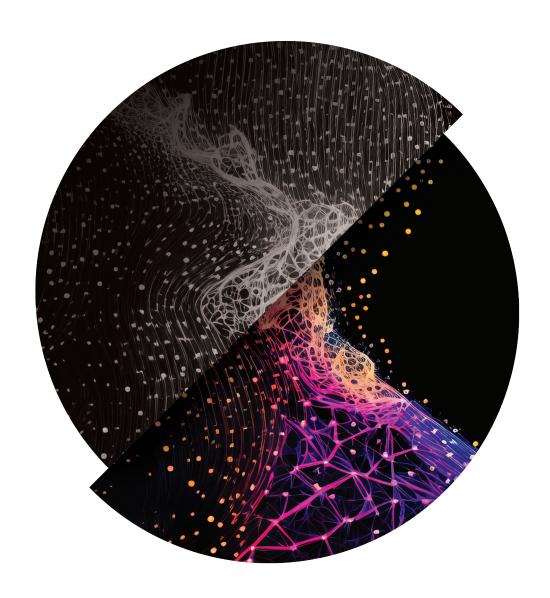
Deloitte.



Equity in the age of AI: Considerations for chief DEI officers

Deloitte's DEI Institute™

Contents

Introduction	3	
Five considerations for chief DEI officers	4	
Chief DEI officers can champion and promote equity-focused AI literacy within their organization	5	
Chief DEI officers may consider being actively engaged in the design and implementation of AI efforts across an organization	6	
Chief DEI officers may consider helping to build trust and ensure organizations continue to prioritize equity-focused commitments alongside AI investments	7	
As AI matures, organizational DEI strategy must also evolve	8	
Chief DEI officers may consider playing a role in assessing the impacts of AI within the organization	9	
Looking ahead	10	
Connect with us	11	
Endnotes	12	



"Organizations can balance the pressures of adopting emerging technologies at scale but should consider the implications to ensure they are applied equitably..."

—Kwasi Mitchell

Al and the art of the possible

Intricate in design and data-driven, Artificial Intelligence (AI) has been a part of the technological landscape since the 1950s¹. Its recent surge in ubiquity, coupled with significant advancements, has compounded the stakes for organizations, prompting leaders to delve into its transformative capabilities and explore the realm of possibilities it offers. As leaders enhance their understanding of AI and explore potential applications, many grapple with the cascade of decisions associated with AI's impact on their organizations. From strategic positioning to implications for their workforce and talent development, leaders are assessing how this rapidly evolving technology will sculpt their organization's future, including its commitments to outcomes of equity and belonging.

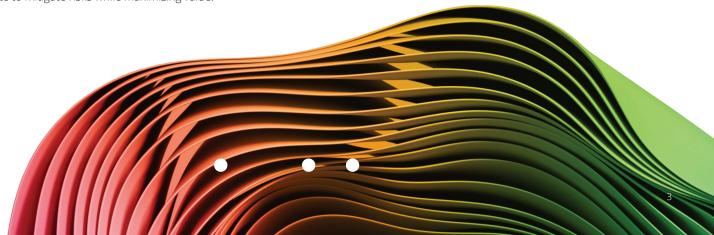
Unlocking synergies with a trusted advisor in the AI and DEI space

Today, as enterprises strive to scale AI use cases, they face persistent concerns around a multitude of risks to the business, the workforce, and society at large. A recent Deloitte survey on organizations deploying Generative AI (GenAI) revealed that trust in the technology and the ability to manage its risks are primary barriers to widespread adoption. Issues such as bias, security, transparency, and others present hurdles to responsible, compliant, and equitable AI value creation. The path forward with AI requires a comprehensive enterprise approach where stakeholders across the organization collaborate to mitigate risks while maximizing value.

In the realm of governance and expertise, boards and Chief executive officers (CEOs) often depend on their chief technology or chief information officers to navigate the promises and challenges of leveraging AI for enterprise value². However, chief diversity, equity, and inclusion (DEI) officers are also uniquely positioned to help their executive peers and organizations navigate the rapidly evolving AI landscape responsibly and ethically.

