Sample H-1B JD Explanation

What follows below is a detailed description of the job duties of the Associate, Risk Management position we offer to Ms. Chang at XYZ’s New York Branch (“XYZ-NY”). They reflect not only the specialized and complex nature of the position, but also demonstrate that its professional responsibilities require the body of specialized professional knowledge in finance, economics, etc. that is normally taught by courses taken in these bachelor-level university business degree programs.

* **Performing credit loss provision analysis and economic capital analysis (Percentage of time spent: 10%)**

The employee is required to calculate and analyze XYZ-NY’s credit loss provision and economic capital on monthly basis, and the results of these complex analyses will affect the Branch’s financial statements directly.

This requires the employee to have a thorough academic understanding of business and finance, plus the specialized theoretical knowledge of risk analysis and risk modelling necessary to perform such duties. Such work requires the employee to collect data of the Branch’s lending portfolio from our internal accounting system, analyze the data and identify and remove outliers that can distort the results, build quantitative risk models, feed the data she has identified and distilled into the models, and then calculate and analyze the loss provision and economic capital results. Data size of the Branch’s portfolio is large, and usually contains over 20 categories. The employee must be able to analyze this data intelligently and use it to build the quantitative models required to derive the expected loss of the credit portfolio. Factors of the model that the employee must take into consideration include probability of default, collateral values, exposure at default, loss given default, maturity schedule, etc. Based on the results the employee derived, he/she is required to formulate a report to address XYZ-NY’s credit portfolio risk status. And, the task is time-sensitive because the results the employee derives must be fed into the Branch’s financial statements directly by end of each month. The modelling typically requires skills from spread-sheet analysis to application of advanced modelling tools. Because the employee will be exposed to a large amount of financial data, specialized knowledge in statistics and data analytics is required to perform these complex and sophisticated analytical responsibilities.

In Ms. Chang’s case, the graduate level courses she took in ***Risk Modelling and Assessment, Analytics Principle and Application* as well as *Analytical Methods I***provided her with the theoretical academic preparation required to perform these sophisticated responsibilities.

* **Analyzing loan applicant’s financial status, credits, and property evaluations to determine credit risk associated with the borrower and feasibility of granting loans; Coordinating with XYZ-NY’s other departments to drive the credit process and ensure timely provision of information during the application, assessment, approval and monitoring phases (Percentage of time spent: 40%)**

This requires the employee to have a thorough academic understanding of financial statements and the applicable financial accounting principles. The employee is required to analyze the financial statements of customers to evaluate their credit worthiness and solvency, and thus determine the degree of risk involved in lending to them. The employee must be able to assess the customer’s financials, market shares, and industry position, so as to prepare the financial analyses reports independently.

The employee is also required to coordinate with front office departments, namely Corporate Banking Department and Treasury Department, to collect relevant credit documents in a timely manner. The employee is responsible for coordinating with the Credit Committee of the Branch to drive and follow up with the credit approval process. The employee is required to review credit proposals prepared by front office departments and confirm the accuracy of both the quantitative and qualitative analyses before submitting for Credit Committee’s review. The employee should also provide an independent opinion from risk management perspective regarding the credit status of the borrower to Credit Committee of the Branch. Such work requires the employee to have a solid fundamental preparation of business and finance so that she can deliver the report in a logical way and be prepared to answer complex inquiries. Areas of study that the employee must be familiar with include financial accounting, financial statement analysis, and statistics.

A sample of the analysis Ms. Chang has done is attached here for your reference. **(Please provide a copy of the work sample.)** Description of the work sample: The analysis was performed on the $\_\_\_\_ million syndicated loan granted to a well-known company by over 10 lenders. Ms. Chang analyzed the borrower’s financials from 2015 to 2017, with a focus on its debt structure and capital market performance. The analysis has been presented to the Branch senior management for credit decisions. (Customer name and sensitive information was replaced/covered for confidentiality purpose).

In Ms. Chang’s case, the graduate level courses she took *in* ***Corporate Financial Accounting*, *Financial Statement Analysis*, *Corporate Finance*, and *Communication Analytics* at University of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** provided her with the theoretical academic preparation required to perform these sophisticated responsibilities.

