



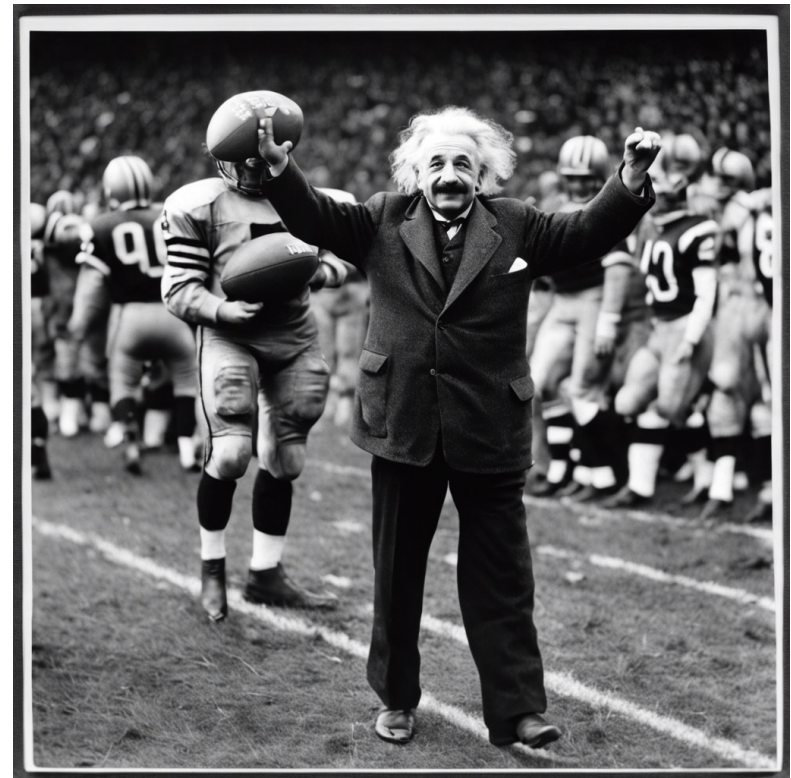
GenAI: Privacy and Regulatory Challenges to Consider

Ryan O'Leary



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Whoever is careless with the truth in small matters cannot be trusted with important matters.- **Albert Einstein**



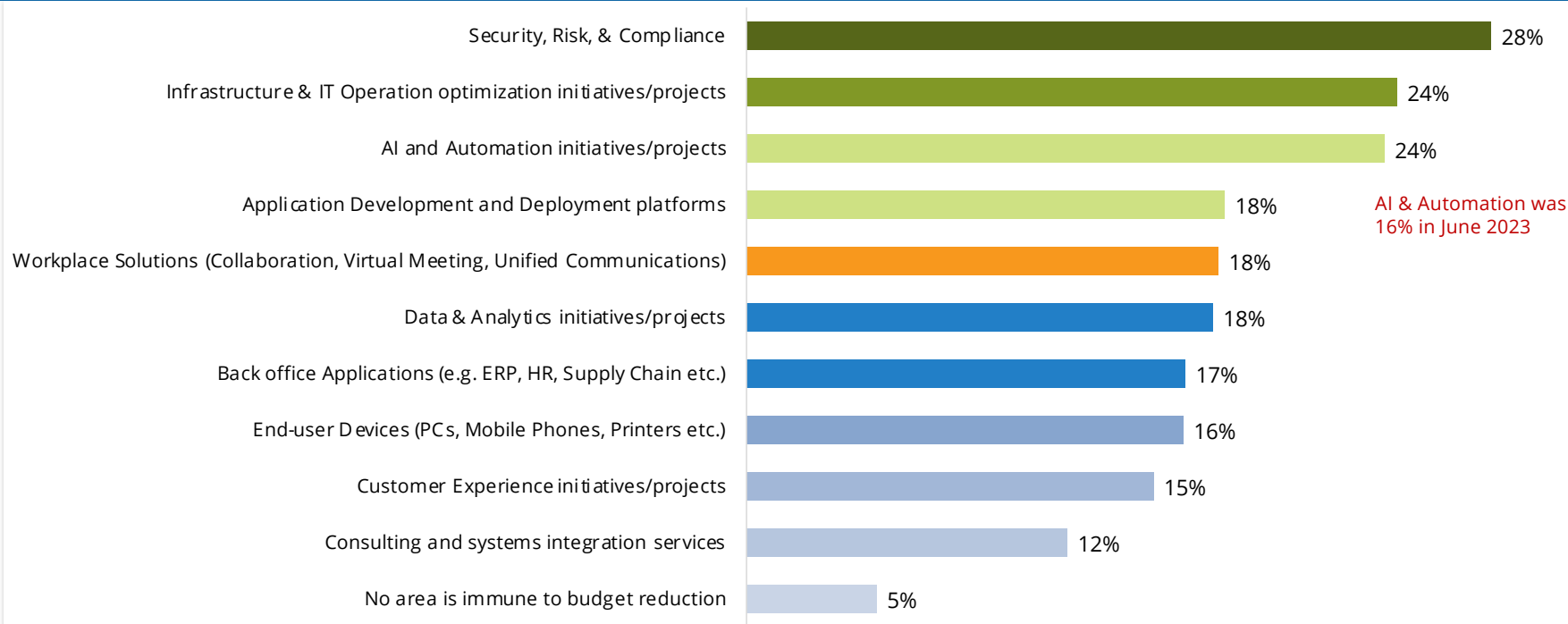
Situation Overview: Open AI Models Create Trust Risk