This point of view, "Equity in the age of Al: Considerations for chief DEI officers," encapsulates insights from chief DEI officers or equivalent leaders at large organizations. It explores their evolving perspectives, engagements, and potential opportunities as they navigate the complex Al environment.

There are many questions surrounding AI risks and the impact on the workforce and talent experience³. Chief DEI officers need to have a seat at the table, ensuring that as organizations progress with technology deployment for business value, they also preserve an enterprise culture that prioritizes advancing DEI⁴.



- •

Five considerations for chief DEI officers

Deloitte's DEI Institute™ in collaboration with Deloitte's AI Institute™ identified five key considerations for chief DEI officers to keep in mind as they strive to prioritize and enhance equity in the AI era. Ranging from promoting equity-focused AI literacy to strategically positioning their teams for involvement in AI design and implementation, chief DEI officers possess a unique opportunity to guide and champion the equitable design and use of AI, thereby bolstering organizational success.



Chief DEI officers can champion and promote equity-focused AI literacy within their organization.

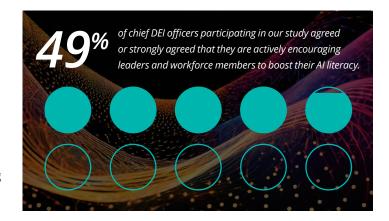
By understanding the influence of this technology on business practices, DEI efforts, and the organization's workforce, chief DEI officers can enhance their AI proficiency and comprehend its equity implications. As these leaders deepen their understanding of AI's impact on the organization, championing AI literacy—which means building competency and knowledge related to AI use—within their teams will empower the workforce to participate in AI use and decision-making⁵.

Comprehending and managing the subtleties of human bias, as well as mitigating equity-related risks, are competencies where chief DEI officers excel. These skills can be pivotal in promoting AI literacy. However, our survey revealed that this potential is not fully harnessed, as 49% of chief DEI officers participating in our study agreed or strongly agreed that they are actively encouraging leaders and workforce members to boost their AI literacy. This finding underscores a significant opportunity for these leaders to further collaborate with other stakeholders like chief technology officers, chief information officers, and chief talent officers, who have subject matter expertise. This collaboration can help in curating necessary learning opportunities that guide their organizations in responsibly and ethically leveraging AI tools.

Only about one-third of survey respondents agreed or strongly agreed that their organizations offered learning opportunities focused on the intersection of AI and DEI. Elevating AI literacy is a pivotal step towards emphasizing the importance of responsible and ethical AI usage, all while maintaining a focus on equity. Learning opportunities can explore both DEI risks from AI usage and how to use AI to promote DEI missions.

Consider the challenge of talent acquisition and sourcing for skills over experience. A data science team may create and deploy an Al-enabled tool for resume screening to support efficiency. The technologists who build and train the model may not have the background or insight to identify the ways in which such an application could create bias. This could, in turn, lead to biased decision-making and potentially unfair hiring practices. Chief DEI officers and their teams, equipped with Al literacy and a keen understanding of risk, could be the voice of caution that points out risks overlapping with their practice area.

By creating more experiential learning opportunities within the organization, the workforce can gain a better understanding of Al and how to mitigate risk with a focus on equity. Through strengthening Al literacy within their organizations, chief DEI officers can foster a culture that prioritizes learning and skills development.





Chief DEI officers may consider being actively engaged in the design and implementation of AI efforts across an organization.

As leaders investigate the effective use of AI tools and platforms to fulfill business needs, AI teams might face difficulties in delineating strategies to curb biases. For example, consider a customer service chatbot that is programmed to converse in colloquial or conversational English. The user communicates by entering text, and the responses are delivered via a simulated voice. At a glance, this application appears to be a straightforward tool to facilitate customer engagement. However, what happens if the customer struggles with typing due to accessibility issues or has auditory challenges that make it difficult to understand the voice outputs? What if English is a second or less familiar language for the customer, who finds it challenging to engage with the tool? The inequities in value that can arise from AI deployment may not always be readily apparent. Recognizing these inequities necessitates contributions from stakeholders encompassing diverse backgrounds and life experiences. According to our survey, a mere 12% of respondents

indicated agreeing or strongly agreeing that their organizations are creating AI roles to foster diverse perspectives within AI teams. In the process of AI deployment, professionals' lived experience can provide essential insights for bias mitigation⁶. Further, integrating DEI functional experts into the AI development process through transparent logs and user-friendly interfaces could also increase representation and inclusion throughout the AI lifecycle.

