Tech-driven dilemmas in the Financial Sector – Creating a dilemma library for learning.

As part of the Initiative on Responsible Digital Leadership in the Financial Sector, we are launching a project to identify *ethical dilemmas* in the financial sector related to tech and processing of data (data management and analytics, use of algorithmic tools, AI/ML). Throughout 2020, a diverse group will collect and analyze possible dilemmas in collaboration with an international group of financial sector institutions. *A library or collection of Ethical Dilemmas will facilitate the development of skills for realizing, understanding, and managing ethical dilemmas in relation to tech.*

A *Dilemma Library* will be a relevant platform to further educated dialogue in organizations and will serve as a basis for competence development. Realizing and understanding ethical dilemmas is an increasingly important skill. Students will be part of an international group working in dialogue with international banks to identify, discuss, and describe possible ethical dilemmas in relation to the use of tech in the financial sector.

Who: We are inviting a small international group of interested grad/post-graduate/PhD-students to work with us on co-creating a library through the next 4 months. We are looking for a diverse team with experience in technology, philosophy, law, business, humanities, anthropology, and more.

What: The outcome will be a collection of one-page, well-described dilemmas raised by tech. The purpose is to create a basis for understanding such dilemmas. This will be used to promote responsible thinking and serve as a basis for the development of learning tools, such as dilemma games.

How: The Project and the teams will work online on our MS Teams/Zoom platform in dialogue with the project at Stanford University, financial sector representatives, academics, and businesspeople.

When: The Project will run from September through December 2020.

Challenge: The challenge for the teams will be to:

- explore the use of algorithmic tools in the financial sector;
- research and analyze challenges and ethical dilemmas these tools may raise; and
- describe and discuss these dilemmas in a short format.

Project Overview:
The Project is expected to launch in September 2020 and run through December 2020 in a combination of online classrooms/panels, groupwork, and check-ins.

Preparation: Recruiting, interviews, curriculum, advisors, and plan.
Deliverable: Firm project plan with timeline.

Kick-Off: Zoom/MS Teams session first week of September to launch project.
Deliverable: groups introduced to each other and each assigned an advisor and industry representative.

Panel 1-3: 3 online classrooms with focus on algorithmic tools and tech in the financial sector; basic rights and values; and concrete challenges and risks. Panel 1, September 1-3 (3*3 hrs).

Groupwork: Iterative development loops with work in assigned groups and regular check-ins for feedback.

Hand-in: Delivery of any number of well-described, relevant dilemmas posed by tech in the financial sector (1 page).

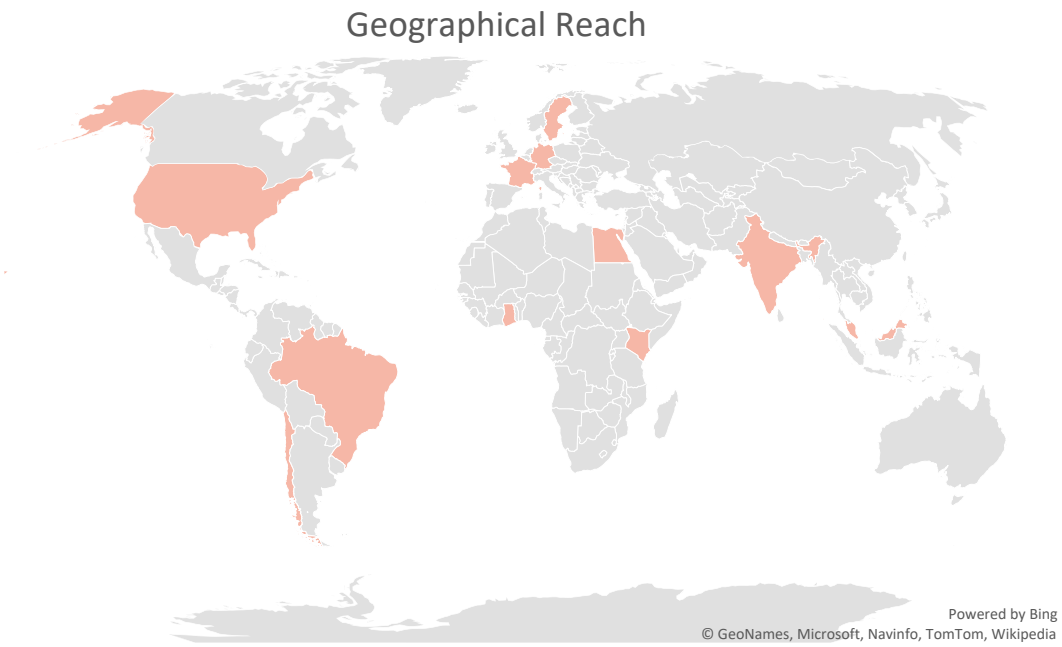
Participants:

