THE ALTERNATIVE CREDIT INFRASTRUCTURE
PLAYBOOK — #01

NOTTO

THE DECISION GAP

Issue #01

From alternative-credit opportunity to defensible institutional commitment

THE SERIES

The Alternative Credit Infrastructure Playbook

Alternative credit is creating new possibilities for how institutions understand economic activity, assess risk, and extend capital to people and businesses that conventional credit systems have often struggled to see clearly.

At the heart of this shift is Alternative Data Intelligence (ADI), opening the way for a new era of credit decisioning informed by a richer understanding of people and their economic lives.

But data and more sophisticated risk models alone won't realise this potential. Institutions need the systems, partnerships, and capabilities to put them to work responsibly and at scale.

The Alternative Credit Infrastructure Playbook is an ongoing editorial series for organisations doing this work.

Each issue explores a recurring challenge in putting alternative credit into practice, from identifying opportunities and building the institutional case to developing decisioning systems, structuring data partnerships, governing new forms of intelligence, and building the capabilities needed to operate and scale.

ISSUE 01 · THE DECISION GAP

This issue examines the work between recognising a credible opportunity and having enough clarity, evidence, and institutional resolution to decide what commitment, if any, the organisation should make next.

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EXECUTIVE SUMMARY

Alternative-credit opportunities can be compelling long before they are specific enough to act on.

A lender may recognise that additional data could improve how it understands a population. A telco may hold information with potential credit value. A bank, fintech or data provider may see a credible route to expanding or improving a credit proposition.

Between recognising that possibility and making an institutional commitment sits a different kind of work: defining exactly what credit decision is in question, what the proposed intervention would change, what evidence supports it, what conditions have to hold, and what the institution is actually prepared to authorise.

THAT UNRESOLVED WORK IS THE DECISION GAP

The Decision Gap is the unresolved work between a bounded alternative-credit proposition and the institutional commitment that can defensibly be made from it.

THIS ISSUE PROVIDES A PRACTICAL WAY TO CLOSE IT

1	**Bring the decision into view** Turn a broad opportunity into a specific Decision in View: population, credit decision, intervention, and the commitment actually on the table.	Decision in View **p. 36**
2	**Find what could change it** Identify the few unresolved questions capable of changing that decision, and set the rest aside.	Material Questions **p. 42**
3	**Resolve in proportion** Resolve each question to a level proportionate to the commitment being considered, not to every future one.	Resolution Card **p. 44**
4	**Make the commitment explicit** State what is authorised, on what basis, under which conditions, and where the authorisation ends.	Decision Statement **p. 48**

The output is not necessarily adoption. The institution may decide to investigate, validate, proceed under conditions, permit a bounded decisioning role, redesign the proposition, defer or stop.

The objective to know what the institution has sufficient reason to do next.

HOW TO USE THIS PLAYBOOK

Start from where you sit.

No two institutions are organised the same way. The same alternative-credit opportunity may be raised by a product team in one bank, a partnerships lead in a telco and a risk committee somewhere else. It will be owned by different people and decided in different forums.

So treat the tools in this issue as a starting point, not a prescribed process. What they give every reader is a shared way to say what is being decided and what it would take to decide it well. What each reader needs from them differs.

IF YOU ARE IN	YOU ARE PROBABLY ASKING	START WITH, AND TAKE AWAY
Executive or business sponsor	*"Is this worth pursuing, and what exactly would I be approving?"*	**Executive summary; Part One I–II (p. 09); Decision Statement (p. 48)** A sharper question to put to the team: what commitment is actually in front of us, and what would it not yet permit?
Credit and risk	*"What would this intelligence be allowed to do, and on what evidence?"*	**Part One V (p. 21); Resolution Card (p. 44)** A way to set evidence in proportion to the role being considered, rather than all or nothing.
Data, analytics and product	*"Does this data add anything over what we already use, and can we test that properly?"*	**Decision Reality (p. 33); Material Questions (p. 42); Resolutions 02–03 (p. 57)** A test designed to answer the decision's question, not just to produce a model.
Partners and data providers	*"What are we being asked to permit, for what purpose, and for how long?"*	**Part One IV (p. 18); Configuration Map (p. 39); the provider's decision (p. 61)** A bounded commitment you can agree to without agreeing to everything that might follow.
Legal, compliance and governance	*"What is being authorised, and where does it stop?"*	**Decision Record (p. 47): conditions, dependencies and boundary** A written perimeter to assess, instead of an ambition to interpret.

You do not need to read everything. Most readers will use one or two tools closely and the rest for reference.

The same tools, different shapes

In some institutions this work will live in a credit committee paper. In others it will be a workshop, an internal memo, or the first draft of a partnership term sheet. Use the tools inside whatever format your decision forum already recognises.

SHAPE 1

One person preparing a proposition

Use Decision Reality and Decision in View on your own to sharpen the ask before it reaches anyone else. A one-page Decision in View is often enough to make the first meeting productive.

SHAPE 2

A team inside one institution

Work the Material Questions together. Each function takes the Resolution Cards for the questions it is accountable for, and the team writes one Decision Statement.

SHAPE 3

Several organisations

Add the Configuration Map and Required Commitments. Each participant writes its own Decision Statement; the proposition moves when they are compatible.

Getting started: a first working session

1. Write the opportunity in one sentence, exactly as it is being discussed today.
2. Fill in the Decision Reality for the credit decision it would touch (p. 33). If you cannot name that decision, that is your starting point.
3. Draft the Decision in View statement (p. 38) and circulate it. Disagreement about the sentence is your first finding.
4. List what could change the commitment, and keep only the questions that matter for this commitment, not a later one (p. 42).
5. Agree who will resolve each question and what result would change your mind. Set a date to write the Decision Statement.

Expand the case only as far as the decision requires.

This playbook is not a credit policy, model-validation standard, regulatory checklist, or substitute for institutional risk appetite. Nor does it determine whether an organisation is “ready” for alternative credit. Its job is to help an institution see the decision in front of it clearly enough to understand what remains unresolved, why it matters, and what commitment the available evidence and conditions can actually support.

PART ONE

How an opportunity that is easy to see from altitude becomes a specific institutional decision, and why the work between the two is so often left unresolved.

I	Credit decisions are never made at 30,000 feet	09
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The Decision Gap

$331B

SME financing gap, sub-Saharan Africa

IFC estimate. Note 1, p. 66.

A $331 billion opportunity is not a $331 billion decision.

PART ONE · I

At 30,000 feet, Africa's credit opportunity is difficult to miss. The problem is that credit decisions are never made at 30,000 feet.

Seen from sufficiently high above the continent, the credit opportunity is almost impossible to misunderstand.

The financing gap for SMEs in Sub-Saharan Africa alone has been estimated above $330 billion.[1] Around that number sits a much larger economic reality: households and businesses whose productive activity is considerably richer than the formal credit information available about them, while the last two decades have created an increasingly dense information environment of digital payments, bank transactions, mobile-money histories, merchant activity and other traces of economic life.

From that altitude, the logic appears straightforward.

DEMAND

There is unmet demand for capital.

VISIBILITY

Economically active people and businesses are described imperfectly by conventional credit information.

DATA

There is more data about economic behaviour than ever before.

ARTIFICIAL INTELLIGENCE

Increasingly sophisticated AI and machine-learning methods can turn some of that data into scores, models and other decision-useful credit intelligence.

It is easy, from there, to see alternative credit as the bridge between the two.

Where better information meets better analytical capability, a distinct layer of intelligence is forming: AI and other analytical methods turning alternative economic data into scores, models and other inputs a credit decision can use. At Notto, we call this Alternative Data Intelligence, or ADI. It can widen what an institution is able to know. It cannot, on its own, make a credit proposition real; that still depends on the wider infrastructure through which the intelligence is evaluated, authorised and used.

