Point of View

Navigating ethics – a new priority in a digital world

With digitization continuing to sweep the market, organizations are investing in – and reaping the benefits of – the use of smart technologies in the workplace. These technologies are driving change too – evolving roles, structures, decision-making—and raising a new set of ethical and trust questions. In its latest global research, Avanade asked 500 C-level and IT leaders how ready they were to address some of the ethical issues that are looming on the horizon in the digital world. Their answers will surprise you.

avanade®
Results Realized

Digital ethics: balancing the risks and rewards of digital innovation

Connected things, intelligent automation and even robots—what we broadly define as "smart technologies"—have already dramatically transformed the way we interact with organizations in the digital world. And like it or not, we all share more data than we can imagine in our interactions. But few of us have given much thought to the moral, ethical and human dilemmas that this data creates for organizations.

Consider for example:
• *Would you be comfortable with the cookies that track your online presence and shopping habits being shared to offer you a better experience next time you use a kiosk, phone or screen? Would it be strange if that same information* were shared with a human employee, who used it to support you in a customer interaction?
• *As healthcare continues to focus on a personalized customer experience, would you agree with your patient data being used to choose which articles are displayed to you on a healthcare website?*
• *What if simply reviewing the maternity or paternity policy on your company intranet generated a flag for your supervisor that you might be expecting a baby?*

As these examples show, managing data in the digital world brings new challenges and dilemmas. In fact, the data shows that **C-level executives are grappling most frequently with ethical issues stemming from the use of smart technologies with 42 percent experiencing a digital ethics issue at work more than once**, compared with only 28 percent of business and IT decision-makers.

Digital ethics defined

Research firm Gartner* defines digital ethics as a system of values and moral principles for the conduct of digital interactions between businesses, people and things.

Digital ethics sits at the nexus of what is legally required; what can be made possible by digital technology; and what is morally desirable. And therein lies the gray area.

****Source:** Gartner Webinar, Digital Ethics: When Saying Sorry Is Not Enough, Frank Buyetendijk, 23 February, 2016

Are organizations equipped and ready to address digital ethical issues?

Ethical issues will likely increase when you consider that smart technologies will increasingly play a role in **supporting the customer experience** (61 percent); **identifying sales leads** (60 percent) and **at-risk customers** (49 percent).

Leadership overwhelmingly agree that their organizations are behind in their readiness to address the challenges arising from digital ethics.

In fact, **78 percent believe that their organization has not given enough thought to the workplace ethical dilemmas** created by the increased use of smart technologies. **Less than half of those interviewed (43 percent) have established guidelines** on work impacted by the use of smart technologies or developed new roles in this area.

There's a new CEO in town: Chief Ethics Officer

That said, there is strong support for the development of digital ethics guideline and roles to help govern this area. Ninety-two percent of respondents say that they believe companies will need to establish and adhere to digital ethics guidelines to be successful, while **43 percent of business and IT leaders** say they are developing new roles that focus specifically on digital ethics.

What about the budget? Eighty-four percent say that they are likely to invest in digital ethics in the next five years with a majority targeting up to 10 percent of their IT investments in this area.

Solving digital ethical challenges requires focus and investment

The bottom line is that just because something can be done with digital innovation doesn't mean that it should. Each organization must be prepared to continuously assess how smart machines and humans can best work together to drive productivity and innovation. To maintain the trust of employees, partners and customers, investment and focus is required now to address the ethical issues arising from smart machines in the workplace.

Avanade's take on digital ethics

With the increased use of smart technologies in business, we can only expect the ethical dilemmas to grow in frequency and complexity. Humans—not machines—will need to apply compassion, empathy and sheer common sense—as they work to resolve each of these ethical dilemmas.

Even with established guidelines in place, organizations must recognize that there is no single approach that will fit everyone.

Where are business leaders starting first? Our research suggests three initial steps:

1. **Talk to staff about the importance of smart technologies**—47 percent say they have done this already.

2. **Establish guidelines on work impacted by the use of smart technologies**—43 percent say they have put some guidelines into place.

3. **Establish a budget for implementation of relevant guidelines**—39 percent say they have done this already.

Want to know more?
Go to www.avanade.com/smarttech and follow the conversation on Twitter at #makeworkdigital.

About the global survey

Avanade's survey was conducted from December 2015 to January 2016 by Wakefield Research (www.wakefieldresearch.com), an independent research firm. It surveyed 500 C-level executives, business unit leaders and IT decision-makers in the following countries: Australia, Canada, France, Germany, Italy, Japan, Spain, the United Kingdom and the United States.

Want to know more?

Visit www.avanade.com/smarttech and follow the conversation on Twitter at #makeworkdigital

avanade®
Results Realized
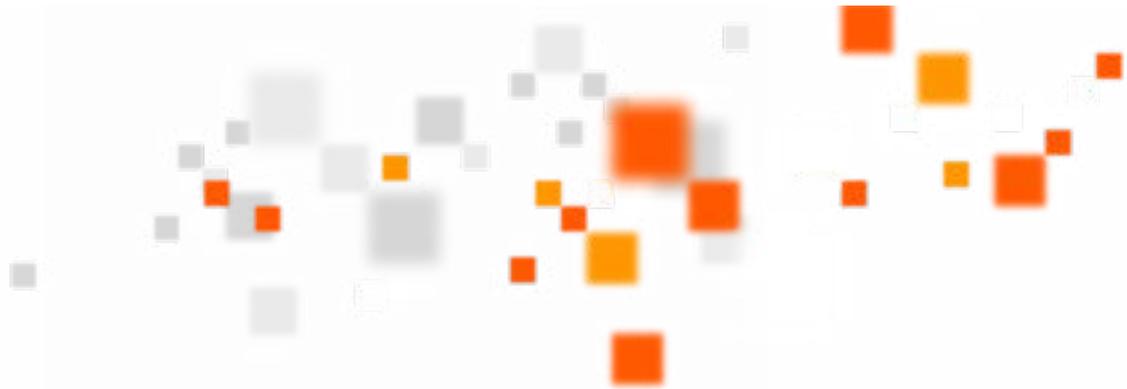
About Avanade
Avanade leads in providing innovative digital services, business solutions and design-led experiences for its clients, delivered through the power of people and the Microsoft ecosystem. Our professionals combine technology, business and industry expertise to build and deploy solutions to realize results for clients and their customers. Avanade has 27,000 digitally connected people across 23 countries, bringing clients the best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com