Teams 4-5 teams of approx. 5 grad/post-graduate/PhD-students to work with us on co-creating a library through the next 4 months. We are looking for a diverse team with experience in technology, philosophy, law, business, humanities, anthropology, and more. Each team will be joined by a representative from the financial sector, ensuring a relevant focus on and for financial operations. Work will be supported by a mentor. Currently covering countries listed below.
4-5 Students, financial sector resource, and a mentor.

Knowledge Relevant representatives from the financial sector, academia, and tech.

Project Project Management and support.

Communication Project assistant supporting an active communication policy.



The Initiative on Responsible Digital Leadership *at the Center for Human Rights and International Justice at Stanford University will develop a case-based concrete model and process for how companies can be ethically responsible when using data or new technology in their business.*

The industry needs to learn how to apply ethical principles in relation to tech, AI, and data. In collaboration with a group of companies, organizations, and universities, the project will develop models and roadmaps for organizations' ethical considerations. Based on business case interviews, basic legal requirements like GDPR, ethical principles, and IT management considerations, the roadmap will be integrated into actual business processes. The findings will be validated in close dialogue with academia at leading universities in the US and Europe, in a multidisciplinary approach involving law, philosophy, engineering, and business. The process will also investigate international values and approaches, and how regulation and responsible IT management relates to innovation.

The output *will be new knowledge presented on a digestible platform, models/guidelines, a case-based process, and a learning proposition.*

Some direct challenges of using data and AI/ML relate to these:

The general ethical challenges relating to AI and data management are many. Some of the challenges relating to these areas:	The general challenges translate into numerous risks and challenges to financial sector operations and to their customers! Some of these risks are:
○ Opacity ○ Transparency ○ Black Box problems ○ Bias (unconscious and explicit) ○ Discrimination ○ Autonomy ○ Information privacy ○ Moral responsibility ○ Accountability ○ Abuse and malicious use ○ Skill deficiency	⇒ Privacy breaches ⇒ Bias introduction ⇒ Financial surveillance ⇒ Constraints upon individual choice ⇒ Reduced customer autonomy ⇒ Automation-driven lethargy with advisors ⇒ Reduction by automation of customers' ethical awareness ⇒ Reduction by automation of responsibility ⇒ Scaling by automation of bias (AI algorithms) ⇒ Workforce impact – loss of jobs ⇒ Societal impact – includes loss of humanity in social contexts ⇒ Direct damage or loss

Ethical decision model

				
1. Background	2. Duty	3. Consequence	4. Virtue	5. Decision & follow-up
• What is the problem? • What is at stake? • Which values are in play? • What is the dilemma?	• What are the governing organizational obligations? Compliance? • Can this be made or removed as a general rule in the organization? • Which stakeholders merit special considerations? • Duty/Individual	• What is the target, and what will be the effect, of this decision? • For whom will this create greater value? • Positive/negative consequences? • Effect/Organization	• What is at stake? Which considerations are not being given weight? • Who could be hurt? Who is vulnerable? • How to best balance considerations? • Right, honest, virtuous • Good judgement (phronesis)	• What is the overall right and balanced decision? • How to implement the decision? • How to communicate the decision? • What did you learn about your expectations and values?