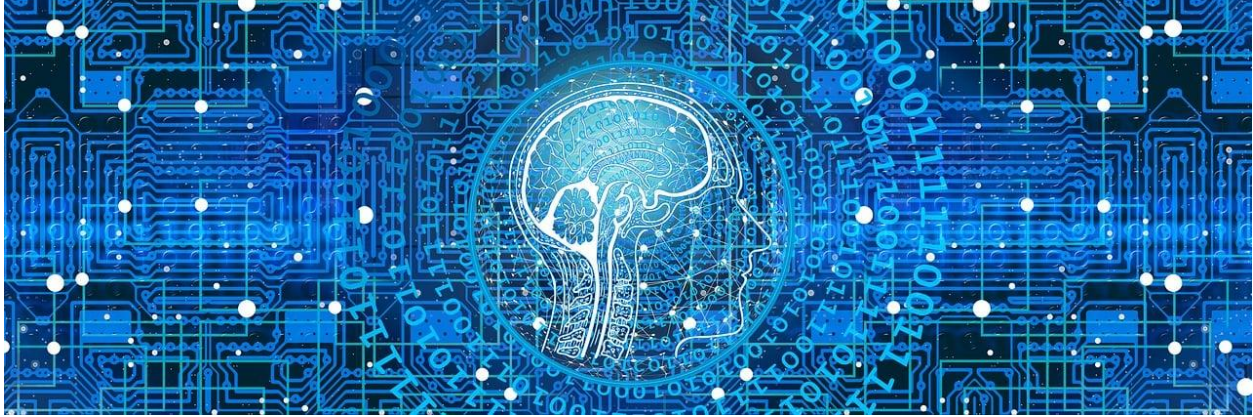# Enterprise AI Governance

a sensible approach

Artificial intelligence (AI) has been dominating the headlines lately. The adoption of artificial intelligence (AI) and its impact on businesses stands at a turning point. It has progressed to where AI permeates into emerging part of enterprise strategy at companies large and small, moving past the era of experimentation or proof of concept (POC). Today, AI presents an enormous opportunity to scale and mimic the human creative process turning data into insights and augment human capabilities by achieving break through advances.

The recent release of several consumer facing applications like ChatGPT, Bird, Dall-e, and Lensa are revolutionary. Generative artificial intelligence (AI) powers algorithms (such as ChatGPT, Bard) that can be used to create that can generate artifacts, enhance creative work, and deliver innovative results known for human like responses including audio, code, images, text, simulations, and videos.

These Emerging AI technologies are raising the significance of data governance, and businesses need to move away from outdated approaches. A new governance framework can decrease risks and maximize the value of data and algorithms that provide a competitive advantage.

There are four key elements of AI governance:

Data: AI systems are trained on domain data, so it is important to ensure that the data is collected and stored with Compliance, and government regulations, managing the overall process. This includes ensuring that the data is accurate, complete, unbiased, reliable and vetted.

Algorithms: AI systems are built on algorithms, so it is important to ensure that the algorithms are fair and transparent. black box models are raising concerns that are built and deployed, but it isn't easy to trace how and why decisions were reached. This lack of transparency can lead to ineffectiveness, resulting in models that are delayed or never see the light of the day.

Models: AI systems are built on models. There are several ways to address these challenges and improve the transparency of AI models. One way is to use techniques such as explainable AI, which can help to explain how and why a model made a particular decision. Another way is to use techniques such

as model interpretation, which can help to identify the features of a model that are most important for making decisions.

Governance: AI governance is the process of ensuring that AI systems are used in a responsible and ethical way. This includes establishing policies and procedures for the use of AI, monitoring the use of AI, and taking steps to mitigate any risks associated with AI.

Objectives:

- A successful approach to AI governance should identity with the coalescing the right people, process, and technology. Enterprise use cases for generative AI are sophisticated, increasingly fast tracked and integrated into Major AI cloud vendors Azure, GCP, and AWS marketed as Co-Pilots. Start with stakeholders' alignment with the Cross-Functional Team.
- Despite the availability of various AI governance tools, many AI models are built without end-to-end tracking throughout the AI lifecycle, insufficient automated processes for scalability, and lack of transparency and explainability. It is essential to establish clear processes for cataloging and monitoring models throughout their lifecycle, with automation playing a crucial role in tasks like data preparation and model deployment. A robust AI governance framework should track and document the origin of data, models, and metadata, including the techniques used to train each model, the hyperparameters employed, and the testing phase metrics.

Framework for AI Governance:

Measurement: Measurable performance metrics are quantifiable indicators used to assess the effectiveness and efficiency of AI usage across an organization. These metrics provide an objective way to measure progress towards goals, identify areas for improvement, and track the impact of AI on business outcomes. it is important to ensure that they are aligned with the organization's strategic objectives and business goals. Here are some examples of measurable performance metrics that could be used to assess AI usage across an organization.

Operational Audit: The first step is to identify the processes that need to be traced and audited. Next, define the data that needs to be collected and develop a data collection and storage system. Then, establish a framework for tracing and auditing the processes, including rules and procedures. Finally, implement monitoring and reporting tools using AI technologies to identify potential issues before they become major problems.

Documentation: To ensure that the AI model lineage and metadata are automatically documented, implement tools that can automatically generate documentation based on the metadata collected. These tools can use AI technologies such as natural language generation to automatically create reports and documentation.

Compliance: To ensure compliance with current and potential AI regulations, an organization should identify applicable regulations related to data privacy, bias and fairness, transparency and explainability, and ethical considerations. The organization should then evaluate their current state of compliance, identify gaps, prioritize them based on potential impact, develop a plan to address them, and monitor progress towards implementation.

Stakeholder Alignment: Start with assessing existing skills, identifying the demand for responsible AI, aligning with business objectives, developing a skills development plan, and implementing and monitoring the plan. The focus is on identifying skills such as data ethics, explainability, bias detection and mitigation, and social responsibility, and developing a plan that aligns with business objectives and timelines. The plan should include training, mentoring, and other learning opportunities, and should be monitored for effectiveness.