Incorporating *Public Welfare* in *AI Leadership* Decisions:

An Investigation into Corporate and Governmental Organizations

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Literature

Our interdisciplinary review contextualizes AI's development within broader socio-political and economic considerations and also sets the stage for a nuanced examination of AI's potential to enhance or undermine public well-being. Our theoretical foundations span three domains:

1. *Science and Technology Studies*
2. *Wellbeing Economics*
3. *Institutional Decision Making*

We leverage insights from STS to understand how leadership decisions in both the corporate and governmental sectors significantly shape AI's development trajectory and its consequent societal impacts. STS illuminates the intertwined nature of technological progress and socio-political contexts, highlighting the collaborative influence of diverse actors, including academia, governments, businesses, and advocacy groups. This perspective underscores the crucial role of decision-makers in navigating the socio-political landscape to steer AI's development towards beneficial societal outcomes.

Our exploration into Wellbeing Economics provides a foundational framework for defining and measuring public well-being, challenging the sufficiency of traditional economic indicators. We advocate for a holistic approach to evaluating well-being that encompasses a broad spectrum of determinants, including mental and physical health, work-life balance, social relationships, and personal fulfillment. This approach positions public well-being as a paramount goal for policy and AI development, urging a shift from narrow economic metrics to a more inclusive understanding of societal welfare.

We review theoretical models of decision-making within corporate and governmental contexts to dissect the strategic considerations underpinning AI-related decisions. Our analysis delves into the principal-agent model, bounded rationality, and the interplay of political, economic, and social forces that shape organizational decision-making. We critically assess the prevalent emphasis on profit maximization and efficiency, arguing for a balanced consideration of innovation, risk management, and public welfare in guiding AI development.

Objective

This research initiates a detailed empirical analysis of the complex relationship between artificial intelligence (AI) advancements and public welfare. Operating under the hypothesis that the expanding influence of AI within societal infrastructures has significant ramifications for human well-being, this study examines the extent to which decision-making mechanisms in both corporate and governmental contexts incorporate considerations of public welfare. Utilizing a mixed-methods framework, the investigation contrasts quantitative data gathered from a carefully structured survey with qualitative evidence acquired through comprehensive interviews with key figures in the industry and policy-making sectors.

Methodology

The research methodology is bifurcated into qualitative and quantitative strands to encapsulate the multifaceted impact of AI on well-being. The quantitative component is operationalized through a survey instrument. The qualitative component was carried out by semi-structured interview guides designed for business executives and AI policy-makers.
The 41-item survey captured respondents' perceptions across three pivotal dimensions of well-being.
Both were deployed simultaneously in August 2023.

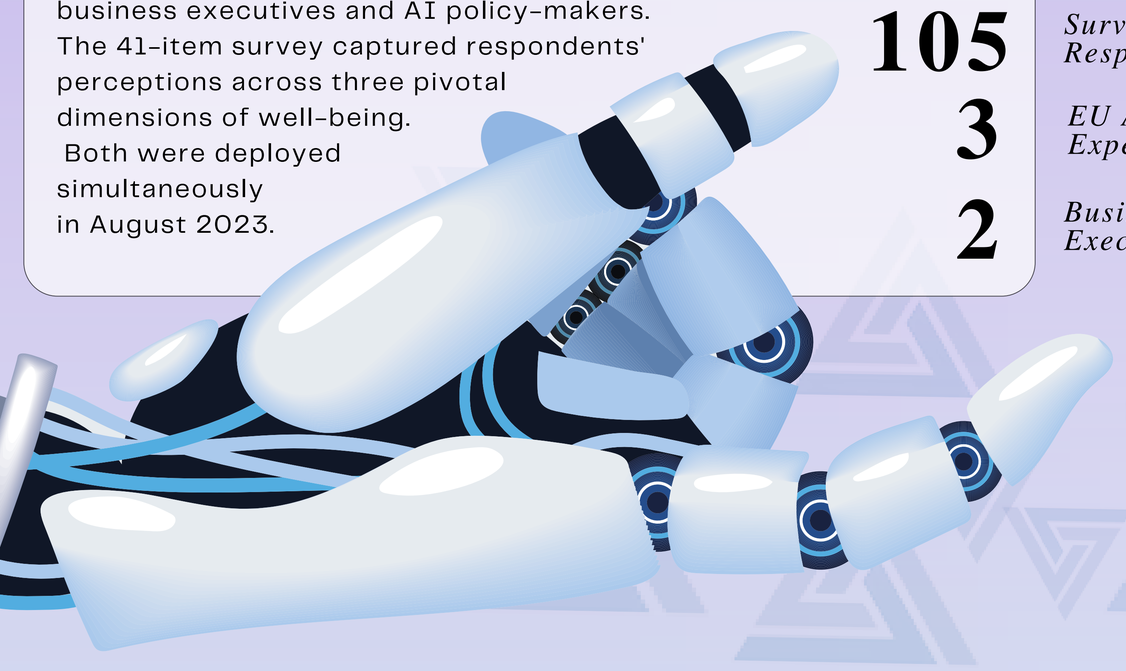
quantitative component
regression analysis — *survey*

