

## AI Corporate Ethical Responsibility (CER) Agenda for Operations

### Dr. Rupak Rauniar

Professor, Supply Chain and Business Intelligence, Marilyn Davies College of Business, University of Houston-Downtown (UHD), Houston, USA

### Dr. Steve Zhou

Professor, Supply Chain and Business Intelligence, Marilyn Davies College of Business, University of Houston-Downtown (UHD), Houston, USA

### Abstract

The rapid development and integration of artificial intelligence (AI) and large language models (LLMs) into operations and supply chain processes raises significant ethical risks and demands a robust ethical framework to direct AI developers and usage issues such as privacy and transparency. While high-level principles abound in corporate governance, practitioners require actionable guidance to integrate the development and usage of AI to meet internal and external performance needs. This study examines corporate ethical responsibility (CER) for AI developers and business usage of AI, extending beyond traditional software programming to safeguard cognitive liberty, data privacy, and transparent practices. While prior literature emphasizes explainability, fairness, robustness, transparency, and privacy, the challenge lies in lack of corporate ethical framework, principles, and guidelines for AI programmers, innovation, development, and deployment. A literature review reveals professional responsibility in AI remains in infant stage. Using systematic literature review and the House of Quality (Quality Function Deployment) methodology, this study translates critical ethical dimensions for AI development and deployment into practical aspects of AI purpose, parameters, processes, outcomes, and developer roles. The proposed AI-CER framework highlights ethical competence in AI development and its usage. Further this exploratory study provides specific recommendations for businesses to develop AI CER with implications to ethical AI usage and development and corporate governance.

### Keywords

AI, corporate ethical responsibility, transparency, privacy, fairness, explainability, robustness.