

PLAYBOOK

# Ultimate Guide on How to Implement an AI Governance Framework in Your Organisation

*May 2023*



GRC & Data Protection

# Table of Contents

## Introduction

### Chapter 1: Understanding AI Governance

- 1.1 Ethical Considerations ..... 4
- 1.2 Data Privacy
- 1.3 Transparency
- 1.4 Accountability

### Chapter 2: Establishing you AI Governance Team

- 2.1 Team Composition ..... 5
- 2.2 Team Roles and Responsibilities
- 2.3 Team Resources and Support

### Chapter 3: Developing you AI Governance Framework

- 3.1 Assessing risks of AI systems ..... 7
- 3.2 Responsible use of AI

### Chapter 4: Implementing Your AI governance Framework

- 4.1 Training and Support ..... 11
- 4.2 Integration
- 4.3 Example project plan

### Chapter 5: Monitoring and Improving your AI Governance Framework

- 5.1 Monitoring ..... 12
- 5.2 Improvement

## Summary



# Introduction

Artificial Intelligence (AI) is revolutionising the business landscape, offering unprecedented opportunities for growth, innovation, and competitive advantage. However, with these opportunities come significant challenges, particularly in terms of new and unprecedented risks to the organisation. Implementing an effective AI governance framework is crucial to managing these risks and ensuring that AI is used responsibly and ethically within your organisation.

This guide, provided by Palqee, will walk you through the process of planning and implementing an AI governance framework in your organisation. It is designed to be easy to digest but detailed, providing actionable steps for medium to large scale organisations.

**DISCLAIMER:** No part of this document may be reproduced without the written permission of Palqee Technologies Ltd, the copyright owner. This document is for informational purposes only and not for the purpose of providing legal advice.

# Chapter 1: Understanding AI Governance

AI governance involves the policies, procedures, and practices that guide the use of AI within an organisation. It covers a range of issues, including ethical considerations, data privacy, transparency, and accountability. Understanding and mapping out these issues is the first step towards implementing an effective AI governance framework.

## 1.1 Ethical Considerations

AI systems should be designed and used in a way that respects human rights and values. This includes considerations around fairness, non-discrimination, and respect for human autonomy. This takes also the broader Ecosystem into considerations, such as potential harm to the environment and the planet. Align the use of AI systems with your companies' core values and legal obligations.

## 1.2 Data Privacy

AI systems often involve the processing of large amounts of data, including personal data. It's crucial to ensure that this data is handled in a way that respects privacy rights and complies with relevant data protection laws.

## 1.3 Transparency

Transparency is about ensuring that the workings of AI systems are open and understandable. This includes transparency around how decisions are made by AI systems, as well as transparency around the data that is used to train these systems.

## 1.4 Accountability

Accountability involves ensuring that there are mechanisms in place to hold those responsible for AI systems to account. This includes mechanisms for auditing and oversight, internally and third-parties, as well as mechanisms for redress when things go wrong.



## Chapter 2: **Establishing Your AI Governance Team**

The next step is to establish a dedicated AI governance team. This team should include representatives from various parts of the organisation, including IT, legal, HR, and business units. The team will be responsible for developing and implementing the AI governance framework.

### **2.1 Team Composition**

Your AI governance team should include a diverse range of perspectives and expertise. This could include:

- IT professionals with expertise in AI and data science
- Legal professionals with expertise in data protection and AI ethics
- HR professionals with expertise in workforce implications of AI
- Business unit representatives who can provide insights into the practical implications of AI for different parts of the organisation

## 2.2 Team Roles and Responsibilities

The roles and responsibilities of the AI governance team should be clearly defined. This could include:

- Developing the AI governance framework
- Implementing the framework across the organisation
- Providing training and support to staff
- Monitoring compliance with the framework
- Reporting on the effectiveness of the framework

## 2.3 Team Resources and Support

The AI governance team will need adequate resources and support to carry out its role effectively. This could include budget for training and professional development, access to external expertise, and senior management support.



## Chapter 3: **Developing Your AI Governance Framework**

Your AI governance framework should be tailored to your organisation's specific needs and circumstances. Regardless of whether you develop your own or use third-party AI solutions, the framework should consider assessing enterprise-wide risks of the AI itself as well as policies and procedures that govern the circumstances under which employees can use the technology safely. This chapter will provide detailed guidance on how to develop your Responsible AI governance framework.

### **3.1 Assessing risks of AI systems**

Before developing or deploying (generative) AI systems in your organisations, you should assess the AI covering key areas such as data management, model development and deployment, transparency,

### 3.1.1 Data Management

Set clear requirements and parameters that need to be fulfilled regarding the data that is used by AI systems, to accept or decline implementation of the technology. This could include:

- Data collection: How is data collected, and from what sources?
- Data quality: How is the quality of the data ensured?
- Data Protection: How is data protected, including personal data?
- Data use: How is data used, and for what purposes?