But altitude has a way of flattening complexity.

No bank, fintech or telco sits down on Monday morning with a $330 billion credit decision in front of it.

No credit committee approves a financing gap.

No risk team validates a market opportunity.

No data scientist runs a model against an underserved economy.

By the time an opportunity reaches the altitude at which institutions actually make decisions, it has to become something considerably more specific.

The market may contain millions of businesses that need capital, but the institution encounters a defined population. The continent may contain a large information gap, but the institution encounters a particular underwriting process, with particular inputs, policies, risk tolerances and historical outcomes. The possibility of using alternative information may be compelling in the abstract, but the institution eventually has to determine which information could change which credit decision, for whom, and why.

That descent changes the object under examination.

AT MARKET ALTITUDE	CLOSER TO THE INSTITUTION
A broad opportunity to finance more SMEs	Can the institution distinguish risk adequately among merchants with limited bureau history?
An ambition to expand mass-market credit	Does transaction behaviour contain information that improves limit assignment for a particular population?
A conversation about telco data	Does intelligence derived from it add value over the information already available to underwriting?

And sometimes the descent reveals something else entirely.

A population may appear underserved because the institution lacks sufficient information to differentiate risk. But information may not be the binding constraint.

The economics do not work at the required ticket size	Collections are unreliable
The product is badly matched to the customer's cash flows	Funding is constrained
Policy deliberately excludes the segment	The risk is understood, and there is no appetite for it

The availability of more information cannot resolve every problem that expresses itself as limited access to credit.

This is one of the first disciplines alternative credit requires: beginning with the credit decision rather than with the data.

The important question is therefore not simply whether alternative information exists, but whether there is a credit decision whose quality, reach or confidence could materially change if the institution understood the population differently.

AT 30,000 FEET

The financing gap is the object.

CLOSER TO THE GROUND

The object is the institutional intervention.

A market opportunity can be admired, debated or sized from a distance. Only an intervention can eventually be evaluated, authorised, rejected, redesigned or deployed.

PART ONE · II

An opportunity becomes more demanding as it descends

An opportunity can remain compelling at market altitude without imposing much consequence on any particular institution. But as it descends, it stops being a thesis and becomes a set of consequential choices.

- A population comes into view
- A credit product becomes relevant
- The incumbent underwriting approach has to be understood
- A data source may need to become accessible
- Historical repayment outcomes may need to exist
- Derived intelligence may need to withstand scrutiny
- Funding may be required
- Credit risk may sit on a balance sheet
- Technology, policy and data governance start to matter
- Model governance, legal and regulatory requirements start to matter

This helps explain a pattern that can otherwise look like simple institutional inertia. An organisation can spend months discussing an alternative-credit opportunity, hold strategy sessions, conduct preliminary technical work and engage risk teams without arriving at a meaningful decision. Nobody has necessarily rejected the idea. There may even be broad agreement that the opportunity is worth pursuing.

Important enough to keep discussing. Insufficiently resolved to act upon.

From the outside, this can look like a failure of urgency. Inside the institution, the problem is often more substantive.

"Alternative credit for SMEs" may be perfectly coherent as a strategic ambition. It becomes much harder to carry once the people responsible for making it real begin asking what that sentence means in practice.

THE DECISION

- Which SMEs? Which product?
- Which credit decision appears constrained today?
- What does incumbent underwriting already know, and where does it lose resolution?
- Which additional information might change that?

THE INTELLIGENCE

- What exactly would be derived from the data?
- Supplement judgement, inform review, change eligibility, influence limits or alter pricing?
- Against which outcome would performance be evaluated?
- How much evidence is sufficient for the role?

THE CONFIGURATION

- Who controls the underlying data?
- Who provides capital?
- Who carries the credit exposure?
- Who retains authority over the resulting credit decision?

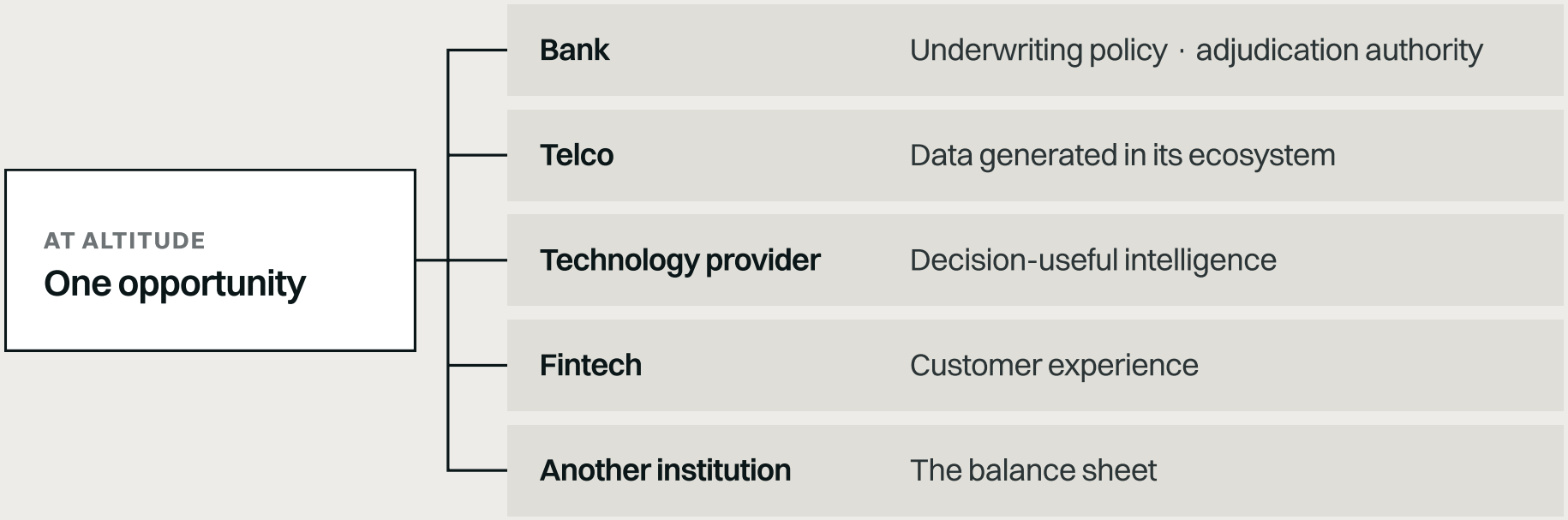
A market thesis does not contain answers to those questions because it does not need to.

An institutional proposition does.

This is why alternative-credit initiatives often become harder precisely when they become more serious.

The broad opportunity creates enthusiasm; specificity creates obligations.

The same pattern becomes even more pronounced when the proposition crosses organisational boundaries. A bank may retain underwriting policy and credit adjudication authority while relying on data generated within a telco ecosystem. A technology provider may transform that data into decision-useful intelligence without providing the funding or carrying the resulting credit risk. A fintech may own the customer experience while another institution supplies the balance sheet. The same telco that lends within its own ecosystem in one configuration may function principally as a data partner in another.



Institution type, by itself, tells us surprisingly little about the role an organisation will play.

What matters is where the proposition actually places the capabilities and consequences required to make it work. At 30,000 feet, the opportunity can appear singular. Closer to the institution, it can become a network of different responsibilities, each carrying questions that have to be resolved at the level where that responsibility sits.

THE MARKET ASKS

whether something valuable might be possible.

THE INSTITUTION HAS TO DETERMINE

what it is prepared to permit, on what basis, under which conditions and with whose participation.

