

# Risk Management

A Financial Engineering Path



# Overview

- Wells Fargo Education Financial Services (EFS)
- Credit Risk Analyst
  - Predict, manage, mitigate credit risk for student loans
  - Make recommendations to management based on analyses of portfolio
- Started with an internship
- Now into 2<sup>nd</sup> year and building my career



## Why I enjoy this career path:

- Problem Solving
- Daily use of math/stats background
- Working in large bank presents multitude of other similar career opportunities
- Challenging
- Great work environment



# Likes and Dislikes

- My findings matter on a large scale
  - Meaningful work
- Use wide range of statistical methods
  - Management encourages diversity of analyses
  - Get to use creativity to solve problems
- Would enjoy more direct customer service
  - However, my work is still customer oriented, only more indirectly.
- Biggest task is to “tell a story” with data
  - Able to use my English background, which I love!



## Educational/Other Beneficial Choices

- Continued Education
- Business, Accounting, Economics courses
- English majors are natural problem solvers
  - Combine a passion for theorizing, analyzing, and crunching numbers, and imagine the possibilities!
- Not following job prospects, but one's natural sense of curiosity



# Work Done in Discipline Area

- Cluster Analysis (Masters Thesis)
- Forecasting
- SAS Programming
- Credit Risk Scorecard Development
- LOTS of Data Analysis and Reporting



# Big Challenges in Risk Management

- Model Development Techniques
- Minimize risk, maximize profit, all while maintaining top customer service
- Recent financial crisis demonstrates importance of GOOD risk management
- Student loans are unique because they are deferred financial products (borrower does not make payments right away)
  - Makes predicting risk more interesting



# Financial Engineering Career

- My first perception of a job in financial industry was so far off!
- Wells Fargo policy is all about customer satisfaction
- Responsible for helping peoples' financial well-being
- <http://online.wsj.com/article/SB123119236117055127.html>

# Daily Work Life

- Flexible, family oriented
- Tuition reimbursement programs
  - Similar programs for CFA, CPA, CFP, etc.
- Daily use of computer
- Collaborate with team members daily
- Deadlines for weekly, monthly, quarterly reports
  - Easily achieved once initial report created
- Low stress, except when code won't run correctly

