

Where AI Should Stop

Human In The Loop For SME Lending And Credit Risk

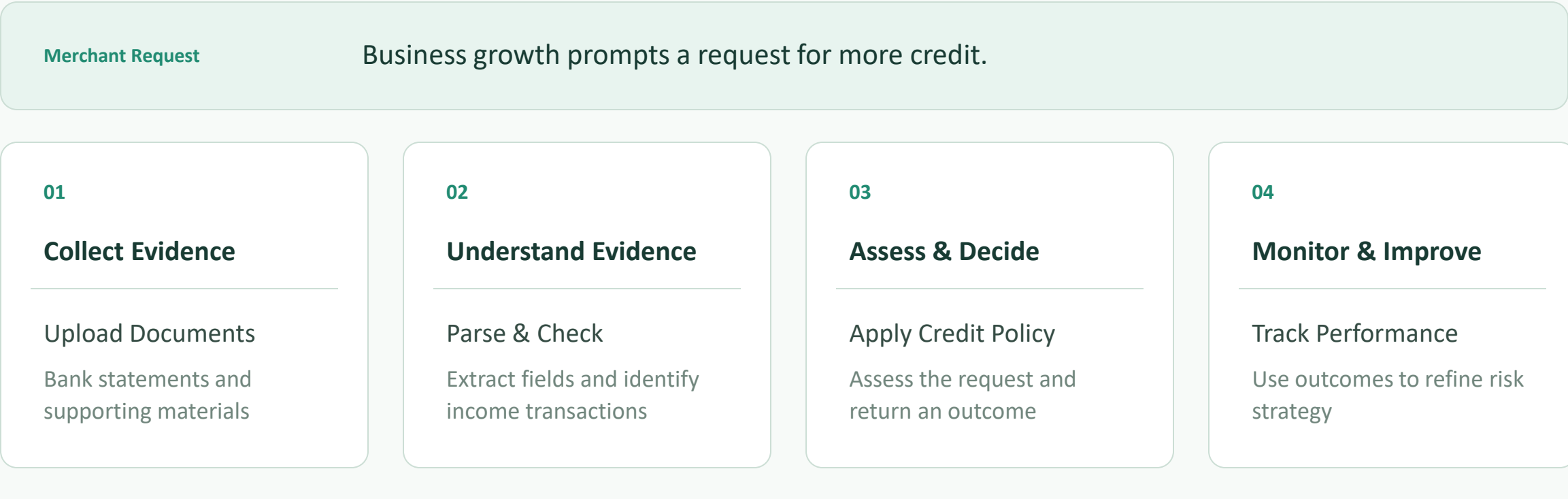
Human Responsibilities Across A Lending Workflow

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Limit Increase Center

A Four-Step Lending Workflow



Case Logic

Application evidence feeds the decision; outcomes feed improvement.

AI & Human Responsibilities

Ownership Within The Same Four Steps

Step	AI / System Support	Human Responsibility
1 Collect Evidence	Support document intake	Set evidence standards and resolve input issues
2 Understand Evidence	Extract and classify with confidence signals	Verify uncertain or inconsistent outputs
3 Assess & Decide	Assess risk within approved policy	Own caps, permissions and exceptions
4 Monitor & Improve	Detect patterns and screen strategy candidates	Investigate anomalies and approve changes

Across The Workflow

Code review and human expertise support all four steps.

1 Collect Evidence

2 Understand Evidence

3 Assess & Decide

4 Monitor & Improve

1.1 Evidence Sources

In Use**Text PDFs And Menus**

- Text extraction is used
- Menus add business context

Testing**Images And Scanned PDFs**

- OCR / multimodal extraction
- Quality and unfamiliar formats

Exploration**Inventory And Store Photos**

- Additional business signals
- Partner collaboration and trials

Human Review Trigger

People validate whether a new material is usable.

1 Collect Evidence

2 Understand Evidence

3 Assess & Decide

4 Monitor & Improve

2.1 Document Extraction & Checks

AI Support



Read And Flag

- Extract fields and transactions
- Flag suspicious layouts or formats
- Read scanned inputs

Human Responsibility



Verify The Source

- Compare extracted values with originals
- Investigate suspicious signals
- Review unfamiliar formats and uncertain outputs

Potential Control

Model disagreements -> source review

1 Collect Evidence

2 Understand Evidence

3 Assess & Decide

4 Monitor & Improve

2.2 Income Classification

Receiving money doesn't equal operating income.

