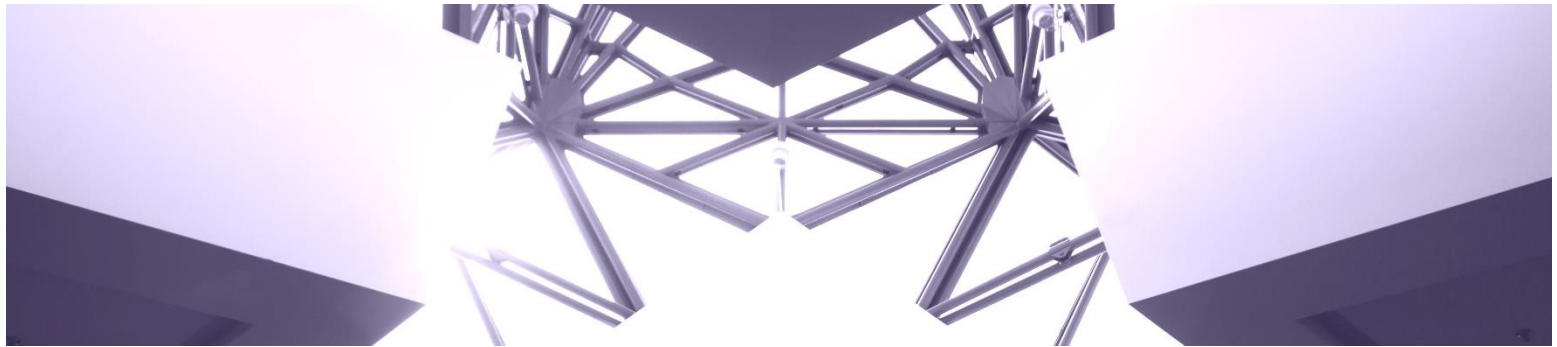


THE RISKS WE TAKE



PRESIDENT'S CORNER



The holiday season is here, and Central Indiana RMA has a lot to celebrate this past year!

For many of us, this year has been both challenging and rewarding. Together, we each played a role in navigating the variety of risks that came our way. To those of you who attended a virtual program, a networking happy hour, or our Commercial Lending School, our local chapter leadership sincerely thanks you for your support. We hope your time with us helped you grow professionally as you managed the risks found in those challenges.

RMA as an organization has grown in new ways this year, too. To better serve our members, RMA Headquarters unveiled a new branding and a new membership model in September. For those individuals employed by an RMA Institutional Member, your associate member dues are now FREE, among other additional benefits.

As we look forward to 2022, remember that we are here for you! When you encounter risk in our industry, reach out to let us know. In this way, we are able to develop timely programs specific to your training needs. And if you are looking to meet other industry professionals, we host networking events, too. We are excited for the year ahead, and thankful to have you on this journey with RMA.

Yours in Risk Management,

Tony Ketner
Chapter President

WELCOME NEW MEMBERS

Andrew Schiller,
Underwriting Manager

Alan Waltz,
VP Senior Portfolio Manager

Rebecca Phipps
Consultant

John Overleese
Portfolio Manager

Akunor Azu
Director of Business Development



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CREDIT RISK RATINGS AND NOISE

BY MICHEL ARATEN, PH.D. NOVEMBER 2021 - *RMA Journal*

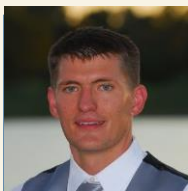
Behavioral economics has long been an important area of study as to how people make judgmental decisions. The latest contribution to this field comes from the Nobel Prizewinning Daniel Kahneman and his co-authors in *Noise: A Flaw in Human Judgment*. They examine the degree to which judgments in areas as diverse as medicine, law, economic forecasting, police behavior, food safety, bail, security checks at airports, strategy, and performance evaluations are affected by both bias and noise. While effects from bias can often be corrected, it is more difficult to identify and correct for the presence of what might be described as noise. They find time of day, outdoor temperature, personal moods, desire to over-correct, and simple randomness to be behind much of how people arrive at judgmental forecasts and evaluations. They have a number of suggestions for conducting a noise audit, ensuring noise hygiene, and subsequent reduction of noise.

The validity of credit risk ratings can improve from the perspective of these findings. All areas of credit risk management including credit underwriting, loan review, and credit audit would benefit. Since so many applications, such as approval levels, pricing, loan loss reserves, economic and regulatory capital, and stress testing are dependent on these ratings it is critical that stakeholders have confidence in them.