Chief DEI officers are positioned to contribute to the design and deployment of equitable and trustworthy AI programs. When surveyed about their involvement in the design, development, or implementation of AI efforts across their organizations, 30% of chief DEI officers agreed or strongly agreed with their engagement in these discussions. Furthermore, 35% agreed or strongly agreed that their boards or other C-suite members are actively involving their teams in conversations related to AI's impact on the workforce.

These findings highlight an opportunity to improve and incorporate DEI perspectives into AI programs. By drawing from the diverse perspectives and experiences represented in their organizations and markets, chief DEI officers can guide business leaders to take a more equity-centered approach to design and AI deployment⁷. While many technology leaders prioritize human-centered design in developing AI, chief DEI officers can add an integrated, equity-centered perspective for the design and implementation of AI tools⁸. They can position their teams to play a critical role in redefining design approaches that deepen trust across the organization.



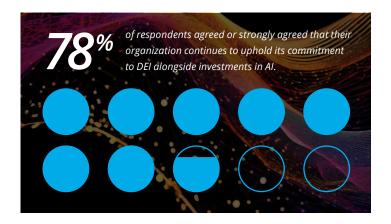


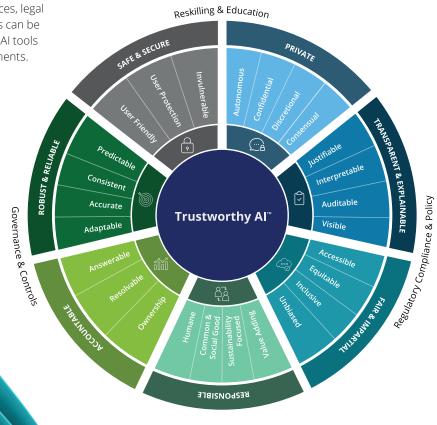
Chief DEI officers may consider helping to build trust and ensure organizations continue to prioritize equity-focused commitments alongside AI investments.

Al harbors immense potential for sparking innovation, boosting performance, and refining decision-making processes. However, without thoughtful design and implementation, Al's perceived role could shift from ally to adversary. As organizations deploy Al, chief DEI officers can help ensure that equity remains a business priority amid the enterprise-wide focus on Al risk mitigation, governance, and compliance⁹. In the survey, 78% of respondents agreed or strongly agreed that their organization continues to uphold its commitment to DEI alongside investments in Al.

DEI leaders can encourage other C-suite executives to prioritize trust-building, ensuring that AI complements, rather than conflicts with, other organizational commitments¹⁰. Achieving this hinges on stakeholder trust that the system aligns with human interests and values and that its risks are known and addressed.

One of the challenges of managing AI risk is that no two deployments are precisely the same. Differences in training data, model design, deployment environments, and intended use can raise a range of potential risks impacting trust. Trustworthy AI is fair and impartial, robust and reliable, transparent and explainable, safe and secure, responsible and accountable, and respectful of privacy¹¹. Alongside stakeholders from information technology, human resources, legal and compliance, finance, and even ethics, chief DEI officers can be the voice of their mission and priorities, helping to ensure AI tools promote equitable outcomes and organizational commitments.





4

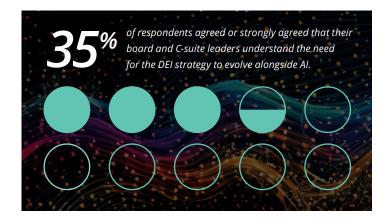
As Al matures, organizational DEI strategy must also evolve.

