Digital Ethics

Background
We live in a golden age of technological growth! Technologies that process and create data in novel ways, such as artificial intelligence (AI), machine learning (ML), deployment of robots and the use of blockchain technology are finding their way into our everyday business and life.

Organizations are pursuing innovation through the capabilities these new technologies provide. From aiding decision making and advanced customer insights, to increased robotization. At the same time concerns around ethical use of data and technology are on the rise. Incidents have shown the risks of losing consumers trust and reputational damage when companies fail to manage undesired, often unintentional, consequences of technology application.

Using data and technology responsibly, or Digital Ethics as we refer to it, adds the element of moral and conscious decision-making to the journey into new technologies. Digital Ethics goes beyond the question of what is within legal boundaries. It revolves around the question of how one should handle data and new technologies in a responsible manner.

Digital Ethics is not just about managing risk but also about how to differentiate oneself by doing responsible business. Customers increasingly prioritize and select products and services based on personal values. Privacy, sustainability, fairness, transparency, diversity, and other values become prevalent in buying decisions and loyalty.

Doing things right
Today’s society puts more and more pressure on organizations to do ‘the right thing’, with policymakers following in their reasoning. Advanced technologies provide strategic edge and data can be the new gold, but only when applied well. One must carefully consider the trade-offs involved in responsible use of technology. Consider for example the following ethical challenges and illustrative use cases on AI and Data Analytics:

Artificial Intelligence: Do we understand the implications of automating human judgement?

- How fair and transparent are our algorithms and their output?
- How reliable and representative is the data that is used for input?
Data Analytics: Do we understand the ethical boundaries of data usage?

- Which data should be gathered/stored from users with or without explicit consent? And, with what purpose and with what in return?

* Illustrative examples where 'Digital Ethics' received adverse media publicity

**Challenge yourself to do the right thing**
To understand how your organisation deals with Digital Ethics ask yourself the following questions:

- How do our customers and the public at large really feel about us using their data and this new technology in return for getting better products, services and more convenience?
- When questioned by journalists on the use of new technology, are we proud and able to discuss all details with them 'on the record'?
- Are our product managers and developers sufficiently aware of potential ethical challenges? Are they equipped to deal with ethics by design?
- Are we sure that no biases have slipped into our data and algorithms, that could potentially lead to unfair results?

**Digital Ethics in your organisation**
When orchestrated well, Digital Ethics is embedded throughout the organisation. From having a strategic point of view on positioning your products and services, to translation into relevant policies and procedures, and operationalisation on the work floor. Digital Ethics is about building ethical considerations in from the start i.e. 'by design', including how to respond and take accountability when it goes wrong.

There are no set of defined rules for Digital Ethics, every organization needs to develop their own definition of what Digital Ethics means for their organization. The Deloitte Digital Ethics framework helps you develop a strategy and vision on Digital Ethics to build trust with your stakeholders. From having a sound story, to translating ethical principles in policies and procedures, and operationalizing them in systems, processes and actual behavior.

Our vision applies a structured assortment of solutions

**Enabling** your organisation to embed Digital Ethics in your Strategic, Tactical and Operational planning.

Helping you to not engage in Ethics Washing (exaggerating the extent to which you practice ethical behaviour)
Credentials on how we helped our clients in building trust with Digital Ethics:

- **Digital Ethics by Design:** For a global healthcare company we developed a process to manage large sets of medical data, ensuring compliance with regulations and without violating the firm's ethical standards.
- **Strategy development:** We conducted research for a consumer goods company to gain understanding of the consumer perspective on the use of their (personal) data as input for a Digital Ethics strategy.
- **Training & awareness:** For a Dutch regulator we developed a tailored AI & Ethics training enabling them to assess ethical use of AI in the businesses and processes they supervise.
- **Ethical advertisement:** We formulated an approach for a financial institution to responsibly use transaction data for advertisement purposes within the boundaries of both the law and customer expectations.
- **Technical solution:** Deloitte Glassbox: GlassBox is designed to monitor, interpret and scrutinize AI algorithms. We applied Glassbox to assess a customer care process at a Tier 1 Dutch Bank, (1) providing human explanations to the Black Box algorithm; and (2) analyzing fairness.

Contact

Our team has had the necessary training in ethics of data and technology. Do you want to know more please contact anyone from our Digital Ethics team:

- **Hilary Richters**
  HRichters@deloitte.nl

- **Jan-Jan Lowijs**
  JLowijs@deloitte.nl

- **Annika Sponselee**
  ASponselee@deloitte.nl

- **Arjan ten Cate**
  AtenCate@deloitte.nl

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms and their related entities. DTTL (also referred to as “Deloitte Global”) and each of its member firms are legally separate and independent entities. DTTL does not provide services to clients. Please see www.deloitte.nl/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our network of member firms in more than 150 countries and territories serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 286,000 people make an impact that matters at www.deloitte.nl.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms or their related entities (collectively, the “Deloitte network”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2020 Deloitte The Netherlands