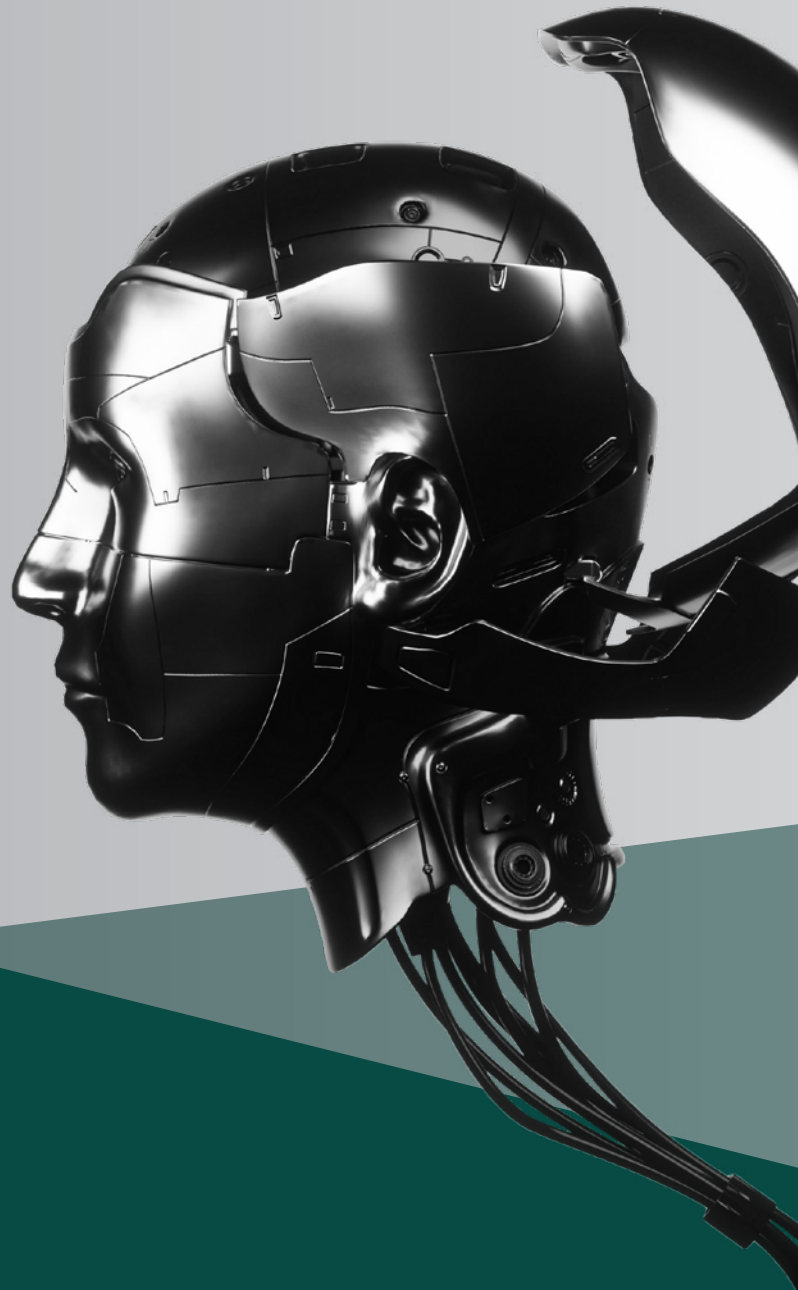


VIRTUAL CONFERENCE: **THE STATE OF AI IN RISK MANAGEMENT**



Artificial intelligence is increasingly being adopted across multiple sectors, with a potential to transform the way we forecast, model and manage uncertainty. New AI tools and models promise a step change in how we detect threats and make decisions. However, their adoption and management present unique challenges for business leaders, policymakers and strategic risk professionals.

Throughout 2023, the ISRM has explored AI's expanding role in risk management from multiple perspectives. From hosting the agenda-setting **ISRM Roundtable: AI, ChatGPT & the Future of Crisis Management** Webinar in March to engaging in weekly discussions through **Global Crisis Watch**, the ISRM has maintained a focus on AI, providing valuable insights into AI's development and its burgeoning impact across various sectors.