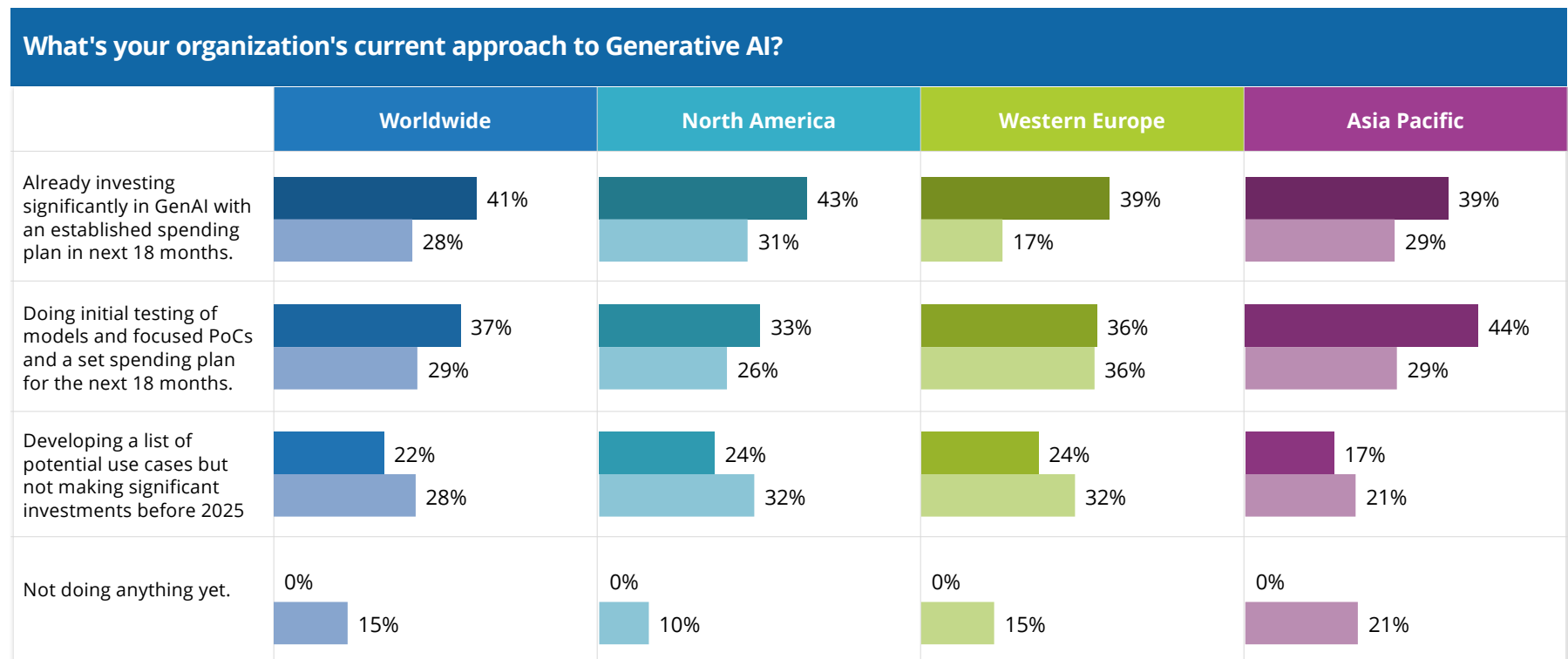
IDC Recession Watch: December 2023

Security, Infrastructure/IT Operations, and AI/Automation funding for 2024 are the least threatened in case of recession