While AI is not a new technology, it harbors substantial future potential. However, organizational leaders may face challenges in creating maturity models for effective AI utilization. As organizations enhance their maturity by experimenting with various tools and platforms, it is critical that their strategies, especially those related to DEI efforts, evolve concurrently—and in support of established organizational commitments and aspirations.

According to our survey, 35% of participants agreed or strongly agreed that their board and C-suite leaders understand the need for the DEI strategy to evolve alongside AI. This suggests an opportunity for AI leaders to collaborate with their chief DEI officers as they strategize on expanding their AI initiatives to ensure greater alignment.

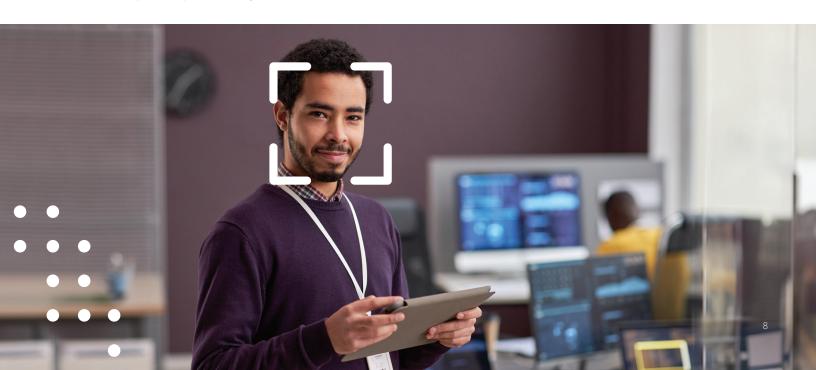
Considering Al's transformational impact on the workplace, chief DEI officers could be positioned to play a more active role in the strategic decision-making related to Al use. Recognizing the value in the subject matter expertise that these leaders possess can be critical in the decision-making process, ensuring equity remains a priority, even as potential Al opportunities are being explored. As the workforce gains more Al literacy, there is an opportunity for boards and C-suite leaders to collaborate with their chief DEI officers to devise action plans that align with Al initiatives while also mitigating potential risks.

This requires leaders to meticulously assess the potential risks associated with emerging AI technologies and strategies to minimize biases and other potential pitfalls throughout creation. As these



systems may reflect human or societal biases due to their data quality, which may include non-representative historical data, leaders need to ensure that the growing prevalence of AI within their organizations not only focuses on AI maturity but also reflects their DEI strategy to align with organizational AI goals.

Consider the scenario where a chief DEI officer is incorporated into the development process of an AI tool prior to its launch. Their unique vantage point, particularly linked to demographic data from racially and ethnically diverse populations, empowers them to identify data quality risks that could be overlooked by others due to their proximity to the data. As leaders explore opportunities to align AI and DEI strategies, considerations such as accessibility and equal opportunity should be incorporated into the design of these tools to enhance user experience and foster inclusion.



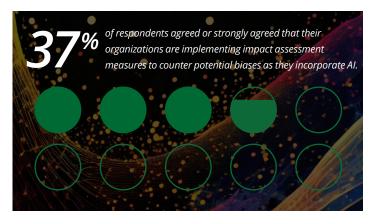
5

Chief DEI officers may consider playing a role in assessing the impacts of AI within the organization.

Organizations may encounter potential risks if they omit ethical safeguards and accountability mechanisms for Al. The survey revealed that 37% of respondents agreed or strongly agreed that their organizations are implementing impact assessment measures to counter potential biases as they incorporate Al. As board members and senior leaders transition from assessing Al readiness to its implementation, evaluating the impacts of their Al tools and platforms becomes critical. Responsible Al usage requires a clear understanding of how their systems function and the need to establish accountability mechanisms to keep the technology dependable.