The year's highlight and a culmination of our efforts was the two-day **Virtual Conference: The State of AI in Risk Management** held on the 21st and 22nd of November. This conference was attended by more than 750 participants from 66 different countries and featured 15 esteemed panelists from around the world. It served as a comprehensive platform for exploring the latest advancements in AI for complex risk management, examining emerging challenges in global threat environments and discussing practical considerations for business leaders looking to leverage AI in decision-making across all business and operational spheres.

ARTIFICIAL INTELLIGENCE IN RISK MANAGEMENT: Opportunities and Challenges in 2023

09.00 /GMT/
Tuesday
21st November
2023

The Conference started on the 21st of November at 09.00 AM GMT with the opening session on “Artificial Intelligence in Risk Management: Opportunities and Challenges in 2023” which featured an international panel of experts:



Piotr Senkus
Co-founder, BPM,
Competence Center
Warsaw University



Mads Paerregaard
Founder and CEO,
Human Risks



Andrew Tollinton
CEO,
SIRV



Peter Joyce
CEO,
Inform Tech Plus

The session explored the recent advancements in AI-powered risk management tools and explored the constraints organisations face in utilizing these technologies.

The panelists engaged in a wide-ranging discussion about the utilisation of AI in risk management, particularly in terms of how AI systems can enhance risk assessment by analysing a range of factors like geographic location and asset type. However, they emphasised the inherent uncertainties in AI's decision-making processes. It was concluded that while AI offers significant potential for improved risk assessments, it often lacks clarity in its prioritization of risks, a complexity attributed to the extensive and multifaceted datasets it learns from.

Another important topic addressed by the panelists was the integration of AI-based recommendations with human judgment within the realm of risk management. Various scenarios where AI's suggestions might conflict with the intuition or experiences of risk managers were debated. This discussion highlighted the need for a balanced approach that effectively combines AI insights with human expertise. It was concluded that for AI to be reliably integrated into practical decision-making processes, a symbiotic relationship between AI-generated recommendations and human judgment is essential.

Trust in AI systems, particularly in critical applications like workforce deployment, was a key focus of the session. The panelists stressed the importance of being able to verify and understand the rationale behind AI's recommendations. Establishing this trust is paramount for the broader adoption of AI in strategic decision-making. It was emphasised that stakeholders need assurance that AI systems are not only reliable but also that their outputs are justifiable and transparent.

Finally, the session underscored the critical importance of collaboration among various stakeholders, including academics, practitioners and policymakers. The panelists concluded that tackling the complex and multifaceted issues at the intersection of AI and risk management requires continuous dialogue and exchange of ideas. This collaborative effort is vital to navigate the challenges and capitalize on the opportunities presented by AI in this field.

NEW LIABILITIES: AI Risk Governance in an Evolving Regulatory Environment

16.00 /GMT/
Tuesday
21st November
2023

The second session of the Conference started at 16:00 GMT on the 21st of November and it focused on the “New Liabilities: AI Risk Governance in an Evolving Regulatory Environment”. This panel discussion brought together distinguished experts:



Mick O'Connell

United Nations Interregional
Crime and Justice Research
Institute



Dr. Nourhan Moussa

Senior Legal Specialist
in Cybercrime
and International Law,
USAID



Hart Brown

CEO,
Future Point of View



Pauline Norstrom

Founder,
Anekanta AI

The session explored the global regulatory landscape surrounding AI tools and automated models in decision-making, exploring the implications for risk owners and company directors.

A major focus of this session was on data ownership and control. The panelists discussed the implications of data control for privacy and economic power, extending the conversation to data-reliant emerging technologies such as driverless cars. This raised significant questions about who owns the data that powers these technologies and the broader societal and individual rights implications.

The session explored the complexity of AI and its alignment with human values. It was suggested that while AI may excel in efficiency or capability in certain tasks, it might not necessarily conform to human ethical standards. This brought up crucial questions about the development of AI and the ethical frameworks guiding its implementation.

Reflecting on AI's evolving role in society, the significance of organisations like ISRM in facilitating meaningful discussions on this topic was highlighted. The need for continued engagement and collaboration among various stakeholders to navigate AI's challenges and opportunities has stood out as the most important aspect of living in the age of AI.

