

AI governance: Track the risks

Transcript

SPEAKER:

Deborah Dunie, CEO, DBD Insights and member of multiple boards

Why boards need to stay on top of AI

DEBORAH DUNIE: AI in general has the ability to really elevate the output of the businesses that folks are engaged in. We have efficiencies that can come from it. We have new capabilities that are coming from it. So we really should be looking at it in context of an overarching risk framework.

And the things that feed into AI are just one more element of looking at, how does this impact our strategy, what are the risks that it could put us out of business, or whatever the case may be.

It's enabling the future in many ways, and the next generation of how these businesses will perform. And board members need to be cognizant of what they're trying to achieve, both for their objective clients, their fiduciary responsibility for their shareholders, what they're doing for employees, which in some states actually is a legal requirement. So you need to be tracking all these things.

Staying on top of liability

DEBORAH DUNIE: Not all of the outputs from these systems are being fed to people. Some of them are automated outputs that are going machine to machine. So the persona of the receiving end might be another machine acting at the speed of cyber.

So if you have an energy system and it aggregates that there's a whole bunch of really bad things happening, you want to shut something down very rapidly. You don't have time, necessarily, to go in and assess the situation for a long period and then make a decision with human in the loop.

So there are automated capabilities around this that can have pretty dramatic impacts on individual people, from shutting off the lights to all kinds of other things. And we need to

recognize what that means, and in some cases where it's less catastrophic a response, you're finding that each use of these capabilities your user base has to opt into, which really will limit the corporate liability.

If you say, "Look, you know, these are the things that could go wrong," and if you accept that liability as a user of these outputs and systems, then you've accepted that.

So that's the way I see it impacting people, and board members should be talking about that, and talking about that liability flow and talking about, is there some degree of negativity or even brand recognition issue that could arise from the use of these capabilities.