Which of the following areas are most immune to budget reduction regardless of the economic environment?



Commitments on tech investments on Generative AI increased dramatically across all regions between August 2023 and January 2024



■ Jan 2024

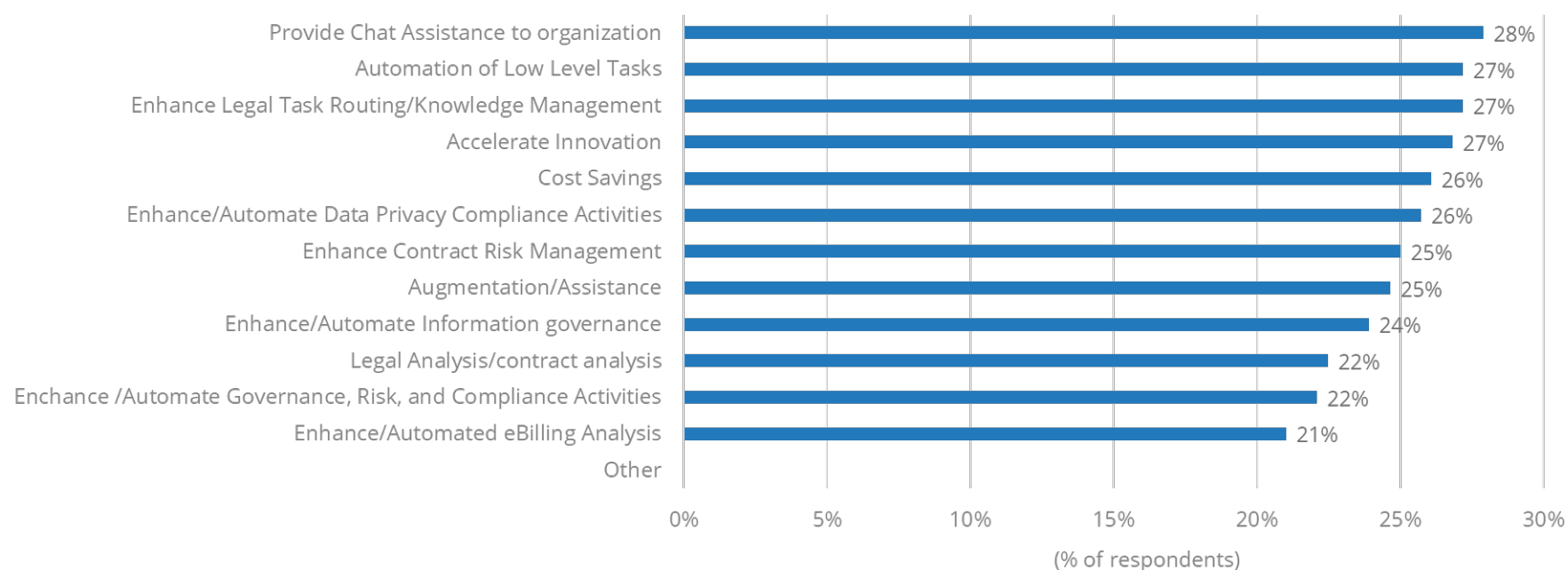
■ Aug 2023



Source: 2024 Future Enterprise Resiliency & Spending Survey Wave 1, IDC, January 2024, N=881 and 2023 Future Enterprise Resiliency & Spending Survey Wave 7, IDC, August 2023, N = 883

Understanding AI Use Cases: Rise of the Digital Co-Worker in Trust Stakeholders

What are the most desired outcomes of deploying Artificial Intelligence in order of importance?