The distance between those two questions is where the real work begins.

PART ONE · III

Where the Decision Gap opens

Once an opportunity reaches institutional altitude, the difficulty is rarely that every question is unanswered. More often, a few unresolved questions prevent a much larger body of work from becoming decisionable.

SOMETIMES THE UNRESOLVED WORK SITS IN THE PROBLEM ITSELF

The institution knows that a population is difficult to lend to, but it has not established why. High decline rates, thin conventional files or limited credit penetration may suggest that existing information is insufficient, but they do not prove it. Better information only becomes institutionally relevant if understanding the population differently could plausibly change what the lender is able or willing to do.

SOMETIMES THE PROBLEM IS BETTER UNDERSTOOD THAN THE PROPOSITION

Everyone may agree that underwriting has insufficient visibility into a population while holding materially different ideas about what should happen next.

Commercial	imagines a new lending product.
Credit	imagines an additional risk score.
Data	imagines an analytical experiment.
Technology	is considering an integration problem.
Senior leadership	hears the same language and assumes a far larger transformation than anybody else intends.

A vague proposition allows different people to agree with different versions of the same idea. The disagreement becomes visible only when the population, credit decision, incumbent approach, proposed intervention and immediate commitment are stated clearly enough to evaluate.

ELSEWHERE, THE UNRESOLVED WORK SITS IN THE EVIDENCE

A hypothesis can be plausible without being sufficiently supported. Transaction behaviour may reasonably be expected to contain information about the scale, continuity or variability of economic activity, but that does not establish that derived intelligence will meaningfully improve risk differentiation once the institution's incumbent information is taken into account.

An AI-powered score or model may perform well on historical observations without yet demonstrating that its improvement is robust, material or relevant to the role being considered. The broader promise of ADI is not evidence that a particular intervention improves a particular credit decision. External evidence may give the institution good reason to investigate while remaining far from sufficient to support a consequential production decision.

THEN THERE ARE PROPOSITIONS WHOSE ANALYTICAL LOGIC IS CREDIBLE BUT WHOSE CONDITIONS REMAIN UNSETTLED

The relevant data may exist but be difficult to link reliably to credit outcomes.

It may be technically accessible without being available for the proposed purpose.

Production use may depend on a relationship between institutions that has not yet been established.

A model may perform strongly while the economics of the product remain unattractive.

The intended decisioning role may create governance obligations not yet resolved.

AND SOMETIMES THE UNRESOLVED WORK IS MORE BASIC STILL

Everybody is analysing the proposition, but nobody has stated clearly what decision is actually being made.

These different forms of unresolvedness are useful because they tell us where the work has to happen. We can think of them through five lenses.

01	02	03	04	05
Relevance	**Proposition**	**Basis**	**Conditions**	**Decision**
Is there a material credit problem or opportunity that additional information could plausibly change?	What, precisely, is the institution considering doing?	What has the institution actually earned the right to believe?	What must hold for the commitment to work responsibly in the configuration in view?	What is the institution prepared to authorise, and where does that authorisation end?

Part Two's tools are organised around the same lenses: Decision Reality and Decision in View (Relevance, Proposition), the Resolution Card (Basis), the Configuration Map (Conditions) and the Decision Record (Decision).

These lenses are not stages in a process, and they do not carry equal weight in every case.

Case one	Sufficiently clear and analytically promising, but dependent on an unresolved data relationship.
Case two	Excellent data and institutional support, but it fails at Relevance: better information would not materially change the credit decision.
Case three	Worth investigating precisely because the institution knows very little and needs a bounded way to learn more.

The useful task is not to complete five categories.

It is to locate the unresolved questions capable of changing the commitment currently in view.

That is where a Decision Gap actually opens.

PART ONE · IV

Consequences acquire owners

The same proposition can produce very different questions depending on where its consequences land.

This is sometimes described as stakeholder complexity, but that language can obscure something more important. Credit, risk, product, data, technology, finance, legal, and executive teams are not simply different audiences who need different versions of the same sales pitch. Their questions often differ because they are accountable for different consequences if the institution gets the decision wrong.

Credit risk belongs somewhere.

Data responsibility belongs somewhere.

Analytical claims need somebody prepared to stand behind them.

Funding comes from somewhere.

Credit adjudication authority remains somewhere.

If the proposition enters production, technology and operating responsibilities belong somewhere too.

Where several institutions participate, these responsibilities may cross organisational boundaries.

The questions that emerge around alternative credit therefore tend to follow accountability.

WHERE THE CONSEQUENCE LANDS	WHY THE QUESTIONS ARISE
Credit risk	If the intervention could change who receives credit, how much or on what terms, somebody becomes responsible for the result. Risk differentiation, validation, policy, thresholds and portfolio behaviour matter because the institution has to defend the decisions the intervention influences.
Analytical claims	Somebody needs confidence that the claim is supported. Depending on the use case: match rate, outcome definition, representativeness, discrimination, calibration, incremental performance or stability. The metrics and thresholds belong to the institution; the need for an evidentiary basis comes from the role being considered.
Data	Information may exist and remain unusable: it cannot be attributed reliably, linked to the population, processed for the intended purpose or accessed under supportable conditions. In a multi-party proposition the data relationship can become part of the credit infrastructure itself.
Commercial value	An analytically superior approach can still produce too little value to justify its complexity. Additional approvals, better pricing, lower loss, an addressable population or lower operating cost: the value case depends on what the institution is trying to change.
Funding and exposure	These frequently sit together but do not have to. One institution may supply capital while another holds the customer or provides the data. Whoever supplies the capital is also choosing not to deploy it elsewhere.
Technology	A bounded historical analysis needs a dataset and an analytical environment. A live proposition creates requirements around pipelines, refresh cadence, latency, auditability, exception handling, monitoring and continuity that do not matter yet at an earlier commitment.

The point about funding deserves more weight than it usually gets. Once a proposition implies actual lending, the question becomes larger than whether the intervention improves the credit decision. Distinguishing risk more accurately is not in itself a case for committing capital.

Capital committed to an alternative-credit proposition has an opportunity cost. The proposition is competing not only with the incumbent underwriting approach, but with every other sufficiently attractive use the institution has for that capital. Whoever provides it may need to know whether the resulting lending earns an adequate return for its risk and cost, judged against the institution's own hurdles and alternatives. How those hurdles are set, and whether they bind for this proposition at all, belongs to the institution. Where they do, better credit intelligence has economic value only if it changes the institution's ability to deploy capital attractively relative to those alternatives.

An intervention can improve the credit decision and still fail to justify the capital commitment.

This is why a universal stakeholder script is rarely useful. The better question is:

> **Who is accountable for the consequences created by this particular commitment, and what do they therefore need resolved?**

READ DISAGREEMENT THROUGH THE LENSES

WHEN…	IT MAY BE IDENTIFYING…
A credit-risk leader asks for stronger evidence	a gap in **Basis**, rather than resistance to innovation.
A data team questions linkage	a material **Condition**.
A capital provider questions the economics	a challenge to **Relevance**.
A telco limits the permitted use of its data	a change to the **Configuration** itself.

Seen this way, institutional disagreement is information.

It tells us where the proposition encounters the responsibilities that make it real.

PART ONE · V

Alternative credit is not one decision

The phrase *adopting alternative credit* compresses too much. An institution may be deciding any of these:

01 Is this new dataset worth investigating?

02 Should derived intelligence be tested retrospectively against observed repayment outcomes?

03 How does a challenger behave alongside the incumbent approach, without affecting customers?

04 Should it be used as supplementary information within a live decision?

05 Should it influence a defined component of eligibility, limit-setting, risk-based pricing or another part of adjudication?

