

Converging Technology and the Dilemma of 'Could' Versus 'Should'

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As converging technologies result in increasingly complex solutions that can be easily misused, companies will be increasingly challenged to find ways to ensure their products, services, and practices are ethical, legal, principled and compliant.

I thought that future would be here in the year 2000. Everyone did. But that didn't happen. It's taken longer than expected, but we're finally entering a George Jetson world.

If you were a kid in the 1960s like me, you probably remember sitting on the living room floor, watching The Jetsons. On the black and white screen, Rosie the Robot was cleaning the house, feeding Elroy and Judy, and making sure George got out of the house on time. As usual, George got stuck in bumper-to-bumper traffic as he sat frustrated in his flying bubble car.

Like multiple streams flowing into emerging rivers, different disciplines are finally converging in earnest. Engineers, scientists and IT professionals in fields like artificial intelligence, robotics, power and control systems, cloud computing and virtual graphics are collaborating to create robotic warehouse workers, satellite-guided tractors, and drones that can deliver emergency medications to a customer's door in minutes. Holography and augmented reality will be making its way into the workplace within five years, enabling workers with super-human vision and intelligence. What we will see in the next few years will be on the verge of magic.

Transitioning to the new *Era of Convergence* will be a bumpy ride. Importantly, the landslide of new technologies will blur out many of the previously clear boundaries that delineate what is legal, ethical, and safe, and what is out of bounds. Organizations will have to step carefully in uncharted territory; in an increasingly unforgiving environment, where scandals have eviscerated the public's trust and social network posts can destroy a company's reputation in hours, companies have to integrate new technologies thoughtfully.

Take, for example, these possible scenarios:

• In a video sales call, a salesperson uses AI "face-replace" software to switch his video image and voice with that of an attractive, virtual female salesperson. This tactic, he argues, could 'level the playing field' between him and his younger competitors.

 \cdot A recruiting staff screens financial advisor candidates with *integrity data,* such as credit ratings, arguing that it's an effective way to assess personal responsibility.

 \cdot A purchasing team uses voice analysis software while reviewing a video meeting with a vendor to determine whether she's being honest.

• An international rental car company lowers expenses in non-US locations by purchasing Chinese "knock-off" clones of American-made vehicles.

 \cdot A real estate sales team displays a live *"enhanced"* drone video of a factory building to potential investors. The video's AI software replaces the image of the dirty roof and nearby gas station with a synthesized image of a clean roof and a grass field.

• A company uses AI-based selection software to help determine who to let go. The software predicts each employee's health care costs, retention risk, and job performance by accessing data such as home location, employee survey responses, and use of EAP services.

Situations like these will likely be on the upswing as new innovations access a broad array of personal data, use predictive algorithms, enable fast manufacturing, and make it difficult to determine what's literally real and what's not. And companies will be saying to themselves "*We could conceivably do that, but should we?*"

Continually striking the right balance between could and should is crucial. Given high performance expectations, managers and employees at all levels could be tempted to gain every possible advantage from new innovations. It's likely that in some cases, they will push the ethical envelope too far, exposing companies to operational, legal, financial, and reputational risk.

So here's the question this all leads to: When technological change occurs rapidly and business capabilities expand in unprecedented ways, and when the previously clear delineations between right and wrong become blurred shades of grey, **how can companies ensure that new technologies are used safely, fairly, legally, ethically, and effectively?**

Old-world thinking would point to the need for more – more rules, policies, guidelines, procedures, management, compliance structures, command and control, risk management policies, layers of approval, and fail-safe measures -- things that add complexity and cost. But rules and guidelines can't be drawn for every possible scenario, and heavy governance slows things down when your employees need to move fast.

Dov Seidman's book, <u>HOW: Why How we do Anything Means Everything</u>, challenges this thinking. For years, Seidman has argued that one particular culture/leadership style – *self-governance*– is helpful for environments where ambiguity is high, such as during periods of drastic change. Self-governance, he claims, transforms *formal* authority, which rests in the hands of management, to *moral* authority, which is more powerful since it rests in the hearts of employees. According to this view, what's paramount to companies doing the right thing is <u>each worker's internalization of the company's core principles and values</u>.

This seems to make sense. If you think about it, rules and laws are external to the individual. Given pressures to perform, people will look for ways to stretch limits and circumvent them. Conversely, when workers *internalize* a company's core values and principles, their motivation is to meet customers' needs in ways that are consistent with their own values. When employees are faced with questions of "could versus should", they act in ways that are *creatively compliant* and consistent with their core beliefs.

But is there support behind this? LRN, a company that leads in the ethics and compliance space, has conducted compelling research that links self-governing cultures to improved business performance. The problem is, transforming traditional hierarchical, bureaucratic organizations to more self-governing and trust-based cultures will require massive change in the coming years. Since self-governance puts more decision-making authority in employees' hands, it may necessitate simplifying reporting structures and breaking down silos, increasing transparency, lightening approval policies, and letting go of control processes that get in the way. Reducing intimidation and fear is crucial - it might require replacing punishment with correction, unnecessary rules with good judgment, and a ruthless, enterprise-wide focus on mindfulness of core principles and

values. Changes on that scale will require visionary leadership, shared conviction, clarity of purpose, and massive, unwavering dedication.

This isn't to say that companies will need to abandon management, guidelines, compliance safeguards and rules. It does mean that <u>companies will have to put a full-court press on their key values and principles</u>, such that when using advanced technologies, every employee's decisions are made mindfully.

Could organizations evolve toward more self-governing cultures? Yes, but it won't be easy. Are there better strategies for organizations to align their 'could's with 'should's? I'd love to know what you think.

In the coming years, technology will take us to amazing places. Soon we may even be commuting with George in fully automated bubble cars. But the journey won't be a smooth one; there will be ethical potholes and traffic jams to navigate through. So don't look down; fasten your belt and keep your eyes on the road ahead.

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