



Suhas Bhairav

AI Financial Model Assumption Checker

**A beginner-friendly guide to auditing AI-driven
financial models effectively**

A practical, step-by-step checklist to validate and
improve financial model assumptions.

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AI Financial Model Assumption Checker — Overview

This guide defines the scope of the AI model assumption checker for finance. It outlines automation targets, human roles, and initial steps.

Key move Assign owners and establish a weekly cadence for checks.

PRACTICAL CHECKLIST

- 01** Automate presence and source linking for core assumptions: revenue growth, gross margins, cost inflation, tax rates.
- 02** Validate scenario logic: ensure all scenarios follow defined pivot rules and dependencies.
- 03** Check unit consistency across time periods and entities (USD, months, headcount).
- 04** Detect missing data dependencies and broken feeds in model links.
- 05** Documentation completeness: all assumptions documented with source and owner.
- 06** Growth guardrails: cap unrealistically optimistic growth assumptions; flag unsupported growth rates.

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Checklist Details

The page lists concrete checks and their automation status. It distinguishes what to automate, what to keep human-reviewed, and required data/tools.

Key move Establish owners and a weekly cadence for checks.

PRACTICAL CHECKLIST

- 01** Automate sourcing: pull assumptions with lightweight agents from ERP, budgeting tools, CRM, external forecasts.
- 02** Automate linkage checks to ensure inputs feed every forecast node.
- 03** Human review: validate reasonableness of unexpected changes.
- 04** Ownership mapping: assign data owners, model owners, and review cadence.
- 05** Data and tool prerequisites: source of truth, lineage, metadata; versioned notebooks and audit logs.
- 06** Scenario and sensitivity checks: test growth, cost, and mix pivots with plausible bounds.

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Adoption Plan & Governance

This page translates the checklist into an actionable adoption plan with governance. It outlines weekly steps, approvals, metrics, and ownership.

Key move Ensure cross-functional sign-off before production deployment.

PRACTICAL CHECKLIST

- 01** Week 1: catalog data sources, assign owners, and set baseline assumptions.
- 02** Week 2: enable automated checks for a pilot model and basic alerts.
- 03** Week 3: extend checks to scenario logic and unit consistency.
- 04** Week 4: add data lineage dashboards and formal approvals.
- 05** Week 5: establish governance cadence, metrics, and ownership reviews.
- 06** Measure drift, false positives, time-to-resolution; adjust thresholds and owners.

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ABOUT THE CREATOR

Suhas Bhairav

I build AI systems that combine distributed architecture, retrieval, knowledge graphs, security, and practical workflow design. My focus is AI that can be used repeatedly by real teams: understandable, reliable, and grounded in the work people already do.

EXPERTISE

- Principal systems architecture and applied AI engineering
- Production-grade AI systems, agentic workflows, RAG, and knowledge graphs
- Full-stack workflow applications across AWS, Google Cloud, Azure, on-premise, and hybrid environments
- Practical AI implementation patterns for automotive, manufacturing, finance, logistics, cybersecurity, sales, and customer operations
- Security, governance, observability, approvals, and failure-mode thinking for operational AI systems

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