RAISE

Responsible GenerativeAI for SMEs in UK and Africa

SECURITISATION OF GENAI AND A LACK OF CLARITY FOR SMEs

HOOK

With generative AI seemingly in the news daily with headlines around malpractice and mishaps, SMEs looking to keep up with market trends are concerned around how to use this new technology responsibly. SMEs want to remain competitive, but need support around issues of AI safety tailored to their need so they can effectively respond to compliance needs and reduce regulatory risk.

BACKGROUND

The AI *Safety* Institute has recently been renamed the AI *Security* Institute, illustrating a common theme of securitising a trending topic to placate a seeming lack of control. There are still many unknowns around GenAI and its impact on society, so securitising aspects of it may seem valuable. However, this can oversimplify the issue. Government actions suggest a de-prioritisation of AI safety issues such as mitigating bias and protecting privacy, in favour of AI security considerations such as preventing criminal use of AI and cyber-security. Responding to AI safety concerns contributes to compliance with, for example, equalities and data protection law. As such, a focus on AI security will likely result in a confusing mix of priorities for SMEs, less support on how to respond to important compliance issues and potentially a linked increase in regulatory risks.

GenAI can potentially increase productivity and scalability, whilst reducing cost and time spent on repetitive tasks. SMEs are increasing their development and deployment of GenAI to seize some of these benefits, and so the safety of their AI-related activities warrants specific attention.

PROBLEM

Responsible deployment of GenAI in SMEs faces at least 3 problems:

- Most existing guidance documents on AI deployments are focused on large-scale corporations, and do not respond to the needs of SMEs. Further, few guidance documents focus on risks of deploying GenAI tools. Thus, there is little clarity on what steps SMEs should take to respond to GenAI risks.

- An emerging focus on AI security means that important issues, such as bias and privacy, that are generally considered under AI safety are de-prioritised. These concepts are still important, and have legal requirements, such as equalities and data protection law. This will likely create confusion over what is important for SMEs to concentrate on, and create regulatory risk where insufficient attention is paid to de-prioritised areas.

- A complex regulatory landscape hampers efforts to provide clear guidance on how SMEs can deploy GenAI responsibly.

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OUR INSIGHTS

In the RAISE project we researched SME use of GenAI in the UK and in Africa, conducting a number of case studies and workshops around the key issues. Our findings suggest that:

- SMEs want to deploy GenAI systems responsibly, but do not necessarily know where to start – the existing landscape of guidance is confusing and overwhelming.
- SMEs experience different barriers towards an uptake of GenAI than their larger competitors, and therefore require guidance that is specific and tailored to their experience.
- SMEs need a clear regulatory landscape. An emphasis on AI security that misses other important issues that SMEs must still deal with creates confusion.

RECOMMENDATIONS

SMEs understanding how they can deploy GenAI responsibly could be improved by following these recommendations:

1. Holistic harm prevention: A full AI safety perspective

GenAI systems can create various harms for individuals and society, such as creating discriminatory outcomes and invading people's privacy. Responding to these risks is not just part of AI safety, but also part of complying with, for example, equalities and data protection law. AI safety considerations should be re-emphasised so that ethical impacts of GenAI systems and regulatory requirements for deploying these systems are considered holistically.

2. SME specific mitigation strategies

SMEs often face the challenge of limited resources and needing external support from experts to address the various requirements of responsible AI. More guidance to empower SMEs to use GenAI and contribute to its responsible development and deployment would reduce risks of harmful AI practices and business costs. The RAISE guidelines provide insights into the risks of using generative AI, along with mitigation strategies, tailored to SMEs and should be promoted widely to SMEs implementing GenAI.

3. Pro-competition

The risks of a market monopoly are well known, as are the challenges SMEs face in the AI market. However, greater action is needed in implementing mitigation measures for managing the risks of SMEs being forced out of the market. This involves both empowering SMEs to use AI as well as providing a regulatory landscape that fosters competition and insights on the risks specific to the AI landscape will be especially valuable to regulators in facilitating change.

CONCLUSION

Supporting SMEs to understand safety risks associated with their deployments of GenAI more widely will also support them in complying with related legal provisions, thereby reducing their regulatory risk. This approach can support the narrowing of compliance gaps between SMEs and larger corporations. This can both empower SMEs to use GenAI as well as providing pro-competition regulatory landscape that still reduces risks of using GenAI.

CALL TO ACTION

This brief is based on the research carried out in the RAISE project: https://raise-project.uk/
For further insights and to follow up on any of the recommendations please contact:

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FURTHER READING:

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