

DAY 1 - WORKING WITH SCORECARDS

Registration 08:45-09:00

1. The Basic Ideas: origins and principles 09:00-11:00

- Introduction
- Business context
- Population and odds
- How a scorecard works
- Building a scorecard

Coffee

2. Fixing a Cut off: using scorecard statistics 11:15-12:45

- Scorecard definitions
- Population flow
- Setting the cut-off
- Impact analysis

Exercises: Reading distributions, calculating impact

Lunch

3. How Good is my Scorecard: analysing performance 13:45 -15:00

- Why validate? And what?
- Measuring scorecard discrimination
- Score- performance relationship
- Identifying mis-alignment

Exercises: Techniques for measuring discrimination

Tea

4. Where has my Population Gone: tracking applicant profiles 15:15 -16:15

- The role of tracking
- Population stability
- Characteristic analysis

Exercises: Identifying sources of change, characteristic analysis

Tea

5. Does my Scorecard Still Work: tracking scorecard performance 16:30-17:30

- Score-odds relationships
- Delinquency by score reports
- Scorecard renewal
- Scorecard adjustment

End of day 1

PLEASE BRING A CALCULATOR EACH DAY

DAY 2 - RUNNING A SCORING SYSTEM

6. Refining Acquisition Strategies: getting the full story 09:00-10:30

- Focus: policy evaluation
- Front End: overrides
- Performance: interpretation
- Revisiting scorecard measurement techniques

Exercises: Simulation for calculating impact of overrides

Coffee

7. What's in a Score? The policy framework 10:45-12:15

- Properties of a score
- Exceptions and overrides
- Policy formulation
- Decision process

Exercises: identification, classification and treatment of exceptions

Lunch

8. Not Getting Lost: portfolio management 13:15-14:30

- Dynamic delinquency matrices
- Interpretation: Life cycle, New Account, Portfolio Effects
- Projections of Future Performance

Exercises: Performance matrix forecasting

Tea

9. Moving On: The strategic use of scoring 14:45-16:30

- Behavioural scorecards
- Score-based strategies
- Experimentation
- Building Bridges – risk and marketing analysis

Exercises: Credit marketing promotion simulation

End of day seminar