IDC #US50905923 (June 2023)
Source: Corporate Legal Survey, IDC, June, 2023, N = 276

Base=Respondents indicated organization actively deploying/currently exploring Artificial Intelligence; Notes: Managed by IDC's Global Primary Research Group.; Data Not Weighted; Multiple dichotomous table - total will not sum to 100%; Use caution when interpreting small sample sizes.

The Other Side of AI: Risks and Concerns

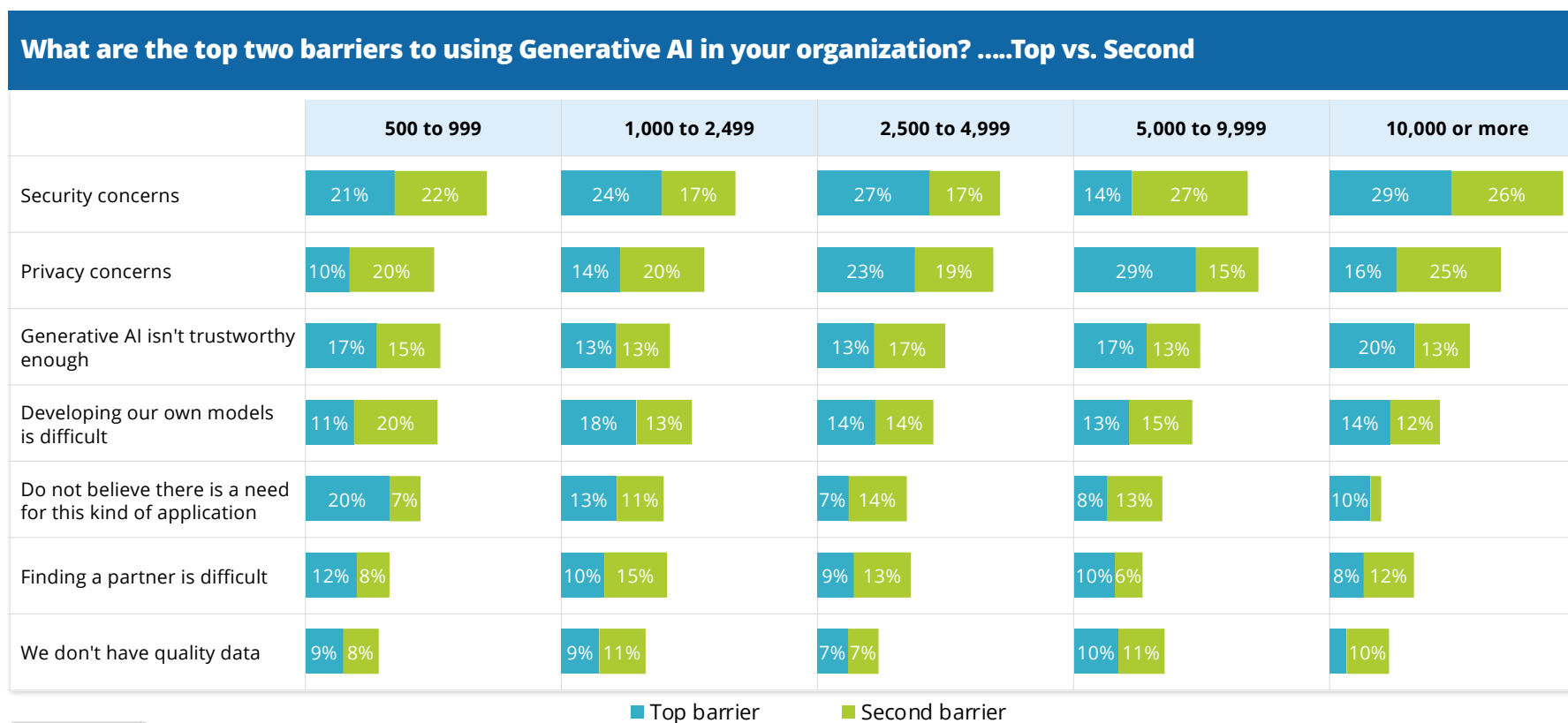


3) SDNY 22-cv-1461

THE COURT: And yet you cited it in the brief to me.

