
How Highly Regulated Industries Are Tackling AI Governance + New Privacy Requirements

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Introduction



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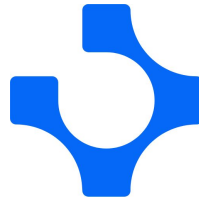


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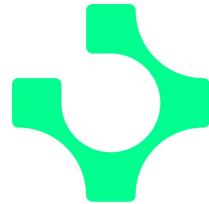
Who is responsible for AI governance in your organization?



Collaboration is key to effective AI governance.

Effective AI governance requires collaboration among legal, compliance, and technology teams is essential. Legal teams ensure adherence to data protection laws and ethical standards. Compliance teams establish policies to mitigate AI risks. Technology teams design AI systems with privacy and fairness. Cross-functional collaboration identifies biases, enhances transparency, and fosters shared responsibility, maintaining public trust and regulatory compliance.

How are we preparing for uncertainty while ensuring compliance with regulatory guidance?



Preparing for Uncertainty & Ensuring Compliance

Inventory & Risk Assessments

Regularly inventory & evaluate potential risks associated with AI and data practices to identify areas of uncertainty.

Regulatory Monitoring

Stay informed about evolving regulations and guidance from relevant authorities to adapt practices accordingly.

Flexible Policies

Develop adaptable policies that can respond to changing regulatory landscapes while maintaining compliance.

Training and Awareness

Educate teams on compliance requirements and the importance of flexibility in navigating uncertainty.

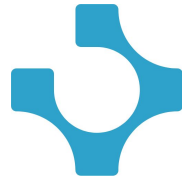
Collaboration

Foster communication between legal, compliance, and operational teams to ensure a unified approach.

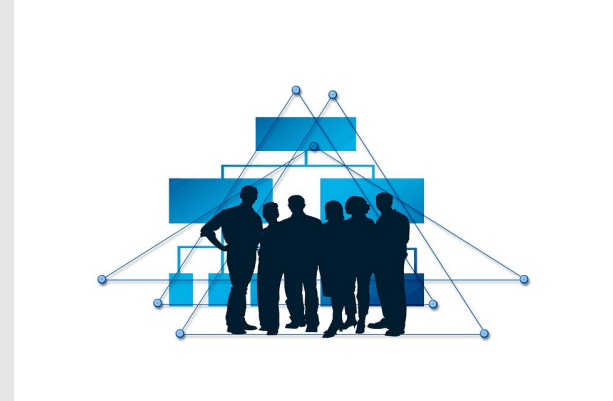
Scenario Planning

Conduct scenario analyses to prepare for potential regulatory changes and their impact on operations.

How are we structuring the AI governance function, and what are the costs and benefits of reporting to the GC versus the CDO/CTO/CISO?



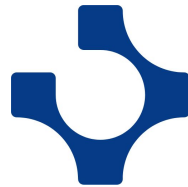
AI Governance Reporting Structure



Key Considerations

- Role clarity ensures that each member within the AI governance function is aware of their responsibilities, promoting accountability and effective oversight.
- Choosing between reporting to the General Counsel, Chief Data Officer, Chief Technology Officer, or Chief Information Security Officer can impact both the focus of the AI governance program.
- Cost evaluation should include potential expenses for resource allocation and personnel training under different reporting lines.
- Benefits vary based on reporting: legal compliance is enhanced through the GC, technical expertise through the CDO/CTO, and security oversight through the CISO.
- Cross-functional collaboration is vital to strengthen governance and align it with the organization's strategic objectives.

**What are the key considerations
when building & implementing AI
governance and risk management
policies?**



Governance

AI governance programs require clear objectives, continuous monitoring, flexibility, and embedded programs.

Clear objectives: Define the goals of the governance framework to guide policy development.

Stakeholder engagement: Involve relevant stakeholders from legal, compliance, technology, and business units to ensure comprehensive input.

