

OPERATIONS RESEARCH

Journal Menu

About Sections



Free Access

Quantitative Methods in Credit Management: A Survey

Eric Rosenberg, Alan Gleit

Published Online: 1 Aug 1994 | <https://doi.org/10.1287/opre.42.4.589>

Abstract

Many static and dynamic models have been used to assist decision making in the area of consumer and commercial credit. The decisions of interest include whether to extend credit, how much credit to extend, when collections on delinquent accounts should be initiated, and what action should be taken. We survey the use of discriminant analysis, decision trees, and expert systems for static decisions, and dynamic programming, linear programming, and Markov chains for dynamic decision models. Since these models do not operate in a vacuum, we discuss some important aspects of credit management in practice, e.g., legal considerations, sources of data, and statistical validation of the methodology. We provide our perspective on the state-of-the-art in theory and in practice.

[< Previous](#)

[Back to Top](#)

[Next >](#)



Volume 42, Issue 4

July-August 1994

Pages 574-788

Article Information

Metrics

Downloaded 279 times in the past 12 months

Information

Published Online: August 01, 1994

© 1994 INFORMS

Cite as

Eric Rosenberg, Alan Gleit, (1994) Quantitative Methods in Credit Management: A Survey. *Operations Research* 42(4):589-613.

<https://doi.org/10.1287/opre.42.4.589>

Keywords

finance

corporate finance: bankruptcy prediction

financial institutions

banks: credit analysis

statistics

data analysis: discriminant analysis

[PDF download](#)

Sign Up for INFORMS Publications Updates and News

[SIGN UP](#)

Partners

 

PORTICO



Institute for Operations Research and the Management Sciences

5521 Research Park Drive, Suite 200
Catonsville, MD 21228 USA

phone 1 443-757-3500

phone 2 800-4INFORMS (800-446-3676)

fax 443-757-3515

email informs@informs.org

Get the Latest Updates

[Discover INFORMS](#)

[Explore OR & Analytics](#)

[Get Involved](#)

[Impact](#)

[Join Us](#)

[Recognizing Excellence](#)

[Professional Development](#)

[Resource Center](#)

[Meetings & Conferences](#)

[Publications](#)

[About INFORMS](#)

[Communities](#)

[PubsOnLine](#)

[2024 INFORMS/ALIO/ASOCIO International Conference](#)

[Certified Analytics Professional](#)

[Career Center](#)

[INFORMS Connect](#)

Copyright 2026 INFORMS. All Rights Reserved

[INFORMS Code of Conduct](#) | [Terms of Use](#) | [Privacy](#) | [Contact INFORMS](#) | [Sitemap](#)

Follow INFORMS on: Facebook LinkedIn Bluesky