



# 2024 VEHICLE FINANCE CONFERENCE & EXPO

January 29-February 1, 2024  
*Bellagio Las Vegas*

**ALL IN IT TO WIN IT**

## Scott Zoldi, Chief Analytics Officer

25 years at FICO

Duke Physics Ph.D.

Author of 130+ patents ( 92 granted and 42 in process)

Expert in operationalization of machine learning in AI decisioning systems

Focus on ethical AI, bias-removal, responsible AI



## Don't Just Jump to Generative AI

Hallucination

Lack of Reproducibility

Lack of Explainability

Lack of Accountability

# Newsworthy Generative AI

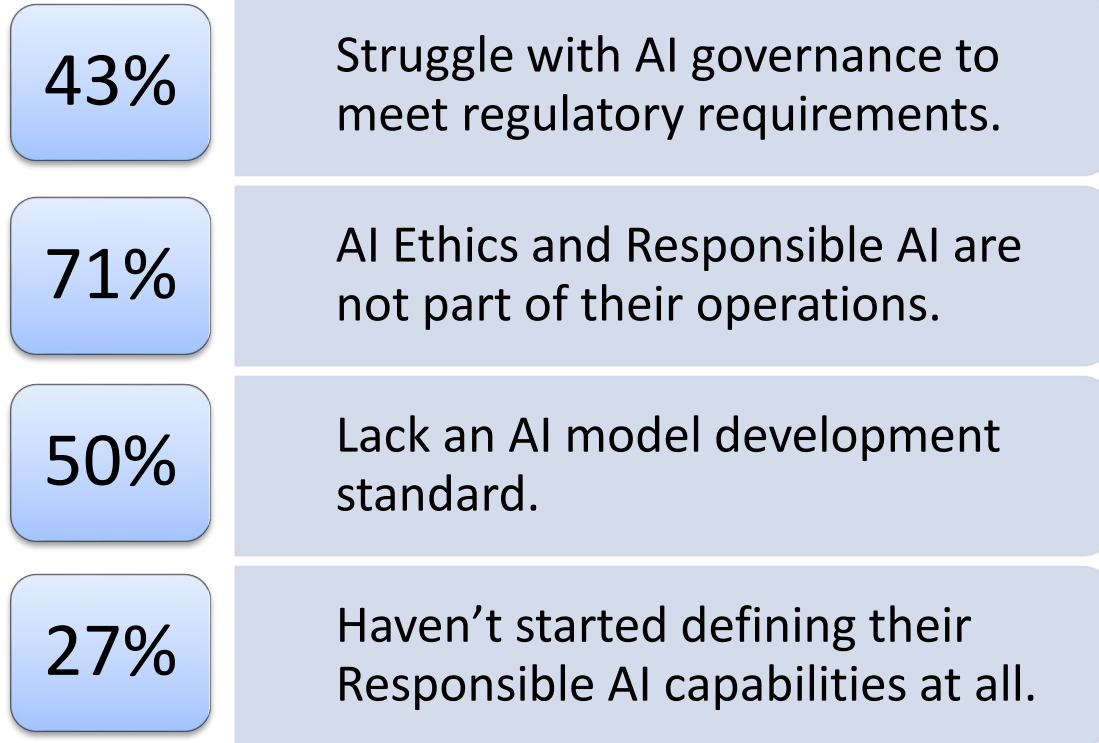
ChatGPT falsely accused a law professor of sexual harassment during a class trip to Alaska sponsored by his law school, Georgetown University Law Center.

Bombshell Stanford study finds ChatGPT and Google's Bard answer medical questions with racist, debunked theories that harm Black patients.

Samsung bans use of generative AI tools like ChatGPT after April internal data leak

A group of hackers used ChatGPT to create personalized phishing emails targeting college students.

# We have issues with AI use in Financial Services!



<https://www.fico.com/en/resource-access/download/42656>

## Survey of 100 North American Financial Services Companies



## Pillars of Responsible AI

Robust AI

Interpretable AI

Ethical AI

Auditable AI

# Pillars of Responsible AI

Robust AI is taking time for proper data preparation, analysis, model development, and scenario testing.

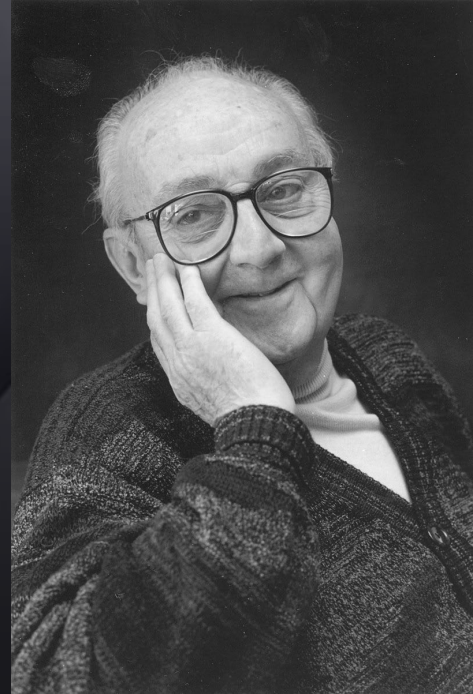
Most Explainable AI not sufficient for Regulatory purposes, adopt Interpretable Machine Learning

ML is neither good nor bad but designed to minimize prediction error. It can find proxies for protected classes. Modeler needs to identify and eliminate unwanted relations.

Can't Simply Trust the Data Scientists' Artistry. Need an immutable audit trail to enforce governance of Model Development Standards.



All models are wrong, but  
some are useful



George Box (1976)