MANAGING 21ST CENTURY CRISES: AI Tools in Organisational Crisis Management Case Study Session

09.00 /GMT/
Wednesday
22nd November
2023

The Conference continued at 09.00 AM GMT on the 22nd of November with a session on “Managing 21st Century Crises: AI Tools in Organisational Crisis Management”. This case study session featured:



Mark Nutall
Director,
Thomson Reuters;
Chair, ISRM UAE Chapter



Scott Weiner
Managing Consultant,
Atkins Global



Peter Joyce
CEO,
Inform Tech Plus

The focus of this session was on real-world applications of AI tools in corporate crisis management, exploring the challenges and opportunities in managing complex disruptions.

The session underscored the vital role of expertise in decision-making, especially in risk management. The gap between the theoretical knowledge of scientists and the practical decision-making of political leaders was discussed, emphasising the need for decisions rooted in scientific understanding. The need for informed decision-making processes, especially when managing crises was highlighted.

The panelists in this session brought forward specific case studies to illustrate the repercussions of poor technical decision-making. They referenced historical examples where a lack of urgency or understanding among top management led to significant failures.

The challenges and risks associated with implementing AI and other emerging technologies were a key focus of the discussion. It was pointed out that while these technologies offer significant benefits, understanding and mitigating the associated risks is essential. The importance of informing stakeholders about both risks and benefits of these technologies and advocating for a balanced approach that fosters both enthusiasm and caution was emphasised as the most important aspect of AI-powered decision-making.

The need for having robust crisis management plans, particularly in light of the potential risks posed by super-intelligent AI, was discussed. The collaboration between businesses and communities to ensure the resilience of cities and systems and preparing them to respond effectively in crisis situations was highlighted.

AI AND THE EVOLUTION OF 21ST CENTURY MEGA PROJECTS:

16.00 /GMT/
Wednesday
22nd November
2023

The closing session of the Conference on “AI and the Evolution of 21st Century Mega Projects” was held in the afternoon on the 22nd of November. This session featured:



Muttahir Salim

Middle East Security Lead,
Buro Happold



Scott Weiner

Managing Consultant,
Atkins Global



Dr. Scott Christianson

Director of the Center
for Entrepreneurship and Innovation (CEI),
Robert Trulaske College of Business
University of Missouri



Danyetta Fleming

CEO, Covenant Security
Solutions Intl;
Fellow, Institute for Critical
Infrastructure Technology

The session focused on the growing scale and complexity of modern mega projects and the potential of AI to enhance performance and outcomes.

Exploring the Future of AI

The session opened with a metaphor comparing the current understanding and exploration of AI to children paddling at the edge of a vast ocean. This analogy highlighted the state of AI understanding and the immense, uncharted potential that lies ahead. The panelists discussed the challenges in defining and comprehending advanced AI concepts like AGI (Artificial General Intelligence), emphasizing the complexity and evolving nature of AI research and philosophy.

Debating the Definition and Purpose of AGI

A key focus was the debate over the need and challenges of defining AGI. The panelists discussed the diverse perspectives of AI researchers and philosophers on the importance of defining AGI, considering its nature as a socially embedded intelligence. The conversation covered the intersection of AI and biology, the notion of superhuman AI abilities and the fundamental objectives behind advancing AI technology.

Uncertainty and Excitement About AI's Future

Reflecting on the unpredictable trajectory of AI development, the panelists expressed a mix of excitement and caution about the future. They acknowledged that breakthroughs in AI could dramatically alter our understanding and interaction with the world, highlighting the dynamic and rapidly changing landscape of AI. The panelists highlighted that AI, in its current state, is a field marked by rapid and often unexpected advancements. This unpredictability is not just in terms of technological capabilities but also in how these advancements can significantly impact various aspects of society and individual lives. There's an acknowledgment that breakthroughs in AI, while offering substantial benefits, could also bring unforeseen challenges and ethical dilemma.