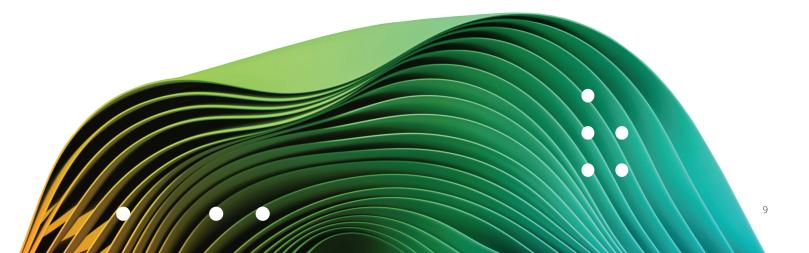
In the survey, 29% of respondents agreed or strongly agreed that their boards and C-suite leaders are aware of the potential positive impact of AI on their DEI initiatives. On the other hand, 32% believe these executive leaders understand the potential negative impacts. This awareness of AI's positive and negative effects on organizational priorities, like DEI initiatives, is a key component in trustworthy AI programs.

Chief DEI officers are uniquely positioned to advocate for increased transparency and impact assessments of AI systems. More than 40% of survey respondents agreed or strongly agreed that their organizations are implementing safeguards to consider DEI when employing AI. These safeguards may include developing robust bias detection and risk mitigation strategies within AI models, ensuring precision in AI tool outputs. They may also include comprehensive data protection protocols coupled with transparent communication to consumers about their data usage by AI systems. Similarly, 38% of the surveyed chief DEI officers agreed or strongly agreed that their boards and other C-suite leaders understand the potential biases associated with their organization's AI use.



By collaborating with their boards and other C-suite leaders, chief DEI officers can guide these leaders in developing solutions that can help reduce biases and establish more equity-focused accountability measures. This helps advance Al governance, compliance with legal, regulatory, and industry expectations, and crucially, an upholding of DEI commitments.

While organizations may rely on their legal teams to ensure compliance with laws and regulations preventing discrimination and bias, chief DEI officers can also play a critical role in creating necessary safeguards to protect the organization and promote equity. Only about a third of respondents said their organizations are using AI tools to address potential equity issues within the workplace. This finding underscores a significant opportunity for board members and G-suite leaders to examine how AI, even within their own organizations, could inadvertently perpetuate biases and risk exposures. Chief DEI officers can leverage their expertise to assess AI tool outputs and help ensure that equity safeguards are embedded in new tools and platforms. These leaders could play a role in increasing awareness about potential inequities that could significantly impede their organization.





Looking ahead

With its potential to profoundly transform the workforce, marketplace, and society at large, Al presents a significant opportunity for chief DEI officers to advance their work and mission across the enterprise. As boards and other C-suite executives navigate the various facets of AI, they can immensely benefit from the guidance of their chief DEI officers through the changes AI will instigate. These five considerations are valuable insertion points for shaping the AI lifecycle such that they complement and enhance DEI commitments.

As leaders, chief DEI officers are adept at responding to organizational needs, managing risks, building trust, and seizing challenges and opportunities for advancing equity. With these five considerations, these DEI leaders can continue to advance equity as their organizations explore the value and application of AI.

Through AI literacy, actively involving DEI leaders and teams, investing in AI and DEI simultaneously, adapting DEI strategies as AI matures, and carefully evaluating impact—AI holds the potential to fuel and advance diversity, equity, and inclusion across the enterprise and society.

Methods

Deloitte's DEI Institute™ surveyed chief DEI officers, or equivalent leaders within Deloitte's client network in March 2024 and received 71 responses. The survey relied on convenience sampling with the highest-ranking DEI leaders from different industries and sectors who have duties in the U.S. and globally. The survey aimed to gather insights on how these DEI executives perceive and use Artificial Intelligence and how they engage with and navigate the AI ecosystem. It also evaluated their beliefs and perspectives on their organizations' AI efforts, as well as those of their boards and other C-suite leaders. The respondents represented a broad range of identities in terms of age, gender, sexual orientation, race, ethnicity, education, socio-economic status, and workforce experience.



Connect with us

Beena Ammanath

Executive Director
Deloitte Global Al Institute™
Deloitte LLP
+1 415 783 4562
bammanath@deloitte.com

Kashima Atwood

Leader, DEI Institute™ Deloitte Services LP +1 513 723 4151 katwood@deloitte.com

Tasha Austin, Ph. D.

