

# How to establish responsible and ethical AI in organisations

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The use of AI in organisations, particularly Generative AI (GenAI), is quickly outstripping how prepared businesses are for a technology that could fundamentally change the way people work.

The *2024 Work Trend Index* from Microsoft and LinkedIn highlights both challenges and opportunities with a few key statistics: three-quarters of knowledge workers (75 per cent) now use AI at work and most (78 per cent) bring their own AI tools to work. Although 79 per cent of leaders agree that AI adoption is critical to remaining competitive, 60 per cent admit their company lacks a vision and plan to implement it.<sup>1</sup>

With great power comes great responsibility. The integration of AI into core business functions brings with it a host of ethical considerations that demand careful attention from organisational leaders.

While the allure of AI's capabilities is undeniable, organisations must recognise that the deployment of AI solutions without proper ethical safeguards can lead to far-reaching consequences that extend beyond reputational damage or regulatory non-compliance. They have the potential to erode trust, perpetuate societal inequalities, and fundamentally undermine the foundations of successful businesses.

## Understanding the far-reaching consequences of unethical AI

The United Nations Educational, Scientific, and Cultural Organisation's (UNESCO) International Research Centre on Artificial Intelligence has found that GenAI's outputs reflect considerable gender-based bias.<sup>2</sup>

UNESCO's research uncovers three major reasons for bias. First, if GenAI isn't exposed to data from underrepresented groups, it will perpetuate societal inequalities. This fundamental flaw threatens the promise of AI as a tool for progress and innovation. Second, algorithm selection bias can also entrench existing prejudices, turning AI into an unwitting accomplice in discrimination. These biases risk cementing unfair practices into seemingly objective technological systems by amplifying historical injustices. Third, deployment bias happens when AI systems are applied in contexts different than from those they were created for, resulting in dangerous associations that can

stigmatise entire groups. This misuse of AI undermines its effectiveness and poses significant ethical and social risks that demand immediate attention.<sup>3</sup>

Another challenge is the lack of transparency and explainability in many AI systems. As AI algorithms grow more complex, their decision-making processes often become opaque, even to their creators. This 'black box' nature of AI can be particularly problematic in high-stakes areas like healthcare or finance. Imagine a scenario where an AI system recommends a specific medical treatment or denies a loan application without providing a clear rationale. This lack of explainability undermines trust and makes it difficult to identify and correct errors or biases in the system.

Perhaps most troubling is the potential absence of accountability in AI-driven decision-making processes. When AI systems make decisions that significantly impact individuals' lives, there must be clear mechanisms for people to contest or appeal them. Without these safeguards, customers affected by AI decisions can feel powerlessness, potentially eroding trust and customer loyalty.

## **Achieving ethical AI adoption**

Fujitsu's approach to ethical AI provides a comprehensive three-step process for ethical AI adoption to address these challenges and harness the full potential of AI while mitigating its risks: design; implement; and monitor.

### **The design phase**

The design phase is the foundation of ethical AI practices within an organisation. It begins by securing buy-in from top leadership, recognising that ethical AI is not only an IT concern but a strategic imperative that touches every aspect of the business. Organisational leaders must articulate a clear vision for ethical AI and define principles that align with the company's values and societal expectations.

These principles should then be translated into concrete policies that guide AI development and deployment. Crucially, this phase involves planning for governance structures that will oversee the implementation of these policies. These governance bodies should be diverse and bring together perspectives from various departments such as legal, risk management, business operations, and human resources (HR). The inclusion of external AI ethics experts can provide valuable independent insights and enhance the credibility of the governance process.

### **The implementation phase**

The implementation phase brings the ethical AI framework to life. Governance groups are established with clear mandates and terms of reference, and processes are implemented to manage every stage of AI development and deployment ethically. This is not a one-time effort but an ongoing process that begins at the project proposal stage and continues through design, development, testing, and deployment.

It's important to recognise that ethical AI implementation often involves navigating complex trade-offs. There may be instances of ethical considerations conflicting with short-term business objectives. Organisations must be prepared to make difficult decisions and prioritise long-term sustainability and societal impact over immediate gains.

## The monitor phase

The final step ensures the ongoing effectiveness of ethical AI practices. The monitor phase involves continuous evaluation of governance processes, staying on top of technological advancements, and adapting to the changing legal and regulatory landscapes, which are also lagging behind AI deployment. Regular audits of AI systems can help identify potential biases or unintended consequences that may have emerged over time.

## Balancing responsibility with opportunity

AI technologies will continue to advance, and the ethical implications of their use will only grow in complexity and importance. Organisations that address these challenges proactively will be better positioned to build trust with customers, employees, and stakeholders. They will also be more resilient in the face of regulatory scrutiny and better equipped to deal with the ethical dilemmas that will inevitably arise in the AI-driven business landscape.

Ethical AI is not a destination but a journey. It requires ongoing commitment, resources, and a willingness to engage with difficult questions. By embracing this challenge, organisations can unlock the transformative potential of AI while upholding their responsibilities to society.

<sup>1</sup> <https://news.microsoft.com/2024/05/08/microsoft-and-linkedin-release-the-2024-work-trend-index-on-the-state-of-ai-at-work/>

<sup>2</sup> <https://unesdoc.unesco.org/ark:/48223/pf0000388971>

<sup>3</sup> <https://unesdoc.unesco.org/ark:/48223/pf0000388971>

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