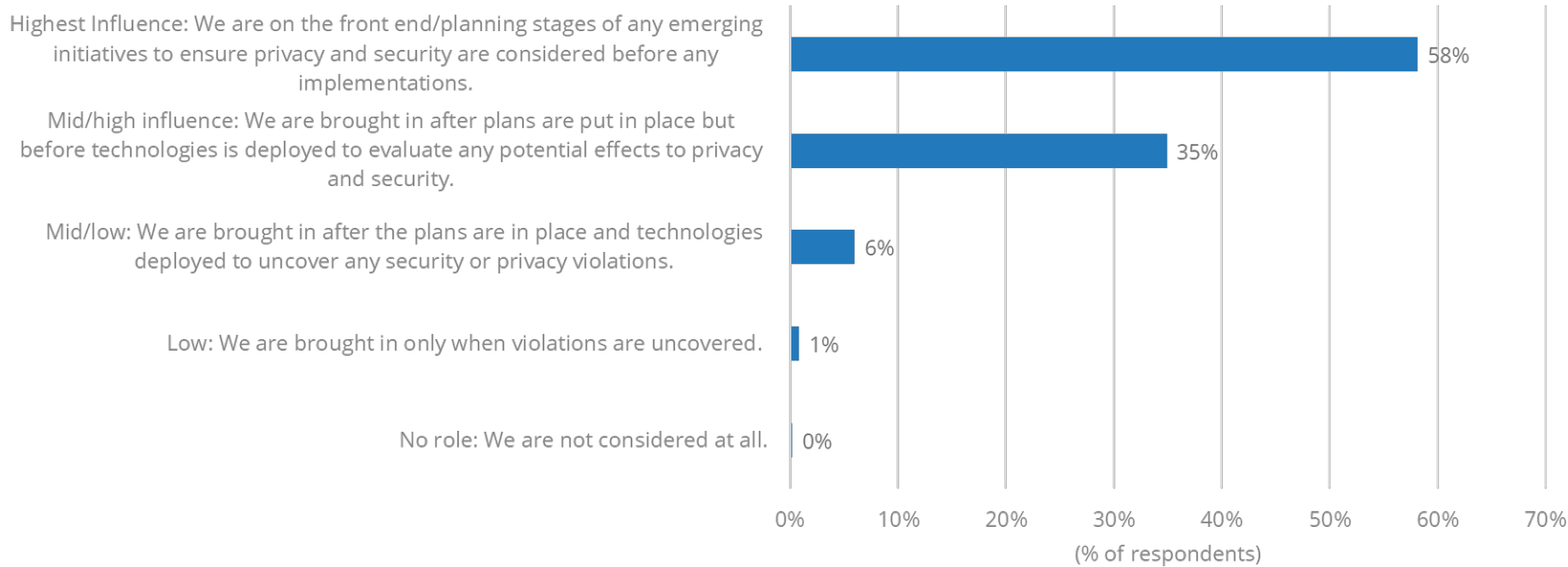
MR. SCHWARTZ: I did, again, operating under the false assumption and disbelief that this website could produce completely fabricated cases. And if I knew that, I obviously never would have submitted these cases.

Privacy and Security Concerns are Top of Mind for Organizations Exploring Generative AI