Executive Director

Deloitte Al Institute™ for Government

Principal, Deloitte & Touche LP

+1 571 882 5479

laustin@deloitte.com

Heather McBride Leef

Managing Director, DEI Institute™ Deloitte Services LP +1 973 602 6034 hmcbrideleef@deloitte.com

Julian Sanders, Ed. D.

Research Lead
DEI Institute™
Deloitte Services LP
+1 214 840 7983
jusanders@deloitte.com

Joanne Stephane

Executive Director
DEI Institute™
Principal, Deloitte Consulting LLP
+1 212 436 4263
jstephane@deloitte.com

Special thanks to our contributors

Sameen Affaf

Research Manager DEI Institute™ Deloitte Services LP

Taylor Beisell

Lab Lead, Sustainability and Equity Deloitte Greenhouse Deloitte LLP

Christina Brodzik

US Equity Client Services Leader Principal Deloitte Consulting LLP

Devon Dickau

DEI Offerings Leader Deloitte Consulting LLP

Allie Diehl

Manager, Strategy and Analytics Al and Data Engineering Deloitte Al Institute™ for Government Deloitte & Touche LP

Lena La

Senior Manager Deloitte's Al Institute™ Deloitte Consulting LLP

Brandon Lim

Consultant, Strategy and Analytics Deloitte Consulting LLP

Dhanushki Samaranayake, Ph. D.

Research Manager DEI Institute™ Deloitte Services LP

Lindsey Manning

Strategic Marketing Manager, DEI Institute™ Deloitte Services LP

Jade McKenzie

Lead, Experience Innovation Deloitte Greenhouse Deloitte LLP

Ife Miller

Consultant, Strategy and Analytics Deloitte Consulting LLP

Lucy Nguyen

Manager Deloitte Consulting LLP

Maria Porras

Communications Strategist, DEI Institute™ Deloitte Services LP

Tyler Wagenknecht

Lead DEI Institute™ Deloitte Services LP

Endnotes

- 1. Schatsky, D., Muraskin, C., & Gurumurthy, R., <u>Demystifying Artificial Intelligence: What Business Leaders Need to Know About Cognitive Technologies</u>, (n.d.). Deloitte University Press.
- 2. Deloitte Al Institute™, Deloitte Global CEO Program, "Three roles CEOs need to play to scale Generative Al, leading a Generative Al-fueled Organization:

 <u>A CEO Series</u>," Deloitte Insights, 2024 pp.7-9.
- 3. Rebekah Bastian, "Al Brings Opportunities And Risks To Workplace DEI Efforts," Forbes, 08 May 2023.
- 4. Maria Minor, "Here's The Bottom Line Reason Why Companies Need A Chief Diversity Officer," Forbes, 03 May 2021.
- 5. Nisha Talagala, "The Four Cs Of Al Literacy: Building The Workforce Of The Future," Forbes, 04 April 2021.
- 6. Michael Li, "To Build Less-biased Al, Hire a More-diverse Team," Harvard Business Review, 26 October 2020.
- 7. Julius Tapper, "All for one, not one for all: The power of equity-centered design," Deloitte Digital, 09 August 2022.
- 8. Jim Guszcza, "Smarter together: Why artificial intelligence needs human-centered design," Deloitte Insights, 22 January 2018.
- 9. Nika White, "Can Al Become An Ally In The DEI World?," Forbes, 05 June 2023.
- 10. Deloitte Al InstituteTM, "Trust in the era of Generative Al; Responsible ethics and security are the core of safety in this new frontier," 2023 pp. 3-12.
- 11. Deloitte Al Institute™, "Deloitte's Trustworthy Al™ framework," 2022.



Deloitte.

About this publication

This publication contains general information only and neither Deloitte nor any of the other authors or parties involved with this publication, is by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional adviser. Neither Deloitte nor any of the other authors or parties involved with this publication, shall be responsible for any loss sustained by any person who relies on this publication.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.