

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 Business Analyst 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.