LESS DECISIONING CONSEQUENCE — MORE DECISIONING CONSEQUENCE

These decisions can sit inside the same long-term ambition while remaining materially different commitments. They are not mandatory stages, and an institution may not need every one. The distinction matters because each one permits the intervention to do something different. The same is true of ADI. It is not adopted all at once: institutions authorise particular forms of intelligence, such as an AI-powered risk score or a set of derived variables, to play particular roles in particular credit decisions.

And what the intervention is allowed to do determines which unresolved questions can still be carried.

QUESTION	AT A BOUNDED HISTORICAL COMMITMENT	AT A PRODUCTION COMMITMENT
Data access	A bounded historical dataset may be enough.	Reliable continuing access may become foundational.
Model monitoring	Little bearing on whether to explore a relationship.	Foundational once a model influences live decisions.
Customer communication and recourse	Far outside the perimeter of retrospective validation.	Moves to the centre once customer outcomes can change.
Evidence	Enough to justify asking whether a plausible relationship deserves investigation.	More than plausibility before an output influences consequential decisions.

The same is true of governance, integration, economics and operating capability.

An institution can be sufficiently resolved for one commitment and insufficiently resolved for another without contradiction. The threshold moved because the decision moved.

THE GOVERNING PRINCIPLE

The resolution required should be proportionate to the consequence and reversibility of the commitment under consideration.

This principle also changes how learning should be understood. A validation exercise, pilot, shadow test or challenger arrangement is not valuable simply because it creates activity. Its purpose is to reduce uncertainty material to some decision, so a well-designed learning commitment begins with a clear view of what it is intended to resolve.

THREE OUTCOMES ARE POSSIBLE

Strengthens

The proposition becomes more credible for a next commitment.

Weakens

Confidence falls; narrowing, redesign or stopping comes into view.

Inconclusive

Not enough evidence to judge. The path chosen may have been inadequate, which is not the same as the intervention having no value.

Weak linkage, inadequate outcome data, insufficient observations, poor representativeness or an unsuitable validation design can make a test inconclusive. Inconclusive evidence should not be confused with evidence that the intervention has no value. Any serious learning commitment should be capable of answering, before it begins:

> **What result would make us materially more confident?**

> **What result would make us materially less confident?**

If the exercise cannot plausibly change the institution's view in either direction, it may be generating activity rather than learning.

The useful question after evidence arrives is not automatically whether to progress to a next stage. It is what the institution has now earned the right to believe, and what commitment that new understanding supports: proceeding, narrowing the role, changing the proposition or configuration, collecting better evidence, deferring or stopping.

Progress is not movement towards deployment. It is movement towards a more defensible institutional decision.

PART ONE · VI

The Decision Gap – issue 01

A credible alternative-credit opportunity can remain strategically attractive, commercially interesting and analytically plausible while still being insufficiently resolved for the decision in front of the institution.

The problem	Perhaps the institution has not established that information is actually the constraint.
The proposition	Perhaps different people are still evaluating different versions of what alternative credit is supposed to do.
The evidence	Perhaps the intervention is plausible but the role being considered requires more than the current Basis can support.
The conditions	Perhaps data, economics, governance, technology or a cross-institutional dependency prevents the commitment from working in its present form.
The decision	Perhaps nobody has yet made explicit what the institution is actually being asked to authorise.

Together, that unresolved work forms the Decision Gap.

DEFINITION

The Decision Gap is the unresolved work between an alternative-credit proposition and the institutional commitment that can defensibly be made from it.

BOUNDED

The institution does not need to resolve the entire possible future of alternative credit to make one legitimate decision.

DEFENSIBLY

The objective is not certainty. The task is to know which uncertainties are material to the commitment in view, and whether they are resolved far enough.

COMMITMENT

A decision only becomes useful when its perimeter is clear.

What are we prepared to do?

What does that authorise?

Why does the current evidence support it?

What conditions govern it?

Whose participation does it depend upon?

What remains deliberately outside the decision?

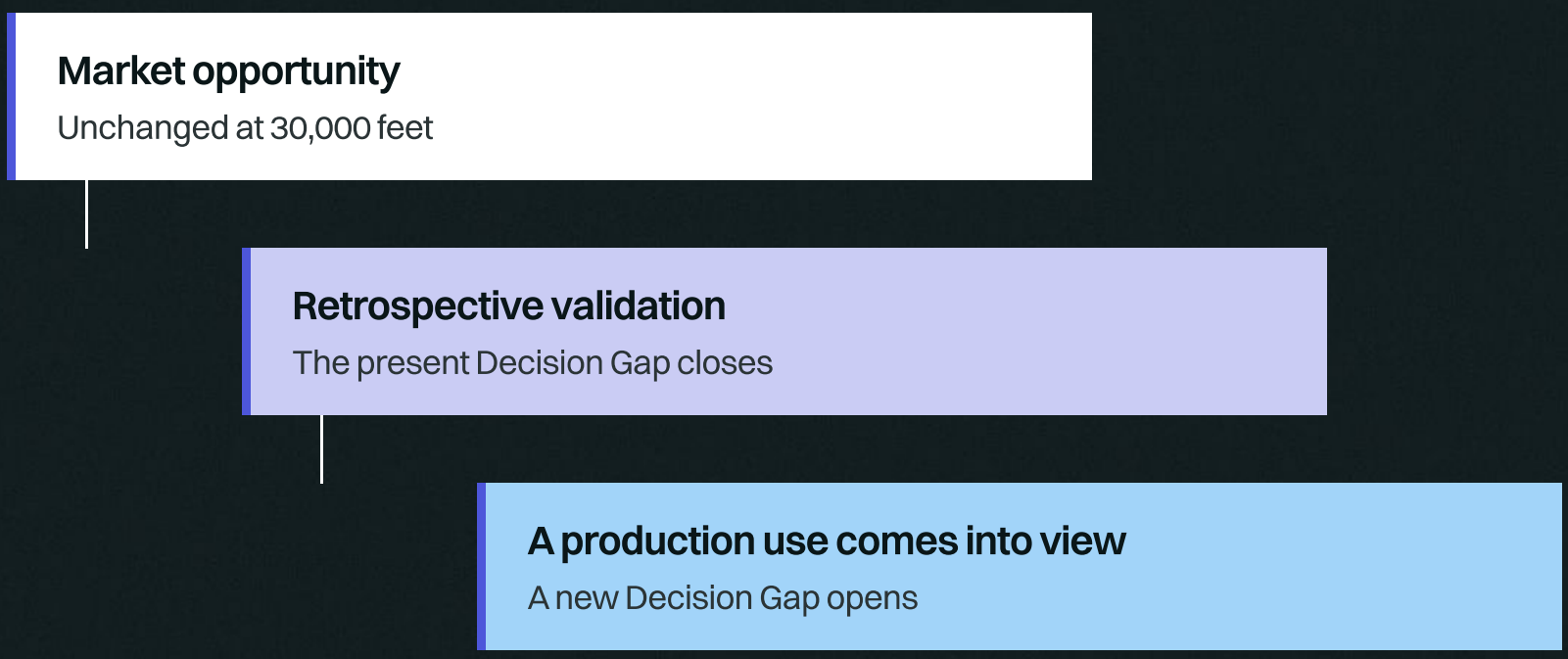
A Decision Gap closes when those questions can be answered sufficiently for the choice in front of the institution.

The answer does not have to be yes.

Investigate	Validate	Proceed under conditions	Permit a bounded decisioning role
Narrow the proposition	Change the configuration	Defer	Stop

Each can close the present Decision Gap.