* **Post-lending Management: Reviewing customer’s rating proposal and asset classification proposal; Reviewing credit system reports, notes, documents and reporting irregularities to the Head on regular basis; Verifying and examining financial information and accuracy of loan applications and closing documents; Monitoring and analyzing performance of the lending portfolios and sub portfolios (Percentage of time spent: 15%)**

The employee is required to review, analyze and provide recommendations on customer’s rating adjustment proposals, asset classification proposals, and other credit related documents regularly to ensure accuracy and determine whether the credit rating score/asset classification grade granted to the customer accurately reflects the borrower’s current credit status.

Such work includes carefully reviewing the customer’s business profile, financial information, capital allocation, industry position, macroeconomics environment and other relevant information consolidated in the proposals. The employee must have a solid fundamental preparation of business, economics and finance so that he/she can identify any inconsistency between the proposed results and the real credit risk exposure to the Branch.

The employee is also required to continuously monitor the asset quality of the lending portfolios and adverse movements and deterioration of customer’s credit worthiness, including share price movements, interest rate movements, negative news regarding compliance with financial regulations, downgrade of S&P/Moody’s/Fitch credit rating and etc. The employee also must review the borrower’s financial statements periodically to check whether the customer’s profitability, liquidity and cash flow management are all in good shape. If the borrower’s credit status deteriorates significantly, the employee is required to address the issue to Head Office.

In Ms. Chang’s case, the graduate level course she took in ***Core Economics,* *Capital Budget and Financial Statement Analysis*** **at** **University of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** provided her with the theoretical academic preparation required to perform the sophisticated responsibilities.

* **Assisting in revision of XYZ-NY’s risk related policies and procedures on a regular basis to make sure they are in line with regulatory requirements; Preparing monthly comprehensive risk report by performing statistical analysis on XYZ-NY’s credit assets, including asset quality changes, credit ratings migration, maturity schedule, industry exposure, geographical distribution and etc. (Percentage of time spent: 25%)**

This requires the employee to have solid understanding of the business nature of banking organizations, and the business strategies of XYZ-NY. For example, Ms. Chang worked on the annual revision of *Risk Appetite and Management Policy* of XYZ-NY, which is a high level policy that sets the overall risk appetite and general management requirements of the Branch’s business. Such work includes drafting the business management requirements, customer management requirements, re-designing the quantitative risk indicators to suit the Branch’s business strategies and Head Office requirements, etc. The employee is required to communicate with various departments to collect and discuss revision suggestions and address any Head Office inquiries on the revision of the policy. The revised policy has been submitted to Head Office for final approval.

Ms. Chang also worked on the annual revision of XYZ-NY New Product and Services Approval Policy & Procedures, during which she was required to coordinate with both front office departments and back office departments to make clear and document the responsibilities of each party in the product approval process, including product pre-launch due diligence, regulation compliance checking, system testing, post-launch enhanced management and etc.

In Ms. Chang’s case, the graduate level courses she took in ***Organization & Strategy* as well as *Communicating Analytics* at University of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** provided her with the theoretical academic preparation required to perform the sophisticated responsibilities.

* **Preparing monthly comprehensive risk report by performing statistical analysis on XYZ-NY’s credit assets, including asset quality changes, credit ratings migration, maturity schedule, industry exposure, geographical distribution and etc. (Percentage of time spent: 15%)**

The work requires the employee to prepare the comprehensive risk report, which will be presented to the Branch Risk Management Committee (RMC) monthly. The employee is required to collect the portfolio data, build up spreadsheet models, perform statistical and risk-oriented analysis, and visualize the results into a presentable format. The employee will need to analyze a number of risk factors, such as credit ratings migration, maturity schedule of loan facilities, industry exposure, lending limits, single borrower concentration and etc. In addition, the employee is responsible for addressing any major risk events and deterioration of asset quality in the report. The employee is expected to have solid data analytical and visualization skills in addition to knowledge in finance and economics.

In Ms. Chang’s case, the graduate level course she took in ***Analytics: Principles and Application* and *Exploratory Data Analysis* at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** provided her with the quantitative analytical preparation to perform these sophisticated responsibilities.