## Trust Bank - Lending Decision

* Company Background & Problem Statement (Name it as Introduction in the document)
  + Company background (small-scale community bank)
  + Problem statement
  + VRIO and SWOT
* Scope and Objective
* Creditworthiness – what and why?

This section emphasizes the importance of our chosen subject for our term project.

* + Introduce the class to the concept of creditworthiness
  + Provide stats about losses that small banks stand to incur in the absence of data-driven lending decisions
  + AI in Creditworthiness Assessment and Lending Decision Making
  + Leading and lagging indicator
  + Friction in process and customer experience
* The current landscape of lending decisions made in Trust Bank
  + Visual representation of the current lending process (loan application to underwriting process)
  + Depict manual touchpoints and friction in the process
  + Explain how scale would exacerbate the problem
* Proposed Solution
  + Process Revamp
    - Create a visual representation providing 1:1 mapping between the current setup and the proposed solution.
    - Explain how the problems cited in the previous section are alleviated using this solution.
  + Technical Design
    - Detail steps for building the machine learning algorithm for lending decisions.
    - Anticipated risks and possible mitigation. For example, an imbalanced dataset leads to bias.
  + Benefits: Operational (speed, efficiency), financial (reduced losses, increased revenue), or customer-centric (better experience).
* Proposed Digital Transformation Approach
  + Digitization and digitalization of the banking infrastructure
    - Digitization refers to converting manual processes into digital form, while digitalization involves leveraging digital technology for transformation.
    - Modernization and change management should be included when adopting the proposed solution.
  + Phased approach: These are examples, and I am open to feedback.
    - Phase 1 (Tactical Fix): Tactical solution is to do the minimal work to solve the current problem. For example, compile data from online and offline sources, go through the ML model development lifecycle, predict creditworthiness for the submitted application.
    - Phase 2 (Strategic AI Adoption): Implement the proposed on-prem digital transformation
    - Phase 3 (Cloud-Enabled Lending): Moving to cloud or SaaS based platform.
* ROI Considerations: Financial and qualitative benefits.
* Challenges
  + Regulatory concerns and ethical considerations around AI-driven lending to strengthen the argument.
* Recommendations and Next Steps: I would like to create an acronym representing the recommended step. We would brainstorm ideas when we get to this section.
* Conclusion (Only for the document, skip in the PowerPoint presentation)