A later commitment may open another. Encouraging evidence from retrospective validation may eventually bring a production use into view, at which point new questions become material. The evidentiary burden may rise. Continuous data access may matter where bounded historical access was sufficient before. Additional accountabilities may appear. Governance questions that could remain open previously may now require explicit resolution.



The institution has not returned to the beginning.

It has simply descended another level.

At 30,000 feet, the market opportunity may remain unchanged. Closer to the ground, the decision has become different.

The purpose of this playbook is to preserve the scale of the opportunity without allowing that scale to obscure the much more precise work required to decide what should actually happen next.

PART TWO

By the time an alternative-credit opportunity becomes specific enough to matter, the institution is no longer deciding whether the market opportunity is interesting. It is deciding what, if anything, it has sufficient reason to do about a particular proposition. The Decision Case exists for that space between possibility and commitment.

How the Decision Case works — 29
Six layers, how they connect, one institution or several

I — Understand the Decision Reality — 32
Tool · Decision Reality

II — Bring the Decision into View — 35
Tool · Decision in View

III — Locate the Proposition — 39
Tools · Configuration Map, Required Commitments

IV — Find the Material Questions — 41
Tool · Material Questions

V — Resolve What Matters — 43
Tool · Resolution Card

VI — Make the Decision Explicit — 46
Tools · Decision Record, Decision Statement

The Decision Case

HOW THE DECISION CASE WORKS

Six layers, each doing one job

The Decision Case is six layers of work. Each answers one question and produces something the next layer relies on. Together they turn a broad opportunity into a commitment someone can stand behind.

The layers are not a form to complete from top to bottom. Some propositions need almost nothing from a layer; others are decided almost entirely inside one. What matters is knowing what each layer is for, so you can tell when it is carrying the weight.

LAYER	THE QUESTION IT ANSWERS	WHAT IT PRODUCES	WHAT IT ASKS OF YOU
I · p. 32 **Decision Reality**	**Where does the present credit decision lose resolution?**	A description of today's decision, its apparent constraint and the other explanations for it.	Honesty about the incumbent process, including the possibility that the problem is not informational.
II · p. 35 **Decision in View**	**What exactly are we considering, and what would it permit?**	One statement: population, credit decision, constraint, intervention, commitment, role and boundary.	Agreeing a single sentence. This is usually where people discover they meant different things.
III · p. 39 **Locate the Proposition**	**Where does this depend on someone else?**	A Configuration Map, and the commitment each participant would have to make.	Naming dependencies you do not control, including inside your own institution.
IV · p. 41 **Material Questions**	**What could change this commitment?**	A short list of questions, each with what a different answer would change.	Setting aside important questions that belong to a later commitment.
V · p. 43 **Resolution Card**	**How much do we need to know, and how would we find out?**	One card per question: position, basis, sufficient resolution, path, and what would move you.	Saying in advance which result would make you more, or less, confident.
VI · p. 46 **Decision Record**	**What are we authorising, and where does it stop?**	A Decision Record and one Decision Statement per participant that has to commit.	Writing down the boundary and the conditions, not just the approval.

How the layers connect

The layers run forward, but the work loops back. Expect it to. Each loop is the case doing its job: catching a decision that was larger, vaguer or more dependent than it first appeared.

I	II	III	IV	V	VI
Decision Reality	**Decision in View**	**Locate**	**Material Questions**	**Resolve**	**Decide**

Resolution can change the Decision in View V → II	Evidence may narrow the population, shrink the role or change the intervention. The decision you close is the one that exists after learning.
A dependency becomes a material question III → IV	If the proposition relies on another party's data, approval or capital, whether they will commit is often one of the questions that matters most.
A material question may send you back to the Reality IV → I	Sometimes the honest answer is that information was never the constraint. That is a finding, not a failure.
A decision opens the next case VI → I	A bounded commitment produces evidence. The next commitment starts with a new Decision Reality, one level lower.

When more than one organisation is involved

A proposition that crosses organisational boundaries does not create one shared decision. It creates several linked ones. The layers still apply, but they run in more than one place.

The Decision in View can be shared; the Decision Statements are not. Participants should agree what the proposition is. Each still decides what it is prepared to commit to.

One participant's unresolved question becomes another's condition. A data provider's limits on permitted use appear as a Condition in the lender's Decision Record.

Evidence produced by one party becomes another party's Basis. An intelligence provider's validation is only as useful as the lender's ability to rely on it.

The proposition moves when the commitments are compatible, not identical.

One institution, or several

The same six layers apply whether a proposition sits inside one lender or across a bank, a telco and an intelligence provider. What changes is who takes part, which layers carry the weight, and how many decisions have to be made.

	WITHIN ONE INSTITUTION	WITH A DATA PARTNER	ACROSS SEVERAL PARTIES
For example	A bank testing transaction data it already holds on its own customers.	A bank relying on a telco's mobile-money data for a population it lends to.	Customer, data, intelligence, capital and adjudication spread across several organisations.
Who is involved	Credit, risk, data and product; often finance and compliance.	The same, plus the partner's data, legal and commercial leads.	Decision-makers from each participant, often deciding in separate forums.
Decision Reality	Carries the most weight. The question is internal: is information really the constraint?	Held by the lender, but the partner needs to understand it to judge the use of its data.	Each party may see a different reality. Agree whose credit decision is constrained.
Decision in View	One statement, owned by the lender.	One shared statement, tested by both parties.	One shared statement; each participant checks what it would permit for them.
Locate	Often a few lines. Watch internal dependencies: IT, policy owners, finance.	Data access, permitted use, linkage and continuity become central.	The core of the work. Dependencies sit outside any one party's control.
Material Questions	Usually concentrated in Relevance and Basis.	Conditions rise: data use, continuity, linkage.	Conditions and Configuration often dominate.
Resolution	Owned by internal teams.	Some cards owned by the partner.	Cards assigned to whoever can actually resolve them.
Decision	One Decision Statement.	Two statements that have to be compatible.	One per participant. The proposition moves when they fit.

Most propositions start in one column and move to another as they descend. A test inside one bank can become a data partnership; a partnership can add a capital provider. When the configuration changes, return to Locate before going further. The worked case in Part Three sits in the third column.

PART TWO · I

Understand the Decision Reality

Every alternative-credit proposition enters an existing credit system.

There is already a population being approved, declined, referred, underserved or left outside the product altogether. There is already some combination of bureau information, transaction history, financial statements, policy rules, scorecards, manual judgement or other evidence through which the institution understands that population. There are already decision thresholds, operating constraints and observed outcomes, even if they are imperfectly documented.

This existing system is the reference point against which any new proposition has to make sense. If a lender says alternative data could improve approval rates: relative to which approval process, for which population, and with what consequence for loss? If a new score is expected to improve risk differentiation, how is risk differentiated today?

Without that baseline, novelty can easily be mistaken for value.

> **Where, precisely, does the present credit decision appear to lose resolution?**

A lender may observe that a particular merchant segment experiences unusually high referral rates. The explanation may be limited conventional credit information. It may also be a repayment structure poorly suited to volatile cash flows, conservative policy thresholds, or a segment outside present risk appetite. Or the lender may be able to assess these merchants reasonably well and still find that, even with better risk information, lending to them would not clear its required return relative to other uses of its capital.

The objective here is not to prove which explanation is correct. It is to describe the current decision strongly enough that a proposed intervention can eventually be judged against something real.

AN INFORMATION PROBLEM

“We cannot assess these customers well enough.”

AN ECONOMIC PROBLEM

“We can assess them, but lending to them is not currently an attractive use of capital.”

Only the first can be solved by adding credit intelligence. Telling them apart is part of describing the Decision Reality.

