**FinServTech: Creating a Strategic Roadmap**

If given the go-ahead to pursue the **Risk Assessment and Credit Scoring** project, I would scope the project as follows:

**1. Define the Objectives:**

* **Primary Goal:** My main objective would be to develop a Generative AI-driven credit scoring model that provides personalized risk assessments based on individual financial data.
* **Secondary Goals:** I aim to position FinServTech in the credit scoring market with a differentiated product, reduce risk exposure, and enhance the accuracy of our credit assessments.

**2. Identify Key Stakeholders:**

* **Internal Stakeholders:** I would engage with executive leadership, the data science team, risk management, compliance and legal teams, IT and infrastructure, and customer service.
* **External Stakeholders:** I’d also consider regulatory bodies, financial data providers, our current and potential customers, and third-party technology vendors.

**3. Data Requirements and Assessment:**

* **Data Sources:** I would identify and secure the necessary financial data, including income, credit history, and spending habits.
* **Data Quality:** I’d assess the quality and comprehensiveness of this data and plan for any necessary data cleansing, preprocessing, and integration.
* **Data Privacy and Compliance:** I would ensure that all data handling adheres to relevant regulations (e.g., GDPR, CCPA), fully protecting customer privacy.

**4. Technology Stack and Infrastructure:**

* **AI Model Development:** I’d scope out the requirements for developing the Generative AI model, including selecting algorithms, training data, and performance metrics.
* **Infrastructure:** I would assess our current IT infrastructure to determine if upgrades or additional resources are needed to support the project.
* **Integration:** I would plan for integrating the AI model with existing financial systems to ensure seamless operation.

**5. Regulatory and Compliance Considerations:**

* **Regulatory Framework:** I’d work closely with our legal and compliance teams to understand and meet the regulatory requirements for credit scoring models.
* **Risk Mitigation:** I would develop a compliance strategy to mitigate potential risks, such as model biases or issues related to credit score interpretability.

**6. Project Phases and Timeline:**

* **Phase 1: Research and Data Collection** (2-3 months)
  + I would focus on collecting and assessing data, finalizing the technology stack, and ensuring regulatory alignment.
* **Phase 2: Model Development and Testing** (4-6 months)
  + My team would develop and iterate on the AI model, conduct initial testing, and refine the model based on feedback.
* **Phase 3: Integration and Deployment** (3-4 months)
  + I would oversee the integration of the AI model with existing systems, followed by rigorous testing to ensure scalability.
* **Phase 4: Pilot Launch and Evaluation** (2-3 months)
  + I’d launch a pilot program to a subset of customers, gather feedback, and measure performance.
* **Phase 5: Full Rollout** (2-3 months)
  + Based on the pilot results, I would refine the model and prepare for a full-scale launch.

**7. Risk Management:**

* **Identify Risks:** I’d identify potential risks such as data quality issues, model biases, integration challenges, and regulatory hurdles.
* **Mitigation Strategies:** To mitigate these risks, I would implement robust testing protocols, regular audits, and establish a clear communication plan.

**8. Success Metrics and KPIs:**

* **Accuracy of Credit Scores:** I’d measure the accuracy and reliability of the generated credit scores against traditional methods.
* **Customer Satisfaction:** I would track customer feedback and satisfaction with the new credit scoring model.
* **Market Penetration:** I’d monitor the uptake of the credit scoring service in the market and its impact on our market share.
* **Risk Reduction:** I would evaluate how effectively the model reduces risk for FinServTech.

**9. Budget and Resource Allocation:**

* **Budget Planning:** I would develop a detailed budget covering AI development, data acquisition, IT infrastructure, compliance, and marketing.
* **Resource Allocation:** I’d assign skilled personnel to the project, including data scientists, engineers, legal experts, and project managers.

**10. Communication and Reporting:**

* **Regular Updates:** I would establish a communication plan to provide regular updates to stakeholders on progress, challenges, and key milestones.
* **Reporting:** I’d develop a reporting framework to track project performance and ensure data-driven decision-making throughout the project lifecycle.

**Setting Expectations**

How might you have communicated expectations for the project in an email to your executive decision-makers? Provide one example of how you would set expectations regarding each of the following four areas:  
a. Potential Project Value to the Business  
b. Likelihood of value capture  
c. Timing of value capture

Subject: Expectations for the Risk Assessment and Credit Scoring Project

Dear Executive Team,

I wanted to take a moment to set clear expectations for the Risk Assessment and Credit Scoring project, which we’ve identified as a high-priority initiative.

**a. Potential Project Value to the Business:** I anticipate that this project will significantly enhance our ability to offer personalized financial products, thereby positioning FinServTech as a leader in the credit scoring market. The value derived from this initiative could lead to substantial revenue growth and a stronger competitive edge in a lucrative segment.

**b. Likelihood of Value Capture:** While there are inherent complexities in developing and integrating such advanced AI models, I am confident that our approach, coupled with our robust data resources, will lead to a high likelihood of capturing the intended value. We have laid out a comprehensive risk mitigation plan to address potential challenges and ensure we meet our strategic goals.

**c. Timing of Value Capture:** Given the scope and complexity of the project, I estimate that we will begin to see measurable value capture within 12 to 18 months of project initiation. This timeline accounts for the necessary phases of model development, testing, and market rollout, with a pilot phase offering early indicators of success around the 9-month mark.

I will continue to provide regular updates as we progress, ensuring we stay aligned with our objectives and timelines.

Best regards,  
SDG  
AI Product Manager  
FinServTech

**Scoping Expectations**

Can be broken down into: 3 (P’s): Platform-Process-People

* Technical Architecture
* Business Process
* Human Capital