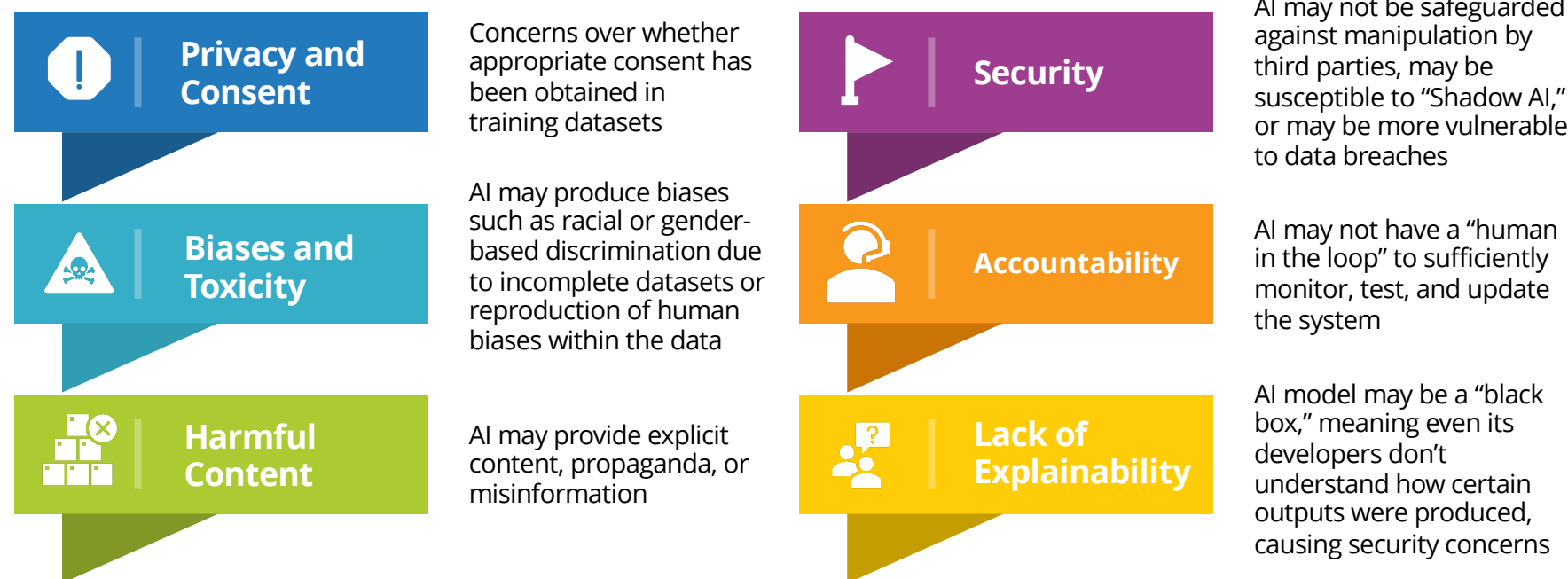
Privacy and security are the gatekeepers for emerging technology. Protection of the organization is paramount.

Q What role do privacy and/or data security professionals (you) play in the evaluation of emerging technologies?