TOOL · DECISION REALITY

Decision Reality

Describe the credit decision as it exists today, before any intervention is proposed.

POPULATION TODAY

Who is currently entering, failing to enter or being treated poorly by the relevant credit process?

CREDIT DECISION TODAY

Which judgement is presently being made?

INCUMBENT UNDERWRITING APPROACH

What information, models, policy rules and human judgement currently inform it?

OBSERVED CONSTRAINT

What appears not to be working well enough?

EVIDENCE OF THE CONSTRAINT

What observed outcomes or portfolio evidence support that view?

ALTERNATIVE EXPLANATIONS

What else could plausibly be producing the same outcome?

Economics, repayment structure, policy thresholds, risk appetite, servicing, collections.

ADDITIONAL INFORMATION POTENTIALLY RELEVANT

What alternative data or intelligence could matter if the constraint proves informational?

AVAILABLE OUTCOME EVIDENCE

What historical performance information exists against which an intervention might eventually be evaluated?

If our understanding of this population improved materially, what credit decision could actually become different?

If you cannot yet answer that final question, you may not have an alternative-credit problem yet. You may still have a credit problem whose cause has not been sufficiently understood.

PART TWO · II

Bring the Decision into View

Once the existing reality is clear enough, the opportunity has to become a proposition. This is where apparent agreement often dissolves.

“Alternative credit for SMEs” may sound concrete while holding several incompatible ideas inside it. One person may imagine an additional score. Another a new product. Another historical validation. Another may already be imagining automated approval.

Specificity forces the proposition to acquire boundaries.

Population	Broad labels can contain groups with materially different economics and information environments.
Credit decision	Intelligence useful for risk segmentation may not be suitable for eligibility.
Constraint	The proposition should solve a defined problem rather than merely introduce more information.
Intervention	“Use alternative data” is not sufficiently decisionable.
Commitment	The institution should not be forced to resolve the requirements of a future state it is not yet considering.

CARRIES INTO These are the fields of the Decision in View, pp. 36–38. Part One, II–III explains why each matters.

TOOL · DECISION IN VIEW

Decision in View

Make the decision itself explicit before asking what needs to be resolved.

POPULATION

Who or what is presently in scope?

CREDIT DECISION

Which credit judgement is actually in question?

Risk differentiation, eligibility, approval, limit-setting, pricing or another defined element of adjudication.

CURRENT CONSTRAINT

What appears to be limiting that decision today?

State it without assuming the constraint is informational.

POTENTIAL INTERVENTION

What could additional data or intelligence change?

COMMITMENT IN VIEW

What is the institution actually considering doing now?

This may be considerably narrower than the ultimate ambition.

DECISIONING ROLE

What would this permit the intervention to do?

Historical evidence only · analytical comparison · supplementary information · influence over one component · a production role.

BOUNDARY

What would it not yet permit?

The boundary belongs to the proposition. What is not yet being decided is as important to state as what is.

NOW BRING IT TOGETHER

For [population], we are considering [intervention] within [credit decision] in response to [constraint]. The commitment currently in view is [commitment], which would permit the intervention to [decisioning role].

If the statement remains difficult to complete, the difficulty may be diagnostic. The population may still be too broad. The constraint may remain uncertain. The intervention may contain several different propositions. The commitment may contain more than one decision.

PART TWO · III

Locate the Proposition

Some propositions can be understood largely within one institution. Others cannot. The purpose of locating the proposition is not to document an ecosystem for its own sake. It is to identify where the commitment depends on something the institution does not itself control.

TOOL · CONFIGURATION MAP

CAPABILITY OR RESPONSIBILITY	WHERE DOES IT SIT?	WHAT DOES THE PRESENT COMMITMENT DEPEND ON?
Customer relationship / distribution		
Relevant data		
Identity / linkage where material		
Intelligence / scoring		
Underwriting policy		
Credit adjudication authority		
Funding / capital provision		
Credit risk / balance-sheet exposure		
Technology / operating capability		
Other material responsibility		

Do not fill a row merely because the row exists. The purpose is dependency, not completeness. Where a proposition involves ADI, it usually sits in the intelligence / scoring row: it can inform a credit decision without owning the data beneath it, the underwriting policy, the adjudication authority, the funding or the credit-risk exposure.

TOOL · REQUIRED COMMITMENTS

Required Commitments

Where several organisations participate, each may be deciding something different. They need sufficiently compatible commitments for the shared proposition to move.

PARTICIPANT	WHAT COMMITMENT IS REQUIRED NOW?	WHAT DOES THE PROPOSITION DEPEND ON THEM DOING?

Which dependency could materially change the Decision in View if it resolved differently?

Those dependencies belong among the Material Questions, p. 42.

PART TWO · IV

Find the Material Questions

A specific proposition tends to attract more questions as it becomes more serious. The institution does not necessarily need to answer all of them now.

The relevant test is materiality.

MATERIALITY

A question is material when a different answer could reasonably change whether the commitment is made, what is being committed to, the conditions attached, the configuration required to support it, or the decisioning role the intervention is permitted to play.

This allows the institution to separate

important from important now.

A retrospective validation may not yet require production monitoring architecture. But if the historical datasets cannot be linked reliably enough to produce meaningful evidence, that question is material to the validation itself.

TOOL · MATERIAL QUESTIONS

Material Questions

NO.	MATERIAL UNRESOLVED QUESTION	WHAT COULD A DIFFERENT ANSWER CHANGE ABOUT THE DECISION IN VIEW?
01		
02		
03		
04		
05		

> **Does this need to be resolved for the commitment in front of us, or for a later commitment we are not yet making?**

If it belongs to a later decision, let it wait. Carry each question that stays into its own Resolution Card.

PART TWO · V

Resolve What Matters

A material question becomes useful only when the institution can say what would count as enough resolution.

That requires distinguishing what is currently supported from what is assumed, what remains uncertain and what evidence could actually change the institution's view.

The institution does not need perfect certainty.

It needs a basis proportionate to the authority being considered.

HOW THE CARD WORKS

1. **Where we stand.** Current position, its basis and the uncertainty that remains.
2. **What would be enough.** Sufficient resolution for this commitment, not for every future one.
3. **How we would know.** A path to resolution, and a test of whether it can actually answer the question: what would make us more, and less, confident.
4. **What it means.** Who can resolve it, and what happens to the Decision in View if it resolves differently or not at all.

One card per material question. If nothing changes regardless of the answer, reconsider whether the question is material.

Resolution Card

NO.

MATERIAL QUESTION

What unresolved question could materially change the Decision in View?

CURRENT POSITION

What do we presently have reason to believe?

BASIS

What supports that position?

REMAINING UNCERTAINTY

What do we still not understand well enough?

SUFFICIENT RESOLUTION

What would we need to learn, establish or observe for this commitment?

PATH TO RESOLUTION **What could produce that knowledge?**	
CONFIDENCE TEST **Can the proposed path actually answer the question?**	
MORE CONFIDENT **What result would make us materially more confident?**	
LESS CONFIDENT **What result would make us materially less confident?**	
RESPONSIBILITY **Who can resolve this?**	
DECISION IMPLICATION **If this resolves differently, or remains unresolved, what happens to the Decision in View?**	

The final question keeps the analysis connected to the decision. If nothing changes regardless of the answer, reconsider whether the question is material.

PART TWO · VI

Make the Decision Explicit

A Decision Case eventually has to end. That does not mean every uncertainty has disappeared. It means the institution now understands enough of the uncertainty that matters to make the present commitment explicit.

Before writing the decision, return to the Decision in View. The work may have changed it.

The population may have narrowed.

