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Shaping society 5.0 Building trust in AI as a force for good

Asking the right questions: How AI can help organizations to enter new markets, navigate responsibilities, and drive progress towards a better society and sustainable world

Foreword



**By Harold Pradal,
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2023 will be viewed as the point that Artificial Intelligence (AI) tipped into the mainstream, with a 286% rise in media coverage of the topic¹. And whilst headlines were grabbed by ChatGPT, the real AI story is much, much deeper.

This transformational technology is accelerating progress – and has the potential to go further as a force for good and move us towards Society 5.0, a ‘human-centered society that balances economic and technological advancement to solve society’s problems’². Importantly, it also raises questions around how we build trust in AI and what guardrails are needed to ensure AI shapes our future in a positive way.

In this collection we go behind the headlines to explore the real-world impact of AI through the eyes of BSI experts, drawing on the views of 10,000 people in nine countries. For anyone in doubt, AI is here and it’s here to stay – 38% of people use AI in their jobs daily, rising to 70% in China and 64% in India. By 2030, 62% expect their industry will use AI³.

At BSI we are committed to shaping the impact of technology and innovation for the benefit of individuals, organizations and society. AI sits at the heart of this because it has the potential to be a powerful partner, changing lives and accelerating progress towards a better future and a sustainable world.

We commissioned these essays to turn the spotlight on this generational opportunity – recognizing that the better we understand it, the better we can harness its power. Whether it’s creating new workplace opportunities, improving patient outcomes, tackling modern slavery or building a safe global food system, AI has a pivotal role to play.

We examine the importance of embedding digital trust in AI, the critical role for collaboration – between nations, policymakers, organizations and individuals – to unlock AI’s true potential, and the fast-evolving regulation designed to ensure consistency and certainty.

With AI crossing over from small, contained environments into mainstream technology at work and at home, this offers a transformational opportunity to unlock a multitude of benefits – provided trust and confidence are present too.

AI is just getting started. At BSI we are excited to partner with our clients as we embark on this journey. We are delighted to present these essays to explore the enormous potential AI offers to shape Society 5.0 and deliver a sustainable future powered by innovation.

1. Signal search analysis 2022-2023.
2. Society 5.0: The Fundamental Concept Of A Human-Centered Society, Open Business Council, Aug 2023
3. BSI Trust in AI Poll 2023



Asking the right questions: How AI can help organizations to enter new markets, navigate responsibilities, and drive progress towards a better society and sustainable world

As a purpose-driven organization, BSI believes AI can be a force for good, changing lives, making a positive impact on society, and accelerating progress towards a sustainable world. In this essay, Gary Robinson, Commercial Solutions Director, looks at how AI can help to advance commercial, social, and environmental goals in order to protect people and planet.





By Gary Robinson

Commercial Solutions Director, BSI

- Organizations seeking to navigate new markets will be looking to comply with a whole host of regulations e.g. sustainability policy and standards.
- 54% of people say AI can be used most effectively to take on tasks that humans don't have time to do – freeing people up to focus on the most complex areas of work.
- With AI doing the heavy lifting of research and data analysis, it's up to organizations to train people in the critical thinking skills needed to ensure AI is an effective tool.

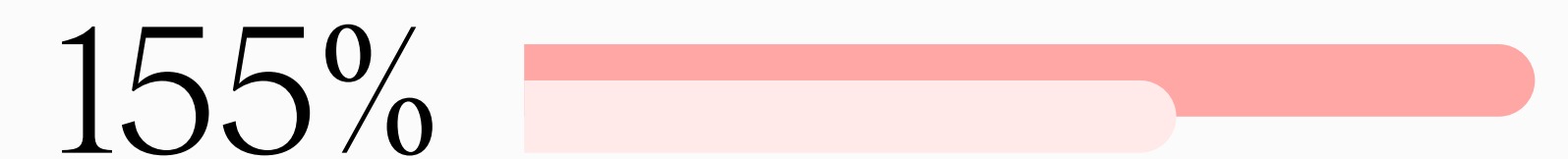
For all that technology has helped to make the world more connected, the diversity and complexity of conducting business in multiple markets can present a challenge to many organizations. AI offers the opportunity to act as a partner for purpose-led organizations seeking not only smoother global trade and more efficient operations, but also aiming to positively impact society and create a future in which people and planet can flourish.

New markets, new opportunities

Organizations wishing to enter new markets have to navigate lots of unknowns. The most obvious are regulatory – what do they need to do to enter that market, how do the regulations differ, and what do they need to do to be compliant? With Environmental, Social and Governance (ESG) regulations up 155% globally¹ in the last decade, there is now plenty to consider.

But beyond that there are non-regulatory expectations in new markets², which can be harder to discern. These include what is the expected best practice, for example, or what are the cultural norms around business.

In the past, it might have made sense to work with a third-party vendor – an operator in that landscape who could act as a navigator. But since AI can process vast quantities of information quickly, the rise of AI could make it possible for organizations without contacts in a particular market to find out the information they need – not just the relevant regulatory requirements but the social and cultural norms too.



increase in ESG regulations in the last decade.

