

What I'll learn

### Forage Task 3.

- Translate predictive insights into actionable business recommendations.
- Presenting Insights to stakeholders.
- Considerations for ethical AI, bias, explainability, & responsible decision making.

What I should do

- 2 page report
  - risk factors
  - delinquency trends
  - recommended intervention strategies.
- Develop structured recommendation framework
  - next steps
  - key takeaways
  - business justifications.

\*Turning Predictive Insights into business values:

Predictive Insights: are patterns your model uncovered

after this  
do

Business recommendation: practical, strategic actions the team can take based on insight.

\* Making your recommendations count:

Step ①: Restate the insights & keep it factual and clear

Step ②: Brainstorm actions & list range of potential responses, considering different types of interventions.

Ex: Send proactive payment reminders (communication strategy)

offer hardship support (financial assistance)

lower credit limits (policy change)



Step ③: Evaluate your options:

Ask:

- cost effective?
- scalability potential?
- practical to implement within existing operations?

Ask questions?

Step ④: Form your recommendation:

Draft a SMART Action

- Specific } Avoid vague ideas
- Measurable } link it to an outcome
- Actionable } Feasible within existing operations
- Relevant } Directly tied to insight
- Clear } Easy for non-tech stakeholders to understand

Step ⑤: Justify It

Explain why is it best choice, provide a clear rationale:

- Scalability
  - Ease of implementation
- Fairness
- Anticipated ROI
- Alignment with business goals
- Evidence from the data



\* Best practices for presenting AI driven insights to stakeholders:

You shouldn't show what all model did, you should only the ones that the business requires.

Key points for communication:

① Know your audience:

don't say how model is trained and all  
Focus on the company's requirement &  
focus on what matters their priorities: like  
risk reduction, consumer fairness, efficiency etc.

② Lead with what matters most:

Put inf insights upfront.

③ Use clear, structured language:

• Avoid jargon

special words used by people where opp  
person cannot understand those  
words.

• Use accessible and clear terms.

④ Use Effective Visualizations:

Ex! - bar charts for comparisons

line charts (or) graphs for trends.

⑤ Anticipate business concerns:

Be prepared to address:

- How reliable the prediction is
- What the downside risk might be
- How this fits with current operations
- The potential impact of recommendations on customer relationships
- Feasibility of implementing the proposed interventions



## ⑥ Focus on action and impact.

### \* Considerations for Ethical AI

By using AI, we get benefited but we get few risks.

Should check these three (3) before submitting the answer given by AI.

#### ① Bias:

- Bias occurs when model favors or disadvantages certain customer groups.

- It can stem from historical data, incomplete records, or variables that can act as unintended proxies for protected characteristics (like age, gender, socioeconomic status etc).

Ex: If training data is from high-income customer, your model may misjudge risk for low-income groups.

- Did model perform consistently across all demographics.

- Count any input variables reinforce historical inequality.

#### ② Explainability:

Why model made such prediction

→ this results in trust, compliance & accountability.

- Decision trees & logistic regression offer clearer reasoning

while complex models like Neural Networks may require tools like SHAP to explain predictions.



### ③ Responsible decision-making:

ask?

- Is recommended action proportionate to risk?
- Does it consider customer experience & long term trust?
- Would I feel confident explaining this approach to customer?

Task:

Step 1: Summary of predictive Insights

Step 2: Recommendation framework

SMART business recommendation

- what actions to be taken based on insights
- which is more feasible & effective
- How will you explain to stakeholders

Step 3: Ethical and responsible AI considerations

Brief Ethics section covering:

- Any fairness or bias concerns
- how do you explain predictions to non tech stakeholders

Step 4: Submit report