qualitative component
thematic analysis — *interview*

Survey Respondents **105**

EU AI Policy Experts **3**

Business Executives **2**



Analysis

The survey, administered over a span of three weeks, garnered 181 responses, subsequently distilled to 105 viable data points post rigorous cleaning. After outreach efforts, the 5 interviews were transcribed and coded; themes and sub-themes were subsequently generated.

Quantitative Insights

AI's utilization has demonstrated a slightly negative impact on social wellbeing, quantified at a mean effect size of -0.07. This suggests that while AI brings numerous advantages, its influence on social interactions and relationships can be somewhat detrimental.

Contrary to the impact on social wellbeing, AI has a notably positive effect on workplace wellbeing. This dichotomy underscores the complexity of AI's impact across different facets of human life, highlighting areas of both concern and opportunity for enhancing human welfare through technology.

Qualitative Insights

Interviews elucidate a spectrum of stances on well-being integration within AI decision-making paradigms. A dichotomy emerges between a forward-looking optimism championed by certain business leaders, who look at AI as a harbinger of enhanced efficiency and augmented purpose in work, and a cautious pragmatism prevalent among policymakers, who prioritize safeguarding fundamental rights and privacy amidst AI expansion.

Comparative Analysis

The juxtaposition of survey findings with interview insights affords a granular understanding of the congruence, or lack thereof, between leadership perceptions and public sentiment regarding AI's well-being impact. Notably, the positive correlation between AI utilization and workplace well-being, as evidenced in the survey, finds resonance among business leaders, yet is conspicuously underemphasized in the policy discourse.

Key Findings

Factors considered for policy design and decisions regarding AI

Citizen Wellbeing

1. Fundamental Rights
2. Trust and Democracy
3. Innovation
4. Quantity: Increasing Access to Goods and Services
5. Accessibility
6. Excess consumption
7. Quality: Efficiency and Effectiveness
8. Purpose in Life and Role of Humans

Policy Decisions

1. Intuition vs Evidence
2. Specificity and measurability
3. Appearance vs reality
4. Prioritisation
5. Agenda setting power and autonomy

Leadership Perceptions vs. Public Sentiment

The interviews with business leaders corroborated the survey findings regarding the positive impact of AI on workplace well-being. Business leaders acknowledged and emphasized AI's role in streamlining operations, fostering innovation, and enabling employees to focus on more strategic tasks. However, this acknowledgment was not uniformly echoed in our discussions with policymakers. The policy discourse, as captured through interviews, tended to focus less on the specific benefits of AI in enhancing workplace well-being and more on broader concerns related to privacy, security, and ethical implications of AI deployment.

Quantified Insights and Discrepancies

While our survey quantitatively assessed the well-being impact of AI, assigning numerical values to perceived improvements in workplace well-being, the policy discussions lacked a similar quantification of AI's benefits or risks. For instance, while business leaders could often point to specific metrics or outcomes reflecting AI's positive contribution to organizational efficiency and employee satisfaction, policymakers' considerations were generally more abstract, lacking direct correlation with quantifiable well-being impacts.

Policy Recommendations

- A paradigm shift towards well-being-centric AI development, underscored by robust, evidence-based policy frameworks.
- Enhanced regulatory mechanisms aimed at preemptively addressing potential welfare compromises in consumer domains.
- An imperative for more nuanced, well-being-aligned decision-making processes, leveraging quantifiable metrics to gauge AI's societal impact comprehensively.

Ultimately our analysis points to a critical gap between the quantified benefits of AI as experienced by the public and the less quantified, more cautious approach taken by policymakers. While the positive aspects of AI in the workplace are tangible and measurable, the policy discourse requires a more nuanced integration of these findings to balance innovation with necessary safeguards.