# GOVERNING ARTIFICIAL INTELLIGENCE

Managing business risks in a digital world

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**MARSH**

# INTRODUCTION

*COVID-19 implications:*

*accelerated AI deployment*

[1]

1   Forbes. (2020). Roundup of Machine Learning Forecasts and Market Estimates, 2020. Retrieved October 12, 2020, from
    https://www.forbes.com/sites/louiscolumbus/2019/03/27/roundup-of-machine-learning-forecasts-and-market-estimates-2019/#29b08337695a

# COVID-19 implications:
# accelerated AI deployment

that perhaps 40 percent of companies worldwide

[3]

in helping businesses facilitate a safe return to the

[2]

businesses to introduce automated solutions for

2   Marsh & McLennan Advantage. (2020). Digital Health Surveillance — A Balancing Act for Business. https://www.mmc.com/content/dam/mmc-web/insights/publications/2020/august/Digital-Health-Surveillance_Final.pdf

3   Wall Street Journal. (2020). Tech Workers Fear Their Jobs Will Be Automated in Wake of Coronavirus. Retrieved October 12, 2020, from https://www.wsj.com/articles/tech-workers-fear-their-jobs-will-be-automated-in-wake-of-coronavirus-11590571801

# INTRINSIC RISKS IN AI TECHNOLOGY

important decision-making processes such as credit-

algorithm-based decision processes and their output

political

[4]

[5]

candidates or when chatbots used racist and anti-

[6] This is exacerbated when historical

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h                  t  p  t  g d, tw            l    ou g  i i soce y ea i

[7]

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4   TechGenix. (2019). AI cyber risks: What to look out for when deploying AI technology. Retrieved October 12, 2020, from
    http://techgenix.com/ai-cyber-risks/

5   United Nations Interregional Crime and Justice Research Institute. (2019). Artifcial Intelligence and Robotics for Law Enforcement. Retrieved October 12,
    2020, from http://www.unicri.it/news/article/Artif cial_Intelligence_Robotics_Report
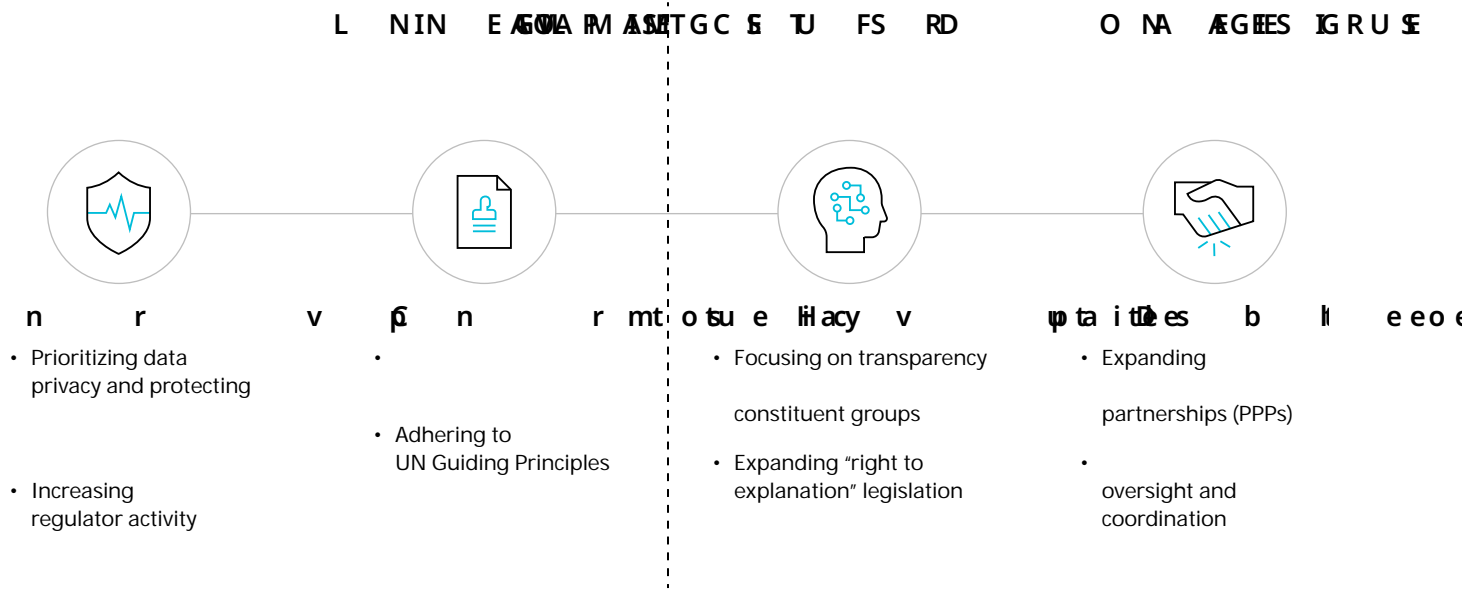
6   Reuters. (2018). Amazon scraps secret AI recruiting tool that showed bias against women. Retrieved October 12, 2020, from https://www.reuters.com/
    article/us-amazon-com-jobs-automation-insight/amazon-scraps-secret-ai-recruiting-tool-that-showed-bias-against-women-idUSKCN1MK08G