The discussion on AI's future mirrored the broader global sentiment: one of hope and promise, tempered with a need for careful consideration and ethical oversight. The evolving landscape of AI offers a canvas for innovation, but it must be painted with thoughtful strokes, considering the broader picture of human impact and societal good.

CONCLUSION

With this two-day Conference, the ISRM has once again demonstrated its commitment to fostering critical discussions and advancing knowledge in strategic risk management.

We are grateful to all the panelists, including Piotr Senkus, Mads Paerregaard, Andrew Tollinton, Mick O'Connell, Dr. Nourhan Moussa, Hart Brown, Pauline Norstrom, Mark Nutall, Dotan Sagi, Peter Joyce, Muttahir Salim, Scott Weiner, Dr. Scott Christianson and Danyetta Fleming. Their expertise and insights have been invaluable in this endeavour.

We also thank our global audience, whose engagement and thoughtful questions enriched the discussions.

This conference has been a testament to the dynamic and evolving nature of AI. The discussions highlighted both the potential and the challenges of integrating AI into risk management and decision-making processes. The enthusiastic embrace of AI's possibilities, coupled with a prudent approach to its ethical and practical implications, paints a picture of a future where technology and human insight coexist in a balanced symbiosis.

The emphasis on the need for ongoing dialogue, collaboration and ethical consideration in AI's development and application resonates deeply. It's clear that the journey of integrating AI into our societal fabric is as much about understanding human values and societal impact as it is about technological innovation. The Conference illuminated the duality that characterises the current AI landscape: on one hand, there's immense excitement about the potential for groundbreaking advancements, and on the other, there's a sense of caution due to the unpredictability of these advancements.

As we move forward, it's imperative to continue these conversations, ensuring that the development and deployment of AI technologies are aligned with ethical standards and contribute positively to societal advancement. The excitement surrounding AI is indeed justified given its transformative capabilities. AI's potential to revolutionise industries, automate complex tasks and provide insightful data analysis can lead to significant societal advancements.

However, this excitement should be accompanied by a responsible approach to AI development. The ethical implications, especially in terms of privacy, bias and job displacement, require careful consideration. It's crucial to foster AI development in a way that aligns with societal values and benefits humanity as a whole.

After the Conference, the ISRM has decided to create a dedicated platform where professionals, experts and enthusiasts can come together to explore the rapidly evolving topic. The establishment of the **"ISRM AI in Risk Management Discussion Group"** is a testament to the ongoing commitment to these discussions. This platform will serve as a valuable resource for sharing insights, debating ideas and keeping the conversation alive beyond the confines of the Conference. It is a space where the collective wisdom of a global community can continue to shape the future of AI in risk management.

In conclusion, the **ISRM Virtual Conference: The State of AI in Risk Management** has not only provided a platform for discussing the current state of AI in risk management but has also opened doors for future explorations. As we navigate this rapidly evolving landscape, the learnings from this Conference will serve as a guiding light, helping stakeholders make informed and responsible decisions in the realm of AI and risk management.

ABOUT THE INSTITUTE OF STRATEGIC RISK MANAGEMENT

The Institute of Strategic Risk Management (ISRM) is a leading global centre for the promotion and sharing of best-practice strategic risk and crisis management capabilities and thought leadership amongst practitioners, academics, and policy makers. Across the Institute's global chapter network, our members and fellows help progress and promote the underlying understanding and capabilities associated with strategic risk and crisis management, alongside developing their own personal and professional networks.

The ISRM provides best-practice training, hosts leading events across its global and local networks, and provides strategic advice to support organisations' management of complex risks.

✉ www.theisrm.org

🌐 info@theisrm.org

ABOUT THE CENTRE FOR THE STUDY OF WICKED PROBLEMS

The Centre for the Study of Wicked Problems (CSWP) is an international academic institution dedicated to facilitating effective research, analysis and solutions to the wicked problems faced by our organisations, governments and communities. The Centre brings together stakeholders, academics, policymakers and practitioners with one common platform to develop effective frameworks and strategies to address multifaceted challenges.

In creating a common global platform, the CSWP is committed to facilitating a multidisciplinary approach, recognizing that the complexity of wicked problems requires bringing multiple different perspectives and expertise to the table.

🌐 www.cswp.theisrm.org