The constraint may have changed.

Evidence may have weakened the original intervention.

A dependency may have changed the viable configuration.

The decisioning role may need to become smaller.

The final decision should close the proposition that exists after learning, not preserve the proposition the institution began with.

Decision Record

COMMITMENT What are we deciding to do now?	
AUTHORISATION What does this permit?	
RATIONALE Why does this follow from what we understand?	
CONDITIONS What must hold?	
DEPENDENCIES What do we rely on somebody else doing?	
BOUNDARY What does this explicitly not authorise or resolve?	
DECISION AUTHORITY Where does authority for this commitment sit?	

TOOL · DECISION STATEMENT

Decision Statement

We have decided to [commitment] for [population / use case]. This authorises [specific action or decisioning role] because [rationale]. The decision is subject to [material conditions and dependencies] and does not yet authorise or resolve [boundary].

Where several institutions need to make material commitments, each may require its own Decision Statement.

The proposition moves when those commitments become sufficiently compatible.

PART THREE

Consider a commercial bank exploring working-capital credit for merchants operating inside a mobile-money ecosystem. Many merchants transact frequently and operate businesses with observable economic activity, yet some have limited conventional credit histories and relatively little financial information inside the bank. The mobile-money provider, by contrast, sees part of their commercial lives every day: transaction values, frequency, continuity, inflows, outflows and other patterns that may reveal something the bank cannot currently see.

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Locating the proposition and its material questions 54
Resolutions 01–04 56
What this justifies, and the decisions 60
What has actually closed 62

The Decision Case at Work

AT 30,000 FEET

The proposition almost writes itself.

The data exists.

The merchants need capital.

An intelligence provider can transform transaction histories into analytical outputs.

The bank can use the resulting intelligence to lend to customers its existing system describes poorly.

The opportunity is credible.

CLOSER TO THE GROUND

It becomes less obvious.

The bank does not yet know whether inadequate information is the main reason these merchants are difficult to lend to.

It does not know whether mobile-money histories add anything material beyond its incumbent approach.

It does not know whether enough of the relevant merchants can be linked reliably across the datasets.

The mobile-money provider controls information the proposition depends upon.

No decision has been made about whether the intelligence should influence an actual customer's eligibility, limit or price.

The institutional decision is not yet obvious.

That is enough to begin.

THE CASE · DECISION REALITY

The Decision Reality

POPULATION TODAY	*Merchants with limited conventional histories. Some are declined, others referred.*
CREDIT DECISION TODAY	*Working-capital underwriting for small businesses.*
INCUMBENT APPROACH	*The information available within the existing process; thin bureau files and limited formal financial statements for this group.*
OBSERVED CONSTRAINT	*These merchants are difficult to differentiate. Among those who receive credit, performance is uneven enough to make broad expansion unattractive without stronger confidence in risk differentiation.*
ALTERNATIVE EXPLANATIONS	*Risk appetite, unit economics, repayment structure, servicing or collections may account for part of the constraint, as may the relative attractiveness of deploying capital to this segment.*
INFORMATION POTENTIALLY RELEVANT	*Substantial economic activity conducted through mobile-money accounts.*

There is enough reason to investigate whether information is material.

Not enough reason to assume it.

THE CASE · DECISION IN VIEW

The Decision in View

The institutions are not yet deciding whether mobile-money intelligence should enter production underwriting. They are deciding whether there is sufficient reason to conduct a bounded historical validation.

POPULATION	*Existing merchants with meaningful mobile-money transaction histories and limited conventional credit information available to the bank.*
CREDIT DECISION	*Risk differentiation within underwriting for a defined working-capital product.*
CURRENT CONSTRAINT	*The bank believes its incumbent information may not sufficiently differentiate credit risk within this population.*
POTENTIAL INTERVENTION	*Historical mobile-money activity transformed into derived variables or an AI-powered risk score, evaluated alongside the bank's incumbent underwriting approach.*
COMMITMENT IN VIEW	*Retrospective validation using an agreed historical merchant population, transaction histories and observed repayment performance.*
DECISIONING ROLE	*Historical analytical use only.*
NOT YET PERMITTED	*Any influence over production eligibility, approval, limits, pricing or another live outcome.*

BROUGHT TOGETHER

For merchants with meaningful mobile-money activity but limited conventional credit information, we are considering transaction-derived intelligence within working-capital risk assessment in response to a possible underwriting-information constraint. The commitment currently in view is a retrospective validation against observed repayment performance, permitting the agreed historical data to be analysed without influencing production credit decisions.

Now the institutions have something decisionable.

Compare the broad version: “Could mobile-money intelligence improve merchant lending?” The statement above is not necessarily correct. It is simply specific enough to evaluate, and it says what is not yet being decided.

In Notto’s terminology, this is an ADI proposition: mobile-money transaction behaviour transformed, through statistical and machine-learning methods, into a risk score intended to improve one defined credit judgement. From here on, the case deals with that score as a specific object: its derived variables, its discriminatory power and its performance against observed repayment.

THE CASE · CONFIGURATION MAP

Locate the proposition

CAPABILITY OR RESPONSIBILITY	WHERE IT SITS
Merchant relationship / transaction ecosystem	*Mobile-money provider*
Historical transaction data	Mobile-money provider
Historical credit outcomes	*Bank*
Record linkage	*Shared across participants*
Derived intelligence	*Intelligence provider*
Underwriting policy	Bank
Credit adjudication authority	Bank
Funding	Bank
Credit-risk exposure	Bank

THREE COMMITMENTS ARE REQUIRED

Bank	*Whether the validation is justified, and whether the relevant historical outcome data can participate.*
Mobile-money provider	*Whether the defined historical use of its information can be supported.*
Intelligence provider	*Whether it can undertake analysis that credibly answers the intended question.*

These are distinct decisions inside one proposition.

THE CASE · MATERIAL QUESTIONS

Four questions could change the present commitment

NO.	MATERIAL UNRESOLVED QUESTION	WHAT A DIFFERENT ANSWER COULD CHANGE
01	*Is inadequate underwriting information genuinely a material constraint for this population?*	*If the deeper problem lies in economics, collections, policy or risk appetite, the rationale for validation weakens.*
02	*Is there sufficient reason to believe transaction-derived intelligence could add information beyond the incumbent approach?*	*The hypothesis need not be proven before validation, but it needs enough basis to justify testing.*
03	*Can the available historical data support a credible validation?*	*If linkage, observation history, outcomes or representativeness are inadequate, the exercise may be unable to answer its own question.*
04	*Can the historical information be processed under conditions acceptable to the participants?*	*An analytically promising proposition cannot proceed through a configuration the institutions cannot support.*

IMPORTANT, BUT NOT NOW

Production monitoring | Live integration | Override policy | Customer treatment

These remain important. They do not belong to this commitment yet.

RESOLUTION CARD · 01

Is inadequate underwriting information genuinely a material constraint?

CURRENT POSITION	*Plausible but not conclusive.*
BASIS	*Merchants with limited conventional files can appear similar within the incumbent process despite meaningful differences in their observable commercial activity. That gives the information hypothesis substance.*
REMAINING UNCERTAINTY	*It does not establish that information is the binding constraint.*
PATH TO RESOLUTION	*Examine decline and referral reasons, existing credit outcomes, available application information, product economics and other relevant evidence.*
SUFFICIENT RESOLUTION	*Not that information is the only constraint, but enough reason to believe it is material enough to justify testing whether additional intelligence improves risk differentiation.*
DECISION IMPLICATION	*If better information appears unlikely to change anything meaningful, the rationale for validation weakens.*

RESOLUTION CARD · 02

Could transaction-derived intelligence add incremental discriminatory power?