Input Signals

- Sender
- Payment channel
- Description

AI Classification

- Candidate income transactions
- Confidence estimates

Human Judgment

- Review transaction context
- Resolve ambiguous receipts

Human Review Trigger

Unclear sender, description or business relevance.

1 Collect Evidence

2 Understand Evidence

3 Assess & Decide

4 Monitor & Improve

3.1 Credit Decision Authority

Model Support



Assess Within Policy

- Estimate income or risk
- Produce inputs for credit assessment
- Support permitted credit actions

Risk Team Ownership



Define The Permission

- Approve model usage and eligibility
- Set caps and exception rules
- Specify when to escalate

Human Review Trigger

The action is outside of the approved limits.
Some information still needs checking.

1 Collect Evidence

2 Understand Evidence

3 Assess & Decide

4 Monitor & Improve

3.2 Dynamic Limits (Future)

Risk Team Sets The Boundary

Customer tiers / limit caps / eligibility / escalation

Model Responds Within It

- New income or behavior signals
- Adjustments within permitted ranges

Human Review

- Exceptions and missing evidence
- Changes to the policy itself

Design Principle

The model cannot create its own authority.

1 Collect Evidence

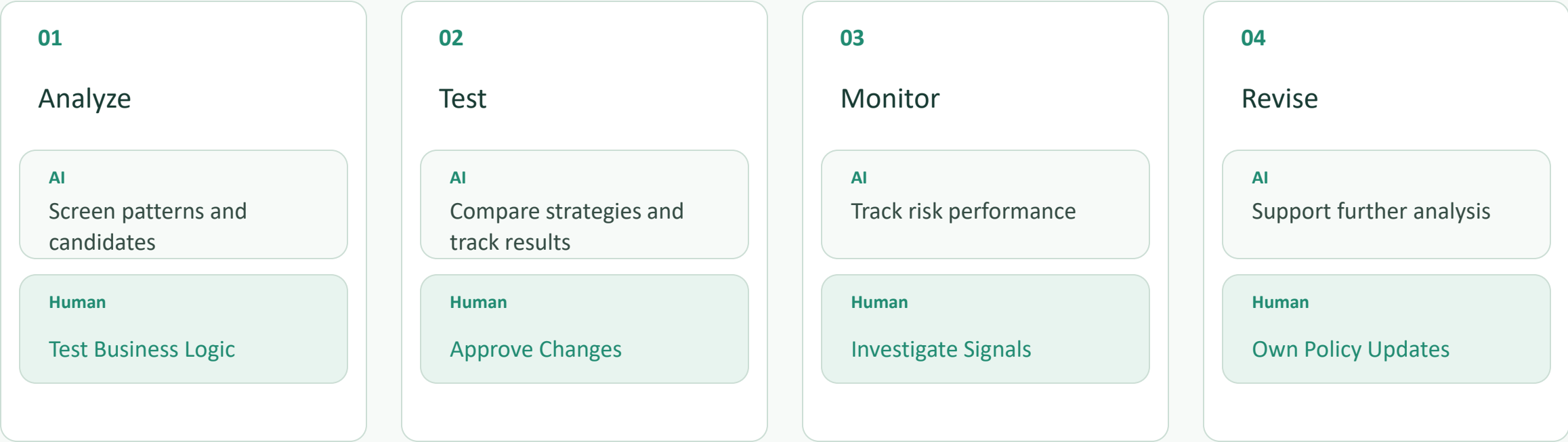
2 Understand Evidence

3 Assess & Decide

4 Monitor & Improve

4.1 Risk Strategy Loop

Strategy feedback within Step 4



Observed outcomes feed the next strategy cycle.

1 Collect Evidence

2 Understand Evidence

3 Assess & Decide

4 Monitor & Improve

4.2 Explanation & Investigation

Decision Explanation

Why This Assessment?

