Digital ethics in business – Recommended actions

Baden, July 27, 2021 **– Along with the increasing pace of digital transformation, the topic of digital ethics has also gained momentum. Digitization requires that companies are mindful of values and act responsibly – this is the only way to attain societal acceptance of new technologies and business models. This situation raises questions for companies: How should they approach the ethical implications of digital transformation? How should they regulate the responsible use of data and technologies?**

Christoph Bräunlich, Head of AI at the software company BSI, Vice President at the association SWISS INSIGHTS, and co-developer of the label called Data Fairness by SWISS INSIGHTS, describes why the topic of digital ethics should be on every company's agenda and presents three recommended actions for companies to implement.

Three recommended actions for digital ethics in business

Algorithms that generate fake news that ends up being spread on social media; clinical studies whose database does not include certain population groups; deliberately placed negative reviews about companies on Google Maps generated by artificial intelligence (AI): Digitization does not only contribute positive ideas to our economy and society, it also has a high potential for destruction. Consequently, digital ethics is more than just a trend, and by now, it is highly relevant in our society: More and more, people question the values behind software, AI or applications. Therefore, companies of all sizes and industries must develop a strategy on how to approach and deal with the topic. They should absolutely pay attention to the following three aspects:

1. Be transparent with your algorithms and processes. If you want to gain your employees', customers', partners' and even society's trust, it is important to be transparent toward your workforce and toward people outside your organization, too, regarding your use of data, models and algorithms. Of course, company-internal and confidential information is exempt from this.

2. Check your analytics database critically for potential distortions. The quality of your algorithms is only as good as the data and information they are created from. If texts you analyze have a racist undertone, the analyses based on them will also have this tendency.

When the databases companies use for recruitment neglect or systematically discriminate against certain populations or otherwise have a certain one-sidedness, the company limits itself in its employee selection – and will exclude some candidates from the get-go. In addition, it has been reported that some clinical research studies, for example, have a gender-biased design. All this shows distinctly that data ethics is about more than "merely" data protection – and that it pertains to businesses and organizations in all industries. Consequently, for those businesses and organizations, this means: If you trained your models based on potentially biased data, you should, if there is any doubt, subsequently examine if there really was a bias in these data.

3. Define digital values for your company. If you want to drive digital transformation proactively, you have to take on digital ethics sooner or later. Start by defining values for the digital world and make sure that they are practiced, too. Doing so will also strengthen the trust in your company and improve your relationships.

With all these steps, it is helpful to refer to a label, such as the Data Fairness by SWISS INSIGHTS label. First, using a questionnaire is helpful to address digital ethics in a structured manner and think about ways to deal with it in the future. Secondly, you can obtain this label and incorporate it into your website and communication to distinctly position yourself relative to data ethics and strengthen your partners', customers' and potential employees' trust in your company.

To that end, the realm of data ethics is very comprehensive. After all, it is ultimately about the fair treatment of people, brands and objects but certainly also about ensuring the objectivity of data analyses. While the implementation of appropriate measures undoubtedly takes effort, it certainly offers opportunities as well.

"Digital ethics is similar to environmental protection. If we do not deal with it and don't act with resolve, it will have devastating consequences to the human species," explains Christoph Bräunlich, Head of AI at software company BSI, Vice President at SWISS INSIGHTS and co-developer of the Data Fairness by SWISS INSIGHTS label. "But if you as a company contribute to a positive culture in the context of digital business models, you will not only be perceived as innovative but also as an organization that takes social responsibility, also making your company more attractive to new employees."

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