

AI & Algorithmic Bias

The background features a network of nodes and lines. A large red circle contains a white icon of a man. To its right, a yellow circle contains a white icon of a woman. Below the red circle, a purple circle contains a white icon of a woman. To the right, a large orange circle contains a white icon of a woman. The nodes are connected by thin lines, and there are several other smaller nodes in various colors (red, green, orange) scattered throughout the background.

SoCal's Women' Leadership Summit
November 10, 2021

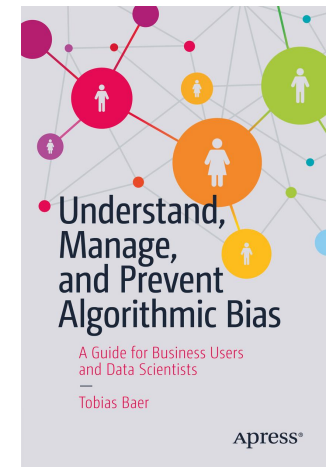
Tobias Baer



Dr. Tobias Baer

Risk Management • Data Science • Psychology
Consultant, Coach, and Scholar

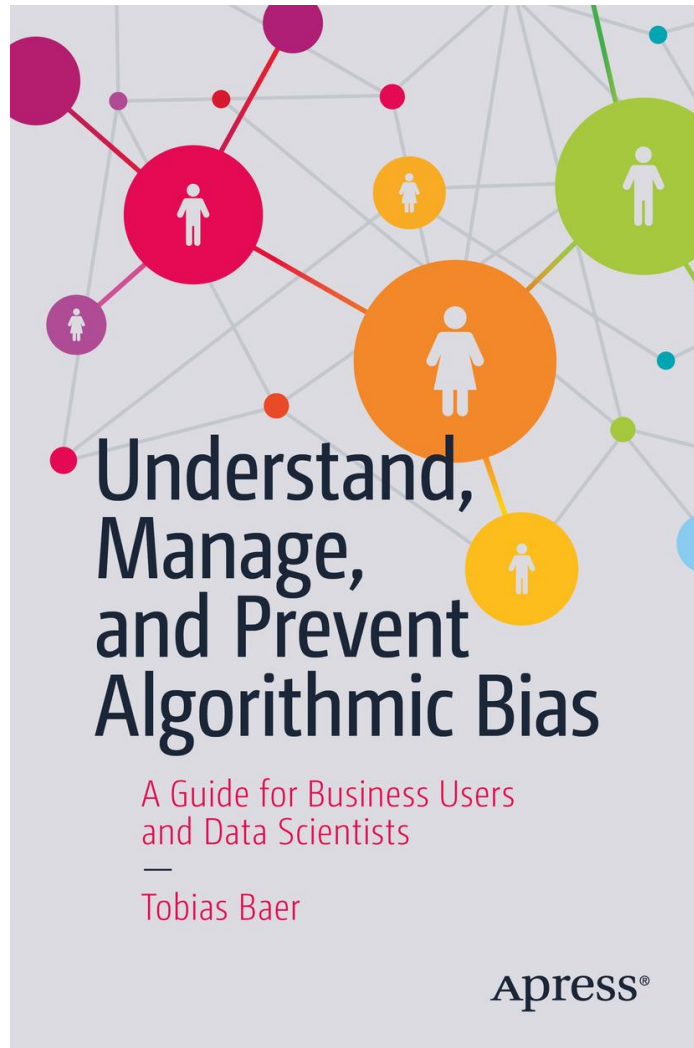
- Ex McKinsey Partner and Master Expert
 - Built and led McKinsey's global Credit Risk Analytics Service Line
 - Faculty for McKinsey's LGBTQ Senior Executive Master Class
- Passionate about building profitable lending businesses serving underprivileged customers
 - 30 years experience in credit risk management, having served over 100 financial institutions on all continents (50+ countries), ranging from FinTech start-ups to the world's top institutions
 - Particular focus on creative solutions for hard-to-assess, neglected segments (e.g., unbanked customers, microlending, small and informal businesses, etc.)
- Tobias or not to bias?
 - Psychologist (University of Cambridge) with 16 years experience in removing cognitive biases from decision processes
 - Data scientist with over 20 years experience in tackling algorithmic bias
 - Author of the book "Understand, Manage, and Prevent Algorithmic Bias: A Guide for Business Users and Data Scientists"



Some key thoughts

- Good algorithms are your friend in fighting bias – but bad ones are your foe – and both aspects scale
- Just like humans, often the algorithm per se isn't evil but the system causes it to harm you or others
- The most fateful systems usually aren't designed but fall in place – per se reasonable behavior of actors causes the system as a whole to produce bad outcomes – case study: job ad placement in social media
- Decision architecture stands above algorithms – business leaders can define the reality they want to create, data scientists can create the algorithms that support this vision
- Industrial strength tools against algorithmic bias foster diagnosis, dialogue, and creation of new, unbiased realities that go beyond statistical techniques

Thank you! And some further reading...



[How Algorithms Can Fight Bias
Instead of Entrench It](#)

<https://www.tobiasbaer.net/algorithmic-bias>
<https://link.springer.com/book/10.1007/978-1-4842-4885-0>
<https://www.amazon.com/dp/1484248848>