

Deliverable1_Governance_Review_Card

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Deliverable 1: Governance Review Card

1. Data Quality Risk

Customer data used for loan processing often arrives with missing values, inconsistent formats, or incorrect entries. These quality issues reduce the reliability of machine learning models and can lead to inaccurate or unfair loan approval decisions, increasing financial and reputational risk for the organization.

Mitigation:

Schema validation and mandatory field enforcement should be applied at the API Gateway to ensure all incoming data meets predefined format, completeness, and type requirements before it is accepted for processing or model inference.

2. Legal & Compliance Risk

Personal and financial data is collected and processed without clear, explicit user consent. This exposes the organization to non-compliance with Ghana's Data Protection Act (Act 843), which mandates lawful, fair, and transparent handling of personal data.

Data Classification: Sensitive

Mitigation:

Explicit consent capture mechanisms should be integrated into data collection workflows, and data minimization principles should be applied to ensure only necessary personal information is collected and retained.

3. Bias & Fairness Risk

Bias is introduced through historical training data that reflects past inequalities, causing the model to disadvantage certain demographic or socioeconomic groups. This results in unfair outcomes and undermines trust in automated loan decision systems.

Mitigation:

Periodic bias audits should be conducted to evaluate model outcomes across protected groups. Models must be retrained or adjusted whenever observed disparities exceed predefined fairness thresholds.

4. Ethical Reporting Metric

Metric: Approval Rate Disparity Ratio

Visualization: Grouped Bar Chart

Importance:

This metric provides a clear comparison of loan approval rates across different groups, enabling stakeholders to detect, monitor, and address unfair decision patterns. It supports transparency, accountability, and ethical governance of automated decision making systems.