CURRENT POSITION	*Repeated transaction behaviour may contain information about the scale, continuity and variability of commercial activity. That gives the proposition a credible credit-risk logic.*
REMAINING UNCERTAINTY	*It does not establish incremental value: whether the intelligence improves risk differentiation beyond what the incumbent approach already provides.*
PATH TO RESOLUTION	*Evaluate the proposed intelligence against observed repayment performance and against the incumbent approach.*
MORE CONFIDENT	*Meaningful incremental risk separation.*
LESS CONFIDENT	*Little improvement, unstable performance, or relationships that weaken materially once incumbent information is considered.*
INCONCLUSIVE	*A result caused by inadequate data would mean something different. See Resolution 03.*

Measuring against the incumbent approach prevents the institutions from celebrating a statistically interesting relationship that adds little to the actual decision.

RESOLUTION CARD · 03

Can the available data support a credible validation?

Two large datasets do not automatically create a useful analytical dataset.

REMAINING UNCERTAINTY

The transaction histories must be linkable to relevant credit outcomes at sufficient coverage. The observation period must produce meaningful behavioural histories. Outcomes need consistent definition. The analysed population should bear a defensible relationship to the population the institutions hope to learn about.

Repayment outcomes exist only for merchants the bank has already lent to. Whether those merchants represent the wider population in view is part of this question.

MATERIAL FACTORS

- Match rate
- Population coverage
- Observation history
- Outcome availability
- Completeness
- Representativeness

SUFFICIENT RESOLUTION

There is no universal threshold. Adequacy depends on what the institutions intend to claim from the validation.

DECISION IMPLICATION

A feasibility assessment may show that the population needs narrowing, the observation period extending, the outcome definition changing or another data source introducing.

That would not be preliminary housekeeping. It would be a material finding about what the institutions are actually capable of learning.

RESOLUTION CARD · 04

Can the historical data be used under acceptable conditions?

CURRENT POSITION	*The mobile-money provider controls information the bank does not own. The bank holds outcomes the intelligence provider may need to undertake the analysis.*
SUFFICIENT RESOLUTION	*The relevant parties determine whether the historical use can be supported: for what purpose, through what access or processing arrangement, with what security and retention conditions, and with what allocation of responsibility.*
RESPONSIBILITY	*The precise legal, regulatory and governance requirements belong to the institutions and jurisdictions involved. The Decision Case simply exposes the dependency.*
DECISION IMPLICATION	*If an acceptable arrangement cannot be established, that does not demonstrate that transaction-derived intelligence lacks credit value.*

It demonstrates that this proposition cannot presently be tested through this configuration.

What does this justify now?

THE INSTITUTIONS BEGAN WITH A BROAD POSSIBILITY

Could mobile-money intelligence improve merchant lending?

The Decision Case does not provide sufficient basis for live underwriting. It establishes something narrower.

1. There is a sufficiently plausible information constraint to justify investigation.
2. There is a credible reason to believe mobile-money activity may contain additional credit information.
3. A historical validation could test that claim, if the available records can support a meaningful analysis.
4. The exercise remains conditional on acceptable arrangements for the historical use of the data.

SUPPORTED

A learning commitment.

NOT SUPPORTED

A production commitment.

THE BANK'S DECISION

The bank has decided to undertake a bounded retrospective validation of transaction-derived intelligence for the defined merchant population. This authorises the agreed historical data to be analysed against observed repayment performance because the possible underwriting-information constraint and the credit-risk logic of the intervention provide sufficient basis to investigate whether the intelligence adds incremental discriminatory power beyond the incumbent underwriting approach. The decision is subject to adequate data feasibility and an acceptable data-use arrangement and does not authorise the intelligence to influence production credit decisions.

THE MOBILE-MONEY PROVIDER'S DECISION

The mobile-money provider has decided to support the defined retrospective validation by enabling the agreed historical transaction data to participate under the conditions established for the exercise. The commitment is limited to the specified analytical purpose and does not authorise continuous production access, additional populations or any future role for the data in live credit adjudication.

The commitments are different.

They are sufficiently compatible for the bounded proposition to move.

What has actually closed?

The Decision Case has not answered whether the bank should deploy mobile-money intelligence. It has answered the decision that actually existed.

There is sufficient basis to make a bounded commitment capable of generating stronger evidence about the proposition, and enough clarity about the configuration and conditions to understand what that commitment does and does not permit.

The present Decision Gap is closed.

A new one may open when the evidence arrives.

Strong validation performance	might bring a supplementary or bounded production role into view.
Weak performance	may support stopping or redesigning the proposition.
Inconclusive evidence	may shift the next commitment towards better data or a different test.

The same underlying opportunity remains.

The decision has changed.

The same framework, different Decision Gaps

CONTAINED IN ONE LENDER

Almost no configuration work. The material questions concentrate on whether information is genuinely constraining underwriting, whether new variables add value beyond incumbent information and what role the evidence supports.

THE GAP SITS IN

Relevance Basis

STRONG EVIDENCE, NO ACCESS

Strong analytical evidence, but continuous access to the external data required for production cannot be established.

THE GAP SITS IN

Conditions Configuration

INCONCLUSIVE VALIDATION

Poor linkage and short outcome histories make the evidence inconclusive. The intervention may not have failed; the chosen test could not adequately resolve the proposition.

THE GAP SITS IN

Basis · the path to resolution

The Decision Case changes shape because the Decision Gap changes shape.

That is the point.

Where the Decision Case ends

Alternative credit infrastructure becomes real through institutional commitments. Some commitments are analytical. Some concern data. Some concern partnerships. Some eventually change how underwriting works and influence real customer outcomes.

The farther those commitments move into consequential decisioning, the more an institution may need to understand, govern and support. But the whole future does not need to be resolved at once.

At 30,000 feet, the opportunity can remain enormous. Closer to the ground, institutions encounter something much smaller and much more consequential: a specific decision carrying particular consequences, supported by some evidence and limited by some uncertainty.

The work is to see that decision clearly enough to know what still matters.

To resolve what matters far enough.

And then to make the commitment explicit.

Investigate	Validate	Proceed under conditions	Permit a bounded role in live decisioning
Change the proposition	Change the participants	Wait	Or stop

None of these outcomes is inherently more sophisticated than another. The quality of the decision comes from whether the commitment is proportionate to what the institution actually understands.

The Decision Gap closes for a decision.

A later decision may open another.

That is how alternative credit moves from possibility towards responsible institutional capability: through commitments whose authority does not outrun the evidence and conditions that support them.

Notes

1 International Finance Corporation (2025). *MSME Banking in the Digital Era*, pp. 5, 13. The $331 billion estimate of unmet MSME finance demand in Sub-Saharan Africa originates in IFC (2017), *MSME Finance Gap: Assessment of the Shortfalls and Opportunities in Financing Micro, Small and Medium Enterprises in Emerging Markets*. Cited pp. 08, 09.

The worked case	Part Three (pp. 49–63) is constructed. Thresholds, standards and conditions that only an institution can set are deliberately left to the institution.
Working surfaces	The tool pages in Part Two (pp. 33–48) are designed to be printed and written on, or filled in digitally. Duplicate the Resolution Card as often as the material questions require.
Edition	Issue 01 · The Decision Gap · v0.2 · October 2026

Published by Notto

The Alternative Credit Infrastructure Playbook is published by Notto. Notto builds Alternative Data Intelligence (ADI), using AI and other analytical methods to turn additional economic information into credit intelligence, and the infrastructure through which institutions can use it responsibly.

This series documents the recurring institutional questions that emerge as alternative credit moves from possibility into practice.

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