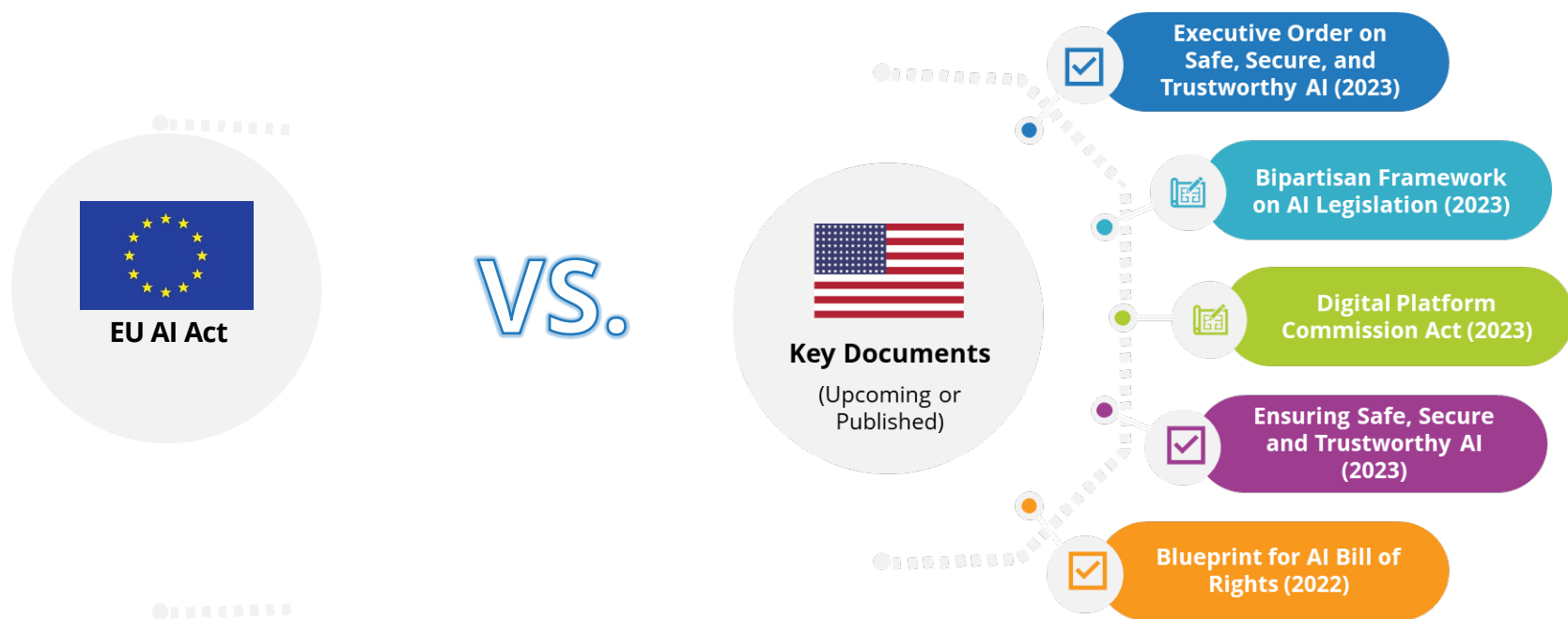


AI Ethics: Some Key Issues

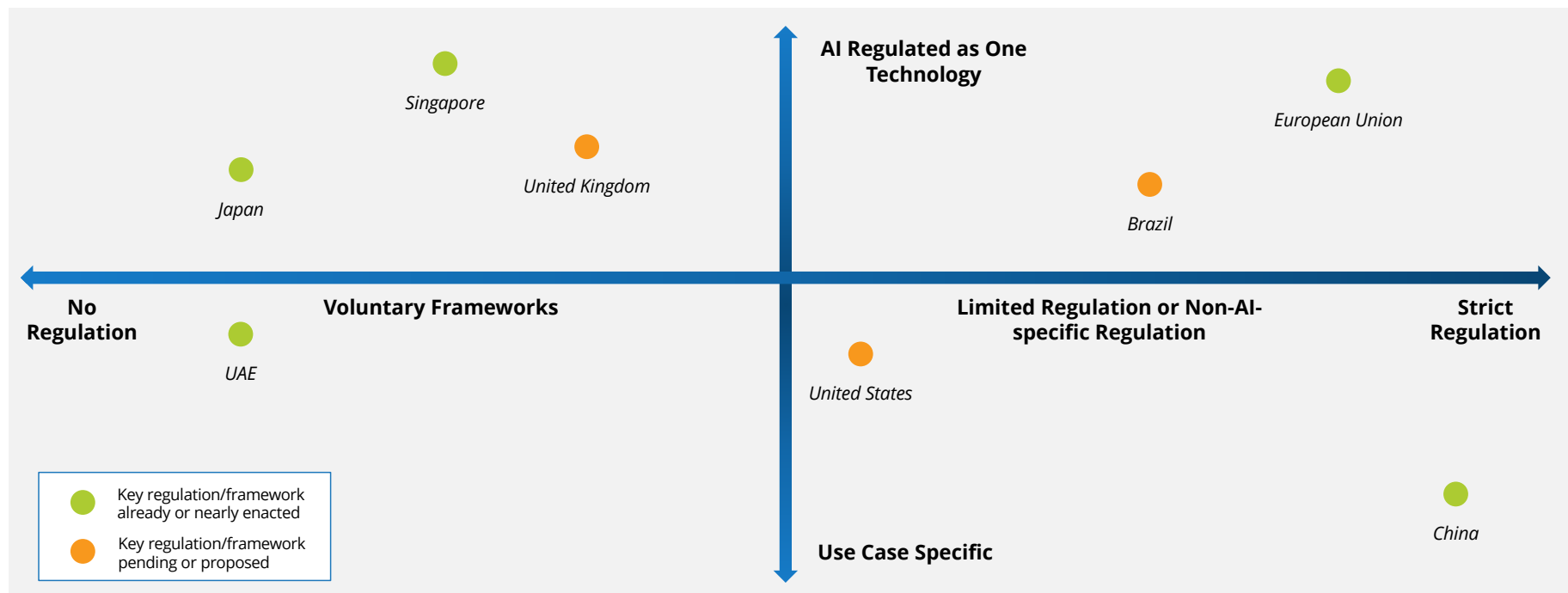
AI may provide lower-cost solutions and enhance productivity, but due to its “black box” nature, it has garnered much attention for its ethical implications.