7   The Guardian. (2019, April 17). Disastrous lack of diversity in AI industry perpetuates bias, study f nds. Retrieved October 12, 2020, from https://www.
    theguardian.com /technology/2019/apr/1 6/artif cial-intelligence-lack-diversity-new-york-university-study

# EXTERNAL PRESSURES FROM THE BROADER PUBLIC AGENDA

## IMPLEMENTING SOCIETAL SAFEGUARDS TO PROTECT THE PUBLIC INTEREST

**Exhibit 2: Public governance agenda overview**



- Prioritizing data privacy and protecting

- Increasing regulator activity

- Adhering to UN Guiding Principles

- Focusing on transparency

  constituent groups

- Expanding "right to explanation" legislation

- Expanding

  partnerships (PPPs)

- oversight and coordination

Source: Marsh & McLennan Advantage

algorithms can be reconstructed and intellectual

such

12

## OVERSEEING AI USAGE IN AN EVOLVING BUSINESS LANDSCAPE

algorithm-based decision-making and also the potential

[10] This

academic institutions on the one hand to more formal

sales

13

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r                          f   ,  p  d,t  twlp wl dd           el  to eldta   o e  ia y

8   Virtu. (2020). Infographic: Data Privacy Law Momentum at the State Level. Retrieved October 12, 2020, https://www.virtru.com/education/data-privacy-law-infographic/

9   CNET. (2019). Amazon and Google are listening to you: Everything we know. Retrieved October 12, 2020, https://www.cnet.com/how-to/amazon-and-google-are-listening-to-your-voice-recordings-heres-what-we-know/

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https://towardsdatascience.com/looking-at-ai-focused-case-studies-139e0bb98f 5

# AI GOVERNANCE

process for maintaining

## TOWARDS RESPONSIBLE
## AI DEPLOYMENT AND USE

Growing awareness of the pitfalls and societal impacts

*A review of published AI governance frameworks*
60 publications against the intrinsic risks and external

