Hattusia

Net worthy

How to get budget and buy-in
for tech ethics (and other forms
of responsible business)

Hattusia

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What we mean by 'budget' and 'buy-in'

In this report we will inspire you with strategies to achieve budget and buy-in for responsible business and tech ethics within an organisation.

Budget refers to the money your organisation has committed to becoming and remaining ethical with their technology.

Buy-in refers to the organisation as a whole adopting ethics to underpin their strategy, operations, product and sales processes. Your ethical values and ethical strategy changes the outcomes in these departments, and is not second-best to commercial considerations. Ethical analysis comes before a product goes into development and during the design process.

When an organisation 'buys-in' to tech ethics, it has grown beyond just being a box-ticking exercise, and instead is an integral part of their decision-making processes.

"Hattusia teaches ethics and helps to create and support responsible business teams"

Photo: Julia Slupska

I run a tech ethics campus, community and consultancy called Hattusia. I teach ethics to technologists at universities like Cambridge Judge Business School, University of Manchester, Imperial University and the Kingston School of Art, as well as to adult learning colleges like General Assembly and to corporate clients.

2020 has reinforced the need for responsible business departments that incorporate tech ethics. We are witnessing the worst pandemic in living memory. Renewed focus on the Black Lives Matters movement has cemented that minorities face constant and systemic discrimination. Our democracies are under threat, anti-democratic movements are amplified by technical infrastructures.

Hattusia belongs to an ecosystem of highly skilled practitioners focused on responsible business. Some choose to concentrate their efforts at the regulatory level and others target the C-suite. Some focus on environmentalism, others on diversity and inclusion and others on mental health and care. Our place is to help create and support responsible business teams and teach ethics.

We know that many employees want to work for ethically-driven companies. But this can only occur if the subject is given substantial budgets and full buy-in — a big challenge in any organisation. This report has been created to give you a starting point for your budget and buy-in strategy.

The team are so excited to share the resources provided in this guide. The calculator, the first of its kind (we think), succinctly shows how ethics will affect your bottom-line. The infographic shows you the journey to getting budget and buy-in for ethics and beyond