CHRO Principles:
Responsible Use of AI in Organizations

Overview

AI is a powerful and accessible tool with multifaceted, enterprise-wide implications on how work gets done. Therefore, it is important that CHROs have a leadership role in its development and adoption, while promoting AI's alignment with organizational culture and purpose. Given the innovative ways AI can impact work, we, as experienced CHROs and academic leaders, recommend the following core principles for responsible use and optimization of AI in organizations. This framework is designed as "open source" to allow for customization based on an organization's purpose and business goals.

Principles

1. **Champion responsible use of AI, promoting alignment to business goals and organizational purpose.** AI has the potential to impact how work gets done in every function across the enterprise. Companies should be intentional about their use of AI, ensuring it aligns with the purpose, values, and culture of the organization, and pointing its use to opportunities most relevant to the business. This also promotes efficient and effective use of resources to drive the greatest impact.

2. **Humans should lead the way.** AI initiatives must be overseen and managed by people to promote accountability and organizational learning. People should always be in charge of how AI technology is directed.

3. **Balance experimentation and risk management to improve how work is done.** Organizations should encourage experimentation and innovation, both in AI technology development and related work processes. This should be done in a way that is transparent, explainable, and doesn't create unacceptable risk.

4. **Pay close attention to unintended consequences.** While AI innovation has the potential to enhance how work gets done, its development and outcomes need to ensure fairness. Periodic monitoring is a responsible practice.

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Suggested Practices for Consideration:

- **Establish cross-functional governance:** Implementation of a multidisciplinary steering committee, with representation from senior leaders throughout the organization. This committee should have a leader with decision making authority on AI priorities and investments. Given AI's impact on work across the organization, participants could include:
  - HR leadership (capability, training, organizational impacts, labor implications, adherence to company values and principles)
  - GM, P&L leaders (business case)
  - I/T leadership (tech permissions, constraints)
  - Compliance (ethics, legal implications, privacy)

- **Create and manage a central initiative repository:** Establish a central repository for leaders to enter AI initiatives to ensure enterprise-wide accountability and organizational learning. This may include a monitoring and/or approval process based on company or function-specific opportunities.

- **Examine existing data practices to ensure alignment:** In partnership with the CTO/CIO, review current enterprise data use practices to ensure they are "fit for purpose" for AI, given it is a more ubiquitous and highly impactful set of technologies. This includes alignment with data privacy regulations.

- **Develop a change management plan:** Engage and educate organizational stakeholders to understand and navigate impact of AI tools and processes on work.

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