critical

**INTENT:**

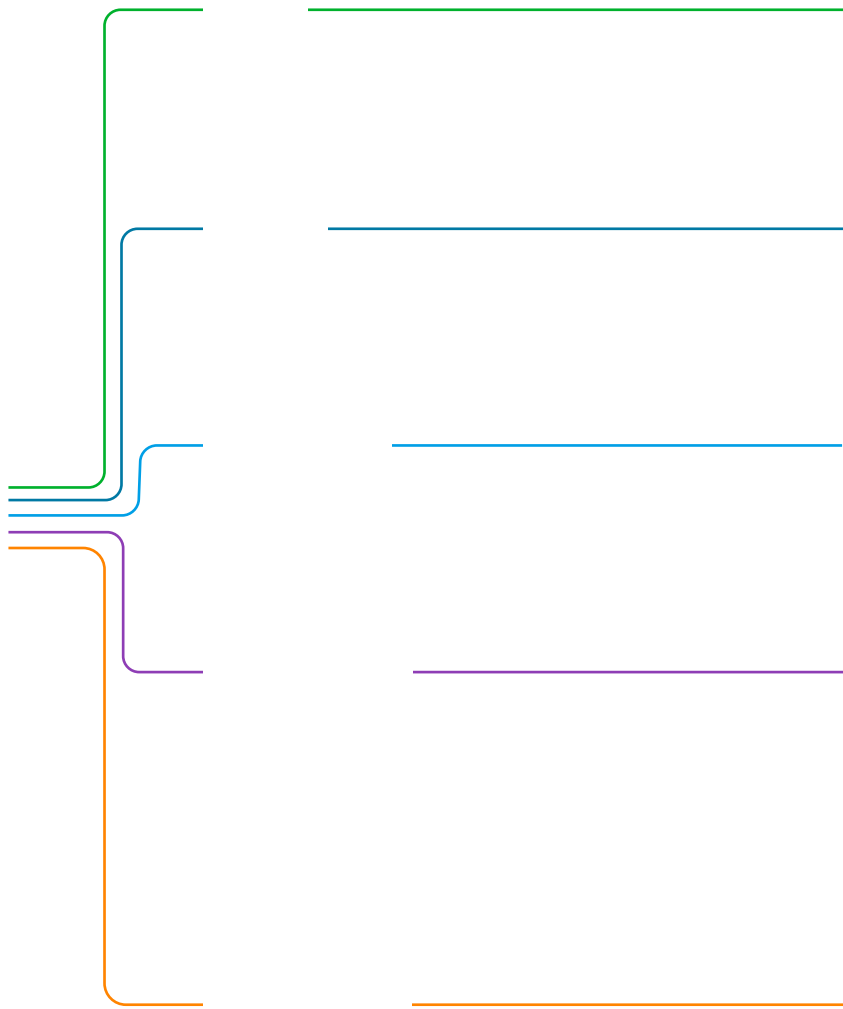be better positioned to manage risks and execute their

**FAIRNESS:** Companies need to ensure that the processes

**TRANSPARENCY:** Companies should ensure that their

**Exhibit 3: Summary of governance frameworks**

**Exhibit 4: A holistic approach to ef ective governance**

| Imperative | Why it matters |
|---|---|
| **INTENT** | • |
| | logic |
| aligned with expressed purpose | • |
| | • models |
| t t I g · e i y | |
| | data |
| appropriate manner | |
| **FAIRNESS** | |
| t E l | • Mitigates the risk of disenfranchisement quality |
| Promote equal access and similar | • Fosters public trust |
| groups | • |
| t f p l · a iai y | |
| | mechanisms |
| biased outcomes | |
| **TRANSPARENCY** | |
| p E b l · ai a ixy | |
| | • Facilitates internal compliance |
| | • adoption |
| outputs | |
| t p b R l · e ea a i i y | |
| Generate predictable and reproducible outputs · | |
| | stakeholder acceptance |
| maintenance processes | |
| **SAFETY/SECURITY** | |
| U | • Safeguards customer rights and builds trust se and reputation |
| | • Minimizes legal |
| is intended | |
| h | t t t p T · ea o ec io outputs |
| | • |
| and indirect malicious inputs | function as intended |
| t D · a a | |
| Manage data assets in a holistic fashion to | • data |
| information | |
| **ACCOUNTABILITY** | |
| A dt t b l · u i a i i y | |
| | • outputs |
| inputs | |
| p C l · o ia ce standards | |
| | • |
| agenda | agenda |
| f h | t dk S dt tl · a e o e ocus a us |
| clear enforcement mechanisms | • |

# ACTIVATING GOVERNANCE

**data and systems taxonomy** should be established to

expected

**oversight committee** independent of the

tiers of

ABOUT MARSH & MCLENNAN COMPANIES (MMC)

clients.

BRINK.

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Research Manager

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