Regulatory compliance: Stay updated on relevant laws and regulations to ensure policies meet legal requirements.

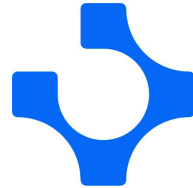
Regular risk assessments: Identify and evaluate risks associated with AI technologies to inform policy decisions.

Flexibility and adaptability: Create policies that can evolve with technological advancements and regulatory changes.

Training and education: Provide ongoing training to staff on governance policies and risk management practices.

Monitoring and evaluation: Establish mechanisms for regularly reviewing and updating policies based on performance and emerging risks.

As leaders, how do you prioritize AI governance amidst constant change?



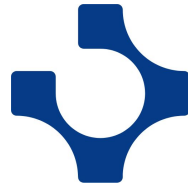
Prioritization

Key Strategies for Prioritizing AI Governance

- **Strategic alignment:** Ensure AI governance aligns with organizational goals and risk management priorities + goals.
- **Continuous monitoring:** Stay informed about industry trends, regulatory updates, and technological advancements to adapt governance practices.
- **Resource allocation:** Allocate appropriate resources, including personnel and budget, to support AI governance initiatives.
- **Cross-functional collaboration:** Foster collaboration between departments to ensure diverse perspectives and shared ownership of governance.
- **Risk management focus:** Prioritize identifying and mitigating risks associated with AI deployments to maintain trust and compliance.
- **Communication:** Regularly communicate the importance of AI governance to all stakeholders to build a culture of accountability and responsibility.



How can organizations ensure transparency and accountability in AI decision-making?



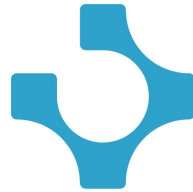
Transparency & Accountability

Key Practices

- **Clear documentation:** Maintain comprehensive records of AI development processes, including data sources, algorithms used, and decision-making criteria.
 - **Explainable AI:** Implement models that provide clear explanations for their outputs, allowing stakeholders to understand how decisions are made.
 - **Regular audits:** Conduct audits of AI systems to assess compliance with ethical standards and regulatory requirements.
 - **Stakeholder engagement:** Involve diverse stakeholders in the decision-making process to gather input and address concerns about AI use.
 - **Feedback mechanisms:** Establish channels for feedback on AI decisions to identify issues and improve processes.
 - **Reporting frameworks:** Develop clear reporting structures to track AI decision-making and ensure accountability at all organizational levels.
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Bonus Question

Can we use the interest in AI to gain more support for our data privacy and governance programs?



Summary

Effective privacy & AI governance can be built concurrently.

If internal folks are tired of hearing about privacy, talk about AI Governance and work to create complimentary, overlapping controls wherever possible.

Effective privacy and AI governance can be built concurrently by integrating their principles and practices into a cohesive framework. As organizations develop AI systems, they can embed privacy considerations from the outset, ensuring that data protection measures are part of the design process rather than an afterthought. This simultaneous approach fosters a culture of accountability and transparency, enabling organizations to address ethical concerns while enhancing the performance and trustworthiness of their AI technologies. By aligning privacy and AI governance efforts, organizations can streamline compliance, mitigate risks, and maximize the value of both initiatives.

AI Governance, Some Takeaways:

Collaborative AI Governance

Involves legal, compliance, and technology teams working together to ensure comprehensive governance strategies.

Prioritizing AI Governance

Leadership must adapt to evolving regulations by prioritizing AI governance initiatives within their organizations.

Education and Policy Development

Focus on training teams and crafting policies that address AI bias and privacy concerns effectively.

Risk Assessments and Fairness Testing

Conduct regular assessments and testing to identify risks and ensure fairness in AI applications.

Transparency and Accountability

Enhancing transparency in AI decisions fosters accountability and supports broader data governance efforts.

Continuous Improvement

Regularly update AI governance practices to reflect technological and regulatory changes.

Panelists

Connect with us!



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Thank you.