

Machine Learning Risk Assessment

The future of risk assessment

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# Move into the Future of Lending

Machine Learning is a branch of Artificial Intelligence that aids in tasks that are sometimes labor intensive and time consuming.

* Integration of a loan risk prediction model into the financial institution as a whole is very profitable.
* Allowing the statistical computation of a software integrated model will provide more accuracy and consistency when deciding to lend.
* Model accuracy presented 88% overall.
* Model accuracy for non-default borrowers is 94%.
* Loan officers can use the model to perform an assessment to save time sifting through data.

## The Need for software integration

All institutions need software integration to help automate tasks. I recommend integration of the risk assessment model to automate approval or denial of lending decisions. This automation will improve accuracy, mitigate risk, and save money.

Profitability is important in the market and with this risk assessment model the savings in time and the accuracy it will provide will lead to more revenue being available.

Integration of the model on a small scale will allow the performance to be monitored and the viability to be actualized for your institution.

After the model has performed well on a small scale it can be integrated into larger portions of the institution.

I also recommend deploying employee surveys at the branches where integration is launched to give the employees of your financial institution an opportunity to provide feedback with the model design and ease of integration into their daily routine.