

ETHICAL IMPLICATIONS

Technology Without Ethics Is a ‘Wild Beast’

By Catherine Bannister

When people hear the word “technology,” they might think of many things—their smartphones, the social media platforms they frequent, or their ability to work remotely, to name a few. What they might not think of are the ethical implications of technology. The same may be true for many corporations and their boards. Indeed, in a survey of directors conducted during a recent Deloitte event, more than 40 percent of the respondents reported that the boards on which they serve had never specifically discussed these implications.

It thus seems reasonable to ask: Does technology have ethical implications? Rather than simply saying yes, it is worth noting that technology is initially developed by people and, in the words of French author and philosopher Albert Camus, “a man without ethics is a wild beast loosed upon this world.” Were Camus alive today, he might have made the same statement with respect to technology.

What is ethical technology? In a society in which organizations pride themselves on making data-driven decisions, ethical technology means collecting and using data in a responsible way, recognizing ethical dilemmas and issues that can arise in the use and creation of any technology, and providing a framework for making the best decisions against that background. Another way of defining ethical technology is to say that it is a conversation at the intersection of technology, diversity, and values, whether corporate or human. Notably, while the use of artificial intelligence (AI) has raised a number of ethical issues, they can and do arise from other forms of technology—the ethical lens should not be limited to AI or to whatever shiny innovation captures attention in a given moment. In addition, ethical technology issues can arise in all types of companies, regardless of industry, size, or other characteristics.

Companies can face ethical issues in connection with their use of technology, including employing robotic technologies to replace workers, deploying software in ways that could lead to discrimination in hiring or in providing services to customers, and inappropriately using or disseminating company or personal data.

Ethical technology issues can affect companies in a variety of ways. For example, serious damage can result if people believe that

the company has engaged in discriminatory behavior, even though the behavior may reflect biased data rather than the company’s values. Customers may seek to purchase goods or services from other providers, employees may feel alienated, and prospective employees may decide to find jobs elsewhere. Adverse media coverage or other publicity may exacerbate or create reputational and other challenges. Viewed more generally, these issues can cause substantial loss of trust in the organization, from both internal and external stakeholders.

Given these and other risks, as well as the increasing importance of technology and data to executing corporate strategies, directors should consider focusing on—or, as suggested by the survey data, starting a conversation around—ethical technology. Some initial questions directors might ask include the following:

- Does management consider the ethical implications of technology and how the company uses it?
- Where does responsibility for how the company uses technology reside within the management team? How are decisions made, and who is involved?
- How does the company develop, use, and store data? What types of algorithms or other forms of AI does the company use? How are technology outputs monitored to determine whether they are consistent with the company’s values?
- How does the company consider ethics when purchasing data or technology from third parties, or when the company obtains data or technology as part of a strategic acquisition?

There are many other questions that directors can ask on this and related topics, but at a minimum, it seems advisable for boards to acknowledge that ethical technology is an issue of growing importance that should be addressed in a proactive manner. **D**



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