

AI is transforming society but C-suite still hesitant—and for good reason

Article

The trend: Advances in AI are making the technology [ubiquitous](#), especially in the financial sector, but issues regarding ethics and reliability loom large. Surveys reveal that C-level executives in multiple industries aren't too keen to start using it themselves.

- AI is routinely used for tactical, lower-level decision-making, yet it isn't standard practice for higher-level strategic decisions where executives prefer to trust their gut, [per](#) Harvard

Business Review.

- A survey of **2,190 executives** from nine countries, representing **banking/financial, insurance, telecom, retail, HC/LC, and government**, found that **67% of CEOs** often prefer to make decisions based on their intuition and experience rather than insights from data analytics, [per KPMG](#).
- In a Deloitte [survey](#), **67% of executives** said they weren't comfortable accessing or using data from advanced analytic systems.
- **42% of data scientists** from a cross-section of industries said their results aren't used by business decision-makers.

AI is easy to implement, but safeguards aren't: From assessing loan applications and determining insurance premiums to deploying customer service chatbots, AI is affecting our world, with much of it occurring in the background.

However, recommendations to surmount the issues that make executives wary—like creating more reliable AI models, avoiding [data biases](#), ensuring ethics, and explainability—aren't easily realized.

- The rise of AI's complexity, including [Deep Generative Models \(DGMs\)](#) created by the fusion of **neural networks** and **generative modeling**, is making it even more opaque, limiting developers' ability to curb bias and ensure consistency of real-world results.
- Efforts to teach ethics to AI, effectively endowing it with a superego, result in such a quandary that it might be impossible. AI expert **Lance Eliot** [stated](#), “The better the AI becomes, the worse the AI ethics problem becomes.”
- AI's prowess is downright [sinister](#) at times, and ironically, despite its promise of improved cybersecurity, AI is making banks [vulnerable](#) to Russian hackers.

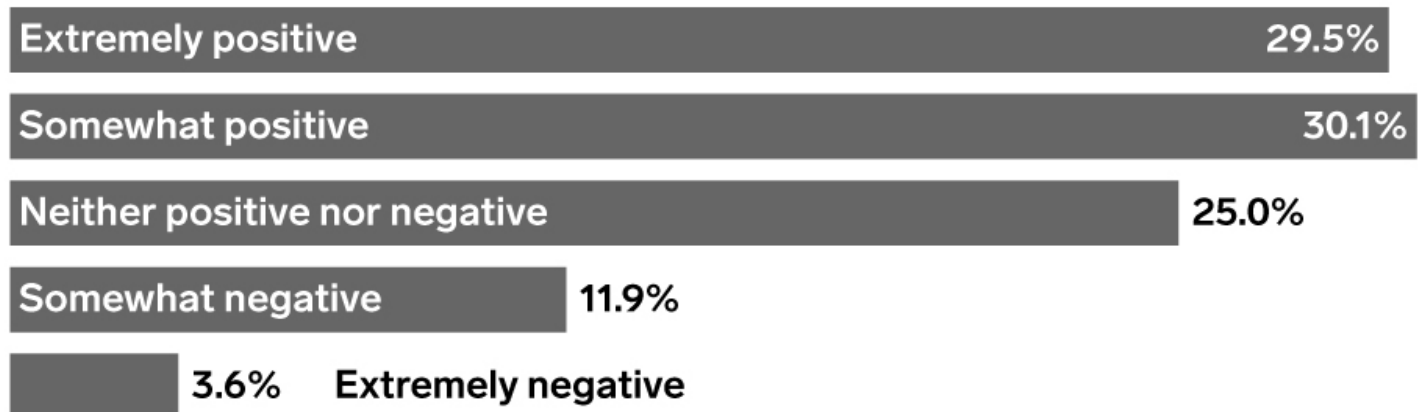
The bigger picture: The widespread concern about AI is at odds with the cavalier approach to its implementation and makes last year's [dismissal](#) of AI ethicists jolting. AI innovations suggest the technology could be applied in potentially infinite ways, but that isn't necessarily the best use case.

- AI's implementation is already affecting the lives of millions, and its use for high-level strategic decisions comes with an outsized risk.

- The technology doesn't have to be used in every conceivable way for society to reap the benefits.
- AI in conjunction with [robotics and automation](#) could potentially perform all occupations, but the reality is that many people value uniquely human contributions.

US Consumer Perception of AI and Automated Chat Technologies, Nov 2021

% of respondents



Note: ages 18+; numbers may not add up to 100% due to rounding

Source: Botco.ai, "The State of Chatbots in Marketing 2022," Feb 24, 2022

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