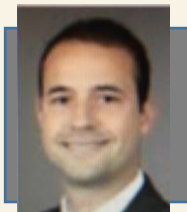
Read the entire article in the November 2021 edition of the *RMA Journal*.

<https://www.rmahq.org/the-rma-journal/current-issue/>

2021-2022 CENTRAL INDIANA CHAPTER DIRECTORS



Keith Bartusek
Vice President



Jeff Feipel
Treasurer



Tyler Tedford
Programs
Director



Shelby Lannan
Rising Professionals
Director

2022 CALENDAR OF EVENTS

01/04-01/06...Understanding and Interpreting Real Estate Appraisals

01/05–01/07...Analyzing Business Tax Returns

01/11-01/13...Structuring Commercial Loans I

01/18-01/20...Lending to Non-Profit Organizations

And many more!

All events held virtually by RMA.
[Click here for more information](#)

RMA LIVE ONLINE

RMA's Virtual Courses

We are happy to share that many of the RMA courses we have offered in-person in the past are now available as live virtual courses! Our virtual courses will not only make professional development safe and easy for everyone, but also provide a more flexible, accessible learning environment for members far and wide. Most courses are made up of three two-hour sessions and seats are filling up fast, so be sure to sign up today!

Register now:

<https://landing.rmahq.org/liveonlinecourses>

RISING PROFESSIONALS

Networking

Central Indiana RMA's Rising Professionals met on November 4th at Sun King in Fishers to network and socialize. Thank you to those who attended! Details of the next Happy Hour will be announced soon.

Education

Also, keep your eyes open for our upcoming panel event in the Spring. Our panelists will provide insight on various career paths available in the financial industry.

RECENT CHAPTER EVENTS

A CoStar State of the Market: The Economy and Property Markets of Indianapolis – November 17th:

Liz Ptacek gave a presentation beginning with a State of the National Economy then narrowing on the Indianapolis area. As CoStar Director of Market Analytics, she brought knowledge and insights in trends related to the office, retail, industrial, and multifamily real estate markets locally in Indianapolis and nationally.

Follow us on [LinkedIn](#) to learn about upcoming events with our local chapter and with RMA HQ.

AFFINITY GROUPS

Our Commercial Loan Operations Affinity Group is looking for program ideas.

Please email us at rmacentral.indiana@gmail.com to share your ideas and suggestions.

A program about UCC Filings is currently in the works.

RMA UPDATES

RMA MODEL VALIDATION

Make your model validations more efficient and cost-effective. Model risk managers know the practice of model risk management faces complex challenges. With regulatory scrutiny and high validation expectations comes the challenge of recruiting and retaining in-house talent or the increased expense of using outside firms. Modeling and model risk management expertise is critical - and hard to find.

RMA Model Validation fits seamlessly into your organization to help solve these issues. Backed by deep industry experience, we provide a suite of high-quality model validation services at a competitive price point. Regardless of model type, scale, or regulatory requirement, you can count on our experienced analysts to solve your biggest model validation and model risk management challenges.

<https://www.rmahq.org/modelvalidation>

RMA'S WHARTON PROGRAM

The RMA/Wharton Advanced Risk Management Program Application window is Now Open!

RMA, in partnership with The Wharton School, offers the only advanced risk management program aimed at developing C-suite risk professionals at financial institutions. The program meets a critical need in the industry to integrate risk management with financial management and strategy. In fact, many former participants are now CROs.

Learn more about the program:

<https://lnkd.in/eWJg2kD>

VOLUNTEER SPOTLIGHT



Lewis D. Jones IV

Business Banking Underwriter II
First Merchants Bank.

Lewis joined Central Indiana RMA Board of Directors this year. Lewis is our Education Director and is responsible with working with our Programs Director and RMA Headquarters to spotlight our educational courses. Lewis is responsible for the chapter's monthly educational flyers.

Lewis joined RMA to get more involved in the banking community. He started his career at a small community bank in Lapeer, Michigan. This showed him that being a part of the community allows banks to be more than just profit seekers, but humans that interact in the community they work in. This helps bring humanity back into what we do instead of just the profit. Joining RMA gave him an environment to practice the humanity part of banking.

KEEP IN TOUCH



[Risk Management Association](#)



[Central Indiana RMA](#)



[Risk Management](#)



[Central Indiana RMA](#)