Project Design Phase-I - Solution Fit Template

Project Title: Smart Lender - Applicant Credibility Prediction for Loan Approval

Team ID: PNT2022TMID12860

Define CS, fit into CC

1. CUSTOMER SEGMENT(S) — CS

- Lender who is about to sanction a loan for an applicant.
- Generally banks are the customers who lend money to people.

6. CUSTOMER CONSTRAINTS — CC

- The process must be completed as quickly as possible.
- An automated process is required.
- Accuracy of the process mustn't be compromised.

5. AVAILABLE SOLUTIONS — AS

- Manual cross verification of the credit records and other important data is being tried in the past. It is a time consuming process.
- A lot of labour is required for this task. And a lot of capital investment is also involved for the labour.
- The verification process is also prone to human errors hence lacking in accuracy.

Explore AS, differentiate

Focus on J&P, tap into BE, understand RC

2. JOBS-TO-BE-DONE / PROBLEMS — J&P

- Ensuring that the credible applicants get their loan approvals sanctioned as early as possible.
- And at the same time preventing money landing on fraudulent hands.

9. PROBLEM ROOT CAUSE — RC

- Low accuracy of manual credibility inspection which leads to misinterpretation of fraudulent loan applicants as credible ones and vice versa.

7. BEHAVIOUR — BE

- Tests the model before implementing.
- Studies the performance and accuracy of the model.
- Calculates the benefits and profit associated with it.
- Discuss the difficulties in implementing this solution.

Focus on J&P, tap into BE, understand RC

Identifying strong TR and EM

3. TRIGGERS — TR

- When they get to know about financial forgery cases.

4. EMOTIONS: BEFORE / AFTER — EM

- **BEFORE:** Felt insecure to provide anyone with loans.
- **AFTER:** Once they are done with an accurate credibility check they are confident that they would get proper returns on the amount being lended.

10. YOUR SOLUTION — SL

- A Machine learning model must be developed to predict the credit defaulters.
- This model must be trained on previous Loan approval data and their manual credibility checked data.
- This can be then used to predict the applicant's credibility automatically.

8. CHANNELS OF BEHAVIOUR — CH

- **ONLINE:** Records of data can be uploaded to cloud where the above said model can be hosted to predict the credibility.
- **OFFLINE:** The model can be kept local and the records can be checked locally to predict the credibility.

Extract Online and Offline CH of BE