### 3.1.2 Model Development and Deployment

Similar to assessing data security risks in the development of software solutions, your AI governance framework should also cover the development and deployment of AI models, internally and externally. This could include:

- Model development: What processes are followed to develop AI models?
- Model testing: How are AI models tested and validated?
- Model deployment: How are AI models deployed, and how is their performance monitored?
- Model review: How are AI models reviewed and updated over time?

### 3.1.3 Transparency

To be able to identify biased and unfair decision making by an AI system, ask questions such as:

- Decision-making transparency: How are decisions made by AI systems, and how is this explained to stakeholders?
- Data transparency: How is transparency ensured around the data that is used to train AI systems?
- Process transparency: How are the processes around AI use transparent and understandable?

### 3.1.4 Accountability

Your AI governance framework should include mechanisms for accountability. This could include:

- Auditing: How is the AI system audited to ensure compliance with the governance framework?
- Oversight: What oversight mechanisms are in place to monitor the use of AI?
- Redress: What mechanisms are in place to provide redress when things go wrong?





*Any compliance gaps with your AI Governance Framework, are risks that need to be analysed.*

*Know what your deal breakers are, and which risks you are willing to accept.*





### 3.2 Responsible Use of AI

Once you have decided on the AI systems your organisation is going to implement and use, your AI governance framework should include policies and procedures that cover the scope and setting under which employees are allowed to use the technology. Such as:

- Clear guidelines on which AI systems can be used for which use cases.
- Clear guidelines on what is not allowed.
- Who can get access to and use AI systems?
- What kind of data and information, queries and prompts can be shared with the AI?
- How to use the AI?
- How will the use of AI systems be monitored?
- How will misuse and incidents be reported?

To foster innovation and new ideas on how AI systems can bring operational efficiency to your organisation, you can consider a procedure that gives employees a safe testing environment but also sufficient autonomy to test and collaborate with team members using AI systems.

## Chapter 4: Implementing Your AI Governance Framework

Once your AI governance framework has been developed, the next step is to implement it across your organisation. This will involve a range of activities, including training staff, establishing monitoring and reporting mechanisms, and integrating the framework into your existing governance structures.

### 4.1 Training and Support

Staff across your organisation will need training and support to understand and comply with the AI governance framework. Consider the following:

- Training sessions: These could be delivered in-person or online, and could cover the basics of AI governance, as well as specific aspects of your framework.
- Resources: You could provide resources such as guides, FAQs, and checklists to help staff understand and apply the framework.
- Support: You could establish a support mechanism, such as a helpdesk or mentorship program, to provide ongoing support to staff.

### 4.2 Integration

Your AI governance framework should be integrated into your existing governance structures. This could involve aligning the framework with your existing policies and procedures and ensuring that it is embedded in your organisation's culture and practices.

# Chapter 5: Monitoring and Improving Your AI Governance Framework

Implementing an AI governance framework is not a one-off task. It requires ongoing monitoring and improvement to ensure that it remains effective and relevant. This chapter will provide guidance on how to monitor your AI governance framework and make necessary improvements.



## 5.1 Monitoring

Regular monitoring is crucial to ensure that your AI governance framework is being effectively implemented and is achieving its intended outcomes.

- **Compliance checks:**

These could involve regular checks or audits to ensure that AI systems and the use of AI systems are complying with the framework.

- **Reporting:**

You could establish a reporting mechanism to provide regular updates to senior management and other stakeholders on the implementation of the framework.

- **Feedback:**

You could establish a feedback mechanism to gather insights from staff and other stakeholders on the effectiveness of the framework and areas for improvement.

## 5.2 Improvement

Based on your monitoring activities, you may identify areas where your AI governance framework could be improved. This could involve updating policies and procedures, providing additional training and support, or enhancing your monitoring and reporting mechanisms.

# About Palqee

Implementing an AI governance framework is crucial, not only to minimise risks but to ensure that your organisation uses AI responsibly and ethically.

While AI governance frameworks are still very new, organisations can use their existing governance as basis.

Palqee supports businesses with the ongoing management of governance frameworks through software solutions that bring agility to risk management policy enforcement.

Our library of fully customisable AI assessments and audits, cover third-party risk, data management, development and deployment, transparency, and accountability criteria.

## Get in touch:

[info@palqee.com](mailto:info@palqee.com)

[www.palqee.com](http://www.palqee.com)

Friday, 22 October 2019

Surveys / **Manager**

83%  
95 of 112

Employees Engagement

Of Workfo


**Activity Log**

Active 4

Completed 3

Survey Name	Type	Audience
GDPR Data Mapping Survey	R	Workfor
DPIA - New Product Feature	R	Sophie R
LQPD Policy Training	C	Workfor
	R	
	C	

Powered by **palqee**

 **AI System Audit**

Expires in: 2 weeks

[Answer Survey](#)



GRC & Data Protection

Copyright © 2023 Palqee Technologies.  
All Rights Reserved.

Palqee and its logos are trademarks of  
Palqee Technologies Ltd.