Uncertain Regulatory Environment



Spectrum of Current AI Regulation



Essential Guidance for the Technology Buyer

Recommendations

AI is an exciting area that could lead to a promising future. However, it is important not to rush into it and to be thoughtful and cautious when implementing.

AI Governance Committee

Organizations need to form AI governance committees immediately. These committees should set AI use policies with the help of the general counsel. Should craft guidelines for developing and exploring AI within the organization to limit ethical and data biases within chosen models.

Educate and Inform Workforce

AI has become consumerized. Ensure that your workforce is aware of the dangers of putting company and personal information into open AI models. Trainings need to be quickly developed to limit the AI rumor mill, discuss hallucinations, bias and develop prompting skillsets.

Synthetic Data Exploration

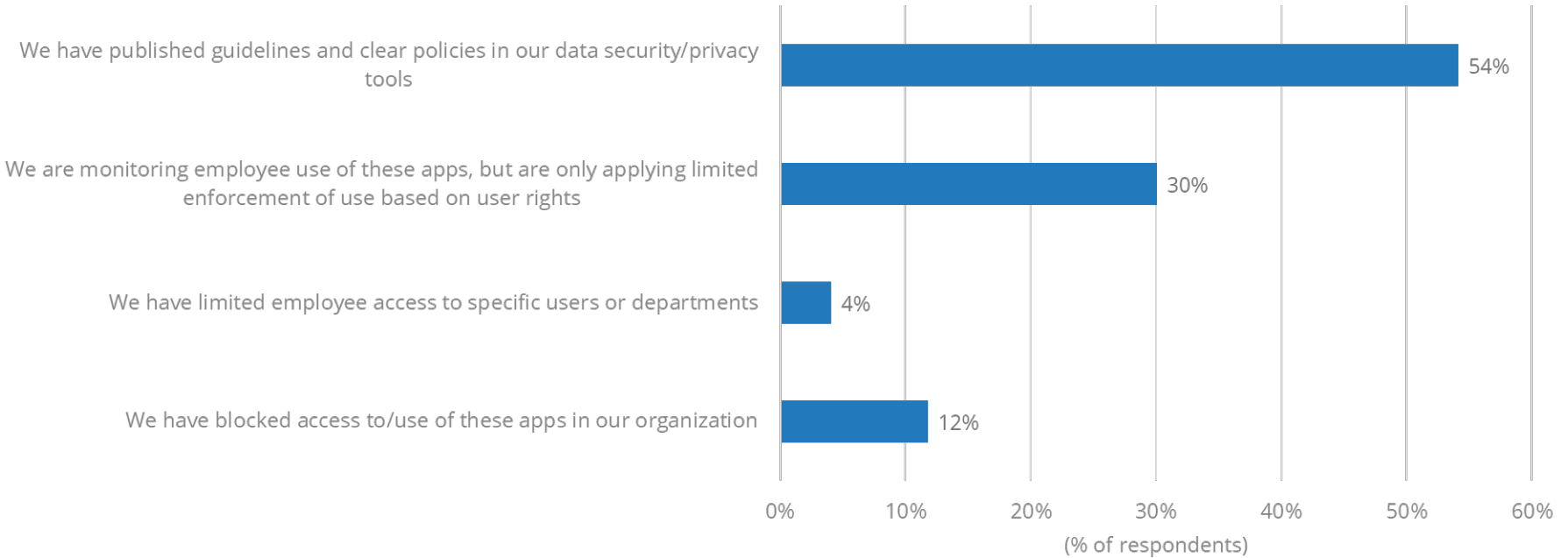
Organizations need to explore synthetic data offerings to seed their AI models without using customer data and potential PII. Companies like Securiti offer the ability to turn company data into fully anonymized and synthetic data to get the same insights with limited risk.

Audit Logs for Generative AI

Ensure that when using AI that end users have the ability to audit the decision making. ContractPodAI's Leah builds the decision making of their model right into the response to users. It is important that organizations do not blindly trust the algorithms but instead use them as a digital coworker to augment their own decision making.

Organizations are relying on employee cooperation on GenAI use. Only 12% have blocked access to public GenAI sites.

How are you managing employee use of publicly available GenAI apps (ChatGPT, Bard, etc)?





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