeated dealings. Bankers who record what they learn, test it against credit measures and watch for warning signs can lend with more confidence, keep good clients and notice weak ones earlier.

- Credit Quality: Improves as soft information is recorded and checked against financial measures.
- Client Retention: Strengthens as coverage is planned around what each segment values.
- Concentration and Conflict Risk: Falls as reviews, limits and handover notes limit reliance on one person.

Principles and Evidence Base

- Relationship Lending: Judges a bank's investment in client information by its return across repeated dealings, used in Sessions 1 and 2.
- Hard and Soft Information: Separates financial statements and scores from management quality and local conditions, used in Sessions 2 and 3.
- Credit Risk Components: Combines probability of default, loss given default and exposure at default into expected loss, used in Session 3.
- Delegated Monitoring: Treats the bank as watching borrowers for its depositors and creditors, used in Sessions 4 and 5.

Intended Participants

- Senior relationship bankers who hold client books and answer for their quality.
- Heads of corporate and business banking who set coverage models and growth targets.
- Credit managers who review proposals prepared by relationship teams.
- Portfolio managers who track concentration, early warning signs and cross-sales across client books.

Typical settings include commercial banks, business banking units and specialist finance houses.



Learning Outcomes

1. Participants will be able to classify clients into segments by value, information needs and coverage effort.
2. Participants will be able to construct a client profile that combines hard and soft information.
3. Participants will be able to evaluate a borrower using default, loss and exposure measures and qualitative judgement.
4. Participants will be able to design a covenant, pricing and monitoring package matched to client risk.
5. Participants will be able to diagnose signs of weak lending, conflict of interest and key person dependence.
6. Participants will be able to justify a client portfolio plan to a credit committee.

Programme Structure

Day 1: Relationship Banking: Value, Segments and Coverage

Which clients justify a deep relationship, and what does the bank gain from it?

- Relationship Value Map
- Client Segment Grid
- Wallet Share Estimate
- Coverage Model Sketch
- Information Needs Inventory

Day 2: Reading the Client

What does the banker learn about a client that a balance sheet does not show?

- Management Quality Assessment
- Family Business Profile
- Cash Cycle Walkthrough
- Site Visit Record
- Client Financial Summary

Day 3: Credit Judgement and Structure

How is the client's ability to repay judged, priced and structured?

- Default Probability Scorecard Review
- Exposure and Loss Estimate
- Covenant Package Design
- Risk-Based Pricing Table
- Credit Paper Outline



Day 4: Monitoring, Conflicts and Growth

How is a relationship watched, kept honest and grown?

- Early Warning Indicator List
- Evergreening Test
- Conflict of Interest Check
- Cross-Sales Opportunity Plan
- Key Person Handover Note

Day 5: Client Portfolio Plan for One Banker's Book

Do the earlier tools make one plan for a book of clients that a committee can review?

- Applying the Session 1 Client Segment Grid
- Testing the Session 2 Management Quality Assessment
- Reviewing the Session 3 Credit Paper Outline
- Checking the Session 4 Early Warning Indicator List
- Completing the Client Portfolio Plan

Methodology

The programme uses case analysis built on a prepared book of five client files, each with financial statements, visit notes, a draft credit proposal and account history. Participants judge each client and compare views in small groups before applying the same tools to clients from their own book.

- Suggested activity: Separating hard from soft information in a client file and rating each item.
- Suggested activity: Testing a credit paper against questions from a committee member.
- Suggested activity: Reviewing an account history for signs that a weak loan has been rolled over.

Capstone Output

Each participant completes a client portfolio plan for one banker's book. It holds a segment grid, client profiles with hard and soft information, credit views with pricing and covenants, a watch list with early warning indicators and a growth plan with a handover note. The plan is used at work to brief a credit committee and to set the coverage calendar.

Frequently Asked Questions

Is relationship banking suitable for bankers who have mainly worked on transactions?

Yes. Relationship banking is taught through client files and templates. It assumes some experience of lending or client coverage, but no earlier role as a senior relationship banker.



Which models does relationship banking rest on?

Relationship banking rests on relationship lending, the split between hard and soft information, the components of credit risk and delegated monitoring.

How is the plan from relationship banking used at work?

You use the client portfolio plan to brief a credit committee, agree coverage priorities with your team and set review dates for the watch list.

How does relationship banking differ from general retail banking?

Relationship banking teaches how to gather client information, judge credit and grow business clients over repeated dealings, while general retail banking concentrates on standard products and processes for individual customers.