AI Success Factors Podcast
Host: Samuel Matthew
Guest: Howard Park

AI Governance for Leaders: Strategy, Ethics, and RAI Implementation

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Samuel Matthew:
Hello, and thank you for listening to the *AI Success Factors* podcast, where we help enterprises adopt artificial intelligence. I'm Samuel Matthew, your host.

In simple terms, AI adoption is a three-step process: identifying the right AI opportunity, tying it to business value, and aligning it with a business goal. If you're a leader seeking to measure the ROI of your existing AI initiatives or looking to gain buy-in for a new one, you're in the right place. Our mission is to empower enterprise leaders to navigate, transform, and lead through AI adoption. On this show, we interview analytical and business leaders who have successfully implemented AI in their organizations.

Today, we're joined by Howard Park, a trusted advisor to some of the world's largest enterprises. Howard has held leadership roles, including VP of Data Governance at Signify Health, a subsidiary of CVS Health, and has worked with industry leaders like Google and Accenture. He brings a wealth of expertise, having implemented governance programs and advised CXOs on compliance, operating models, and data strategies.

In this episode, we dive into AI governance, a cornerstone of responsible AI adoption. We'll explore its importance for enterprise leaders, covering key themes such as the distinction between data and AI governance, barriers to adoption, and frameworks that enable innovation while mitigating risks.

Let's get started.

Samuel Matthew:
Hey Howard, welcome to *AI Success Factors*!

Howard Park:
Hello, Samuel. I'm doing great. Thank you for having me.

Samuel Matthew:
I'm excited to talk to you about AI governance. Governance can mean different things depending on context. To benefit our listeners, let's start by clarifying an important distinction: how does data governance differ from AI governance?

Howard Park:
Great question. The maturity of your data governance significantly influences how you approach AI governance. Many elements—leadership involvement, technology, security, privacy, and decision-tracking—can be extrapolated from data governance to AI governance. However, a key difference I've observed is the increased role of HR.

For example, if you implement an AI tool that significantly improves performance metrics, how does that impact employee evaluations? HR's involvement in AI governance is often underrepresented compared to data governance but is crucial for managing these implications.

Samuel Matthew:
That's insightful. What are some key barriers to AI adoption that governance can help overcome?

Howard Park:
Governance should act as an enabler. One major challenge is scope. Leaders often have grand visions, but if the project scope is too large, it becomes overwhelming. Governance helps define a manageable proof of concept with clear milestones for the first few weeks.

Another aspect is protection. Data scientists may not be legal or contractual experts. You don't want them to complete a project only to find legal or security issues prevent deployment. Governance ensures end-to-end considerations are addressed early on. Consistency in terminology, like understanding "Gen AI" or "humans in the loop," is also critical.

Samuel Matthew:
I like how you emphasize the "why" behind it. When setting up AI governance, what guiding principles should organizations consider?

Howard Park:
I've developed three guiding principles based on my experience and industry frameworks like NIST and EU guidelines:

1. **Put People First:** Identify clear use case owners and consider the direct and indirect impact on all stakeholders.
2. **Think Big, Act Small:** Start with achievable goals. For example, use AI initiatives to address longstanding data issues like classification or access policies.
3. **Establish and Evolve Governance:** Start with a framework or checklist. Revisit it every few months to adapt to evolving technologies and risks.

Samuel Matthew:
Once a framework is in place, how should organizations evaluate use cases and manage associated risks?

Howard Park:
There are four key categories to consider:

1. **Explicability:** Ensure transparency and traceability. Avoid the "black box" problem by clarifying how AI models make decisions.
2. **Fairness:** Address accountability and non-discrimination. AI doesn’t inherently understand fairness—people do, so human oversight is essential.
3. **Prevention of Harm:** Consider privacy, security, and contractual obligations. Robust controls must be in place to protect data.
4. **Respect for Human Autonomy:** Maintain human oversight, even when automating processes for efficiency.

These principles help organizations navigate the complexities of AI deployment responsibly.

Samuel Matthew:
Some frameworks like NIST are quite comprehensive, while others are brief. How should organizations balance thoroughness with agility?

Howard Park:
It's important to start somewhere. Whether it's a one-page outline or a detailed document, the key is transparency. Let stakeholders know that governance is in place and that legal, security, and privacy considerations are being addressed. Begin with a framework and evolve it. Even established standards like NIST are continually updated.

Samuel Matthew:
Let’s talk about ethical considerations. Can you share real-world challenges organizations face with tools like AI copilots?

Howard Park:
Sure. I've seen organizations implement AI copilots for tasks like global searches across enterprise data. Without proper data classification, AI can inadvertently access sensitive information—executive emails, HR records, or proprietary data. Some companies had to halt deployments to address foundational data governance issues, like tagging data with appropriate access levels.

Samuel Matthew:
That's alarming. Often, leadership only realizes the issue after the damage is done. Data governance seems more critical than ever.

Howard Park:
Absolutely. AI governance builds on data governance but requires broader stakeholder involvement, especially HR. Imagine an AI tool that boosts call center efficiency. If deployed in phases, employees using the tool might outperform others, impacting bonuses and evaluations. HR should be involved early to navigate such implications.

Samuel Matthew:
You mentioned earlier that AI’s impact extends beyond internal processes to customer trust and brand reputation. How should data leaders approach this?

Howard Park:
Data leaders need to consider external stakeholders. If customers learn their data is used in ways they didn’t expect, it can damage trust. Leaders must assess how AI use aligns with customer contracts and brand values. Visibility and proactive communication are key.

Samuel Matthew:
Leadership and culture play significant roles in fostering an AI-ready organization. How can companies embed these principles effectively?

Howard Park:
Balance is crucial. Involve the right stakeholders—security, legal, data architecture, customer success—but avoid analysis paralysis. Provide visibility and a clear deployment pathway.

The worst-case scenario is investing time and resources into an AI solution that can't be deployed due to overlooked legal or technical barriers.

Samuel Matthew:
As we wrap up, what are your top three pieces of advice for executives starting with AI governance?

Howard Park:

1. **Put People First:** Identify ownership and impact early on.
2. **Start Small, Think Long-Term:** Develop a manageable framework and evolve it.
3. **Prioritize Transparency:** Communicate your governance approach to all stakeholders.

Samuel Matthew:
Effective AI governance ensures fairness, accountability, and innovation. By putting people first and fostering a culture of continuous improvement, organizations can harness AI's potential while mitigating risks. Howard, thank you for sharing your invaluable insights.

Howard Park:
Thank you, Samuel. It was a pleasure.

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