An era of efficiency within markets


Clearly one of the advantages of AI is the efficiency it creates – in BSI’s Trust in AI Poll, 54% of people said AI can be used most effectively to take on tasks that humans don’t have time to do³. One area of opportunity could be using AI to stay on top of the information organizations need. Because even within markets in which organizations are already operating, regulations can change.

The work of ensuring compliance has traditionally required the input of experts, from legal teams to consultants, who know the legislation and understand the process of how to prepare for and implement it. The global consultancy market alone is estimated to be worth \$307.62 billion⁴.

There’s undoubtedly still a role for expertise like this, but it may be for consultants who themselves are leveraging AI tools. AI’s ability to digest and distil data at pace, provide decision support and simulate scenario analysis could in the future see it take on some, if not all, of the work – freeing consultants up to focus on the most complex and human areas of planning, implementation, and transformation.

Already, for example, AI-powered solutions are giving banks the ability to automate their data collection processes⁵. This offers the potential to improve the speed and quality of the decisions they make, but also to enhance their readiness to meet regulatory compliance obligations. Automating risk scoring is also said to offer benefits including enabling financial institutions to make their systems fault tolerant (in other ways, able to withstand a fault) and compliant with financial regulations.

As OECD research sets out⁶, the deployment of AI in finance is expected to “increasingly drive competitive advantages for financial firms” thanks to enhanced efficiencies and improved quality of services.

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Navigating the sustainability landscape

For organizations focused on purpose, AI brings more than just the ability to speed up research into legislation and compliance, or making markets more efficient. Deployed alongside human critical thinking skills, it offers the opportunity to generate solutions that are both good for business, and bring benefit to society. It could, for example, identify gaps to act on, which in the case of sustainability could then help organizations to accelerate progress on their sustainability goals.

In fact, AI is already helping organizations to navigate the sustainability landscape. According to BCG⁷, those using automated solutions for emissions measurements are 2.2 times more likely to measure emissions comprehensively and 1.9 times more likely to reduce emissions in line with their ambitions. EY recently highlighted⁸ how generative AI can be used to “get Environmental, Social and Governance (ESG) compliance insights, operational efficiency improvements, and to track public sentiments”. In other cases, AI tools are being used to facilitate sustainable investment⁹.

In 2021, the European Commission adopted a proposal that will require companies to report on social and environmental impacts starting in 2024¹⁰. In the US, the SEC set out plans in March 2022¹¹ to enhance and standardize climate-related



disclosures. As nations and trading blocs update their requirements, AI offers the potential to play a crucial role in helping to ensure organizations are not just legally compliant but are also successfully fulfilling their sustainability requirements.

That doesn't mean AI is the answer to every question when it comes to sustainability. There are as yet unsolved issues, for example the environmental impact of data storage, given the carbon footprint from the world's data centres is already estimated to contribute at least 2% of global greenhouse gas

emissions¹². There are questions around biased algorithms and diversity too. But for a purpose-led organization, AI has the potential to help on the journey towards sustainability.

three in 10 

By 2050, three in 10 people say a priority should be for AI to be helping to reduce our impact on the environment and protect the planet.

AI offers the opportunity to generate solutions that are good both for business and bring benefits to society

Gary Robinson



AI as part of the toolkit – a question of skill

Three fifths of people (59%) say that AI can be used most effectively when it is combined with human evaluation. Far from replacing the expertise of consultants and legislative knowledge workers, by speeding up the research process, AI could allow people to deploy the human skill of asking the right questions.

Today, 38% of workers use AI on a daily basis; by 2030, of those who don't use it yet, a further 36% expect that to change. As AI rapidly develops, it will no longer be sufficient for it to be only the 'tech savvy' who can use it effectively. As well as drawing on the expertise of consultants and those working in the legislative arena, organizations can benefit from investing in their own workforces to ensure they have critical thinking skills that can then take full advantage of the efficiency AI offers.

The bottom-line benefit of making AI a standard part of the workplace toolkit is becoming apparent. Recent research by Accenture¹³ found that 43% of executives think using AI to achieve regulatory compliance will improve their ability to industrialize and scale and 36% believe it will create opportunities for competitive advantage.

Already, 12% of those surveyed by Accenture were using AI to generate 50% more revenue growth and were outperforming their peers on customer experience and ESG metrics.

The promise of AI is not only answering those unknowns and smoothing the way into new markets or within existing ones. It is of accelerated impact, where purpose-led organizations are not only able to grow as they want, but can use AI tools to raise standards, create global consensus on best practice, and continually deliver outcomes that drive progress for individuals, organizations and across society.

Find out more

BSI represents the UK's interests in international standards development. Artificial intelligence standards are being developed internationally by ISO and for Europe by CEN, covering topics such as governance, risk management and bias in AI systems. Read about the ongoing work of BSI's AI committees [here](#).

References

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- 3 [BSI partnered with Censuswide to survey 10,144 adults across nine markets \(Australia, China, France, Germany, India, Japan, Netherlands, UK, and US\) between 23rd and 29th August 2023](#)
- 4 [Global Management Consulting Market to 2028: Players Include IBM, Accenture, Deloitte, KPMG, and Capgemini](#), Research and Markets, July 2023
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