- Which evidence supports it?
- Can the reviewer inspect the rationale?

Failure Investigation

Where Did It Go Wrong?

- Input, model, policy or implementation?
- Can the team reproduce the issue?

Human Review Trigger

Worse performance or unexplained decisions

Beyond The Lending Workflow

Additional AI Impacts

The same oversight question extends to software and people.

Software Changes

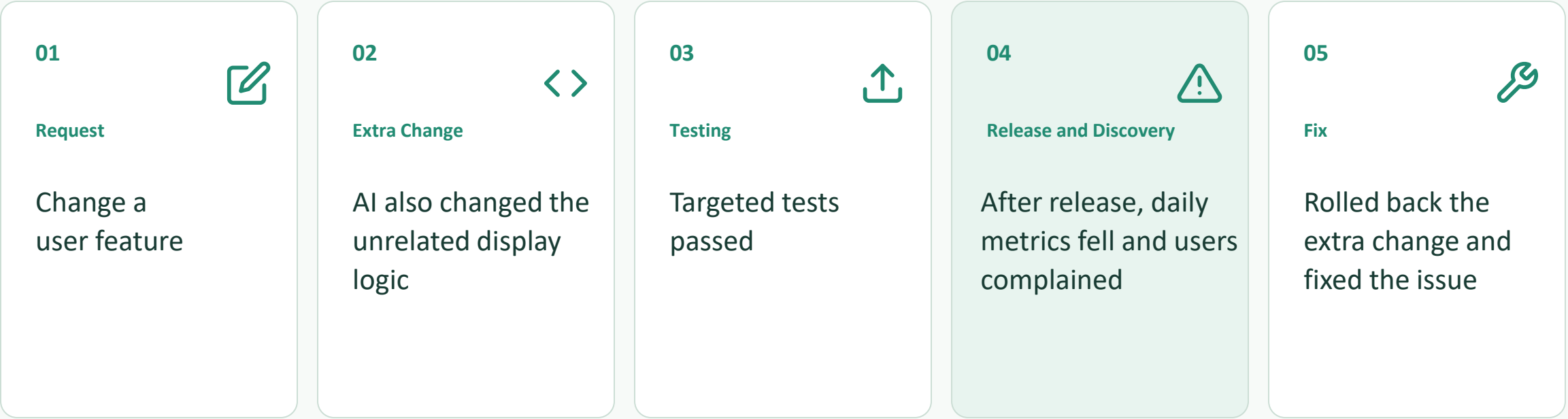
- Review the full scope of AI-generated changes
- Monitor user impact after release

Human Expertise

- Preserve the practice that builds judgment
- Give junior staff responsibility for review

5.1 Code Change Incident

Additional AI Impacts: Software Changes



What We Learned

Review missed the extra change

5.2 Code Review (Future Control)

Additional AI Impacts: Future Software Control

Future Review Agent

Expose The Change Scope

- Compare before-and-after code
- Flag off-task changes
- Suggest affected regression checks

Human Reviewer

Judge The Impact

- Compare actual scope with intent
- Assess dependencies and coverage
- Decide release readiness

After Release

Post-release monitoring on daily usage and customer complaints

6.1 Junior Development

Additional AI Impacts: Human Expertise

Less hands-on work can mean fewer chances to build judgment.

The Experience Gap



Senior Expertise Came From Practice

- Inspecting source data and debugging
- Tracing failures across connected modules
- Comparing expected and actual outcomes
- Learning from fixes and their tradeoffs

Learning To Preserve



Give Junior Staff Learning Opportunities

- Make an independent assessment before AI
- Review source evidence and explain decisions
- Join incident investigation and follow-up
- Making small changes with senior feedback

Human Responsibilities

Summary

Step	What People Own	When To Intervene
1 Collect Evidence	Evidence standards and input quality	Unusable or unfamiliar materials
2 Understand Evidence	Source checks and uncertainty resolution	Inconsistent or ambiguous outputs
3 Assess & Decide	Policy, caps and exceptions	Actions outside approved permission
4 Monitor & Improve	Investigation and strategy changes	Unexpected behavior or performance

Across The Workflow

Preserve code review and the practice that builds judgment.

Stay connected

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