

Huntington Bank Loan Risk & Performance Analysis

Business Analyst Case Study Report

(Self-initiated portfolio case study)

1. Executive Summary

This case study documents a Business Analyst-led initiative to analyze Huntington Bank's loan portfolio with the objective of improving risk visibility, regional lending strategy, and repayment forecasting. Acting as a Business Analyst, the project translated business problems into structured requirements, defined KPIs, and delivered decision-oriented dashboards. The outcome enables leadership and risk teams to monitor portfolio health, identify high-risk loans, and make data-driven lending decisions.

Role performed: Business Analyst – responsible for requirement analysis, KPI definition, BRD-to-dashboard traceability, and business insight generation.

2. Business Context & Stakeholders

Business Context

The bank manages a diversified retail loan portfolio across multiple regions and borrower segments. Increasing delinquency risk, uneven regional performance, and limited visibility into repayment trends necessitated a consolidated analytical solution.

Key Stakeholders

- Lending Leadership
 - Credit & Risk Management Team
 - Regional Business Heads
 - Finance & Operations Team
 - IT / BI Support Team
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3. Business Objectives

The project was designed to address the following business objectives:

1. **Identify high-risk loans** to proactively manage charge-offs and credit exposure.
2. **Support regional lending strategy** by highlighting geographic trends and disparities.
3. **Improve repayment forecasting** through historical repayment and cash-flow analysis.

These objectives guided all requirement definitions and dashboard designs.

4. Business Requirements (BRD)

High-Level Business Requirements

- **BR-01:** Lending leadership requires a consolidated view of overall loan portfolio health.
- **BR-02:** Risk teams require clear differentiation between good and bad loans.
- **BR-03:** Regional managers require state-level insights into lending and repayment performance.
- **BR-04:** Finance teams require visibility into funded vs. received amounts to assess cash flow.
- **BR-05:** Management requires trend analysis to identify seasonality and performance changes over time.

Assumptions & Constraints

- Historical loan data is assumed to be accurate and complete.
 - Loan status definitions (Fully Paid, Current, Charged Off) are standardized.
 - Analysis is based on available structured loan data only (no bureau-level enrichment).
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5. KPI Definition & Business Rationale

KPI	Business Purpose
Total Loan Applications	Measure demand and growth trends
Total Funded Amount	Assess credit exposure
Total Amount Received	Monitor repayment and cash flow
Average Interest Rate	Evaluate portfolio pricing
Average DTI	Assess borrower financial health
Good Loan %	Portfolio quality indicator
Bad Loan %	Risk exposure indicator

6. BRD-to-Dashboard Traceability

This section explicitly links business requirements to dashboard outputs.

Business Requirement	KPI(s)	Dashboard	Visual Element
BR-01 Portfolio Health	Loan Apps, Funded,	Summary	KPI Cards

Business Requirement	KPI(s)	Dashboard	Visual Element
BR-02 Risk Visibility	Received Good vs Bad Loan %	Summary	KPI Cards
BR-03 Regional Strategy	State-wise metrics	Overview	Filled Map
BR-04 Cash Flow	Funded vs Received	Summary / Details	Tables & KPIs
BR-05 Trend Analysis	Monthly metrics	Overview	Line Chart

This traceability ensures alignment between stakeholder needs and delivered analytics.

7. Dashboard & Solution Design Overview

Tools & Methods

- Power BI for dashboarding
- Structured BRD-to-dashboard workflow
- Data modeling and KPI calculations

Dashboard Structure

1. **Summary Dashboard** – Executive-level KPIs and portfolio quality indicators
2. **Overview Dashboard** – Trends, regional, and borrower-segment analysis
3. **Details Dashboard** – Transaction-level and loan status grid views

Each dashboard serves a specific stakeholder group while remaining interconnected.

8. Key Insights & Business Impact

Observations

- Charged-off loans represent a small percentage by volume but a disproportionately higher risk by value.
- Certain states show higher application volumes but weaker repayment trends.
- Longer loan terms correlate with increased risk exposure.

Business Impact

- Enables proactive risk monitoring and early intervention.
- Supports data-backed regional expansion or tightening strategies.

- Improves financial forecasting and planning accuracy.
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9. Recommendations & Improvement Suggestions

Business Improvements

- Introduce early-warning risk thresholds based on DTI and repayment trends.
- Adjust regional lending strategies using state-level performance data.
- Reassess loan term offerings with higher default correlations.

Analytical Enhancements

- Add borrower credit score and delinquency history (if available).
- Implement predictive risk scoring models.
- Automate monthly KPI refresh and alerts.

IT / Process Enhancements

- Integrate dashboards into decision review meetings.
 - Establish formal requirement sign-off and validation cycles.
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10. Limitations & Future Scope

Limitations

- Analysis limited to historical structured data.
- External macroeconomic factors not included.

Future Scope

- Predictive default modeling
 - Scenario analysis for policy changes
 - Integration with CRM and loan origination systems
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11. Conclusion

This project demonstrates a full lifecycle—from business problem identification and requirement definition to KPI design and dashboard delivery, by explicitly documenting the BRD-to-dashboard workflow.

Disclaimer

This case study is based on publicly available / simulated data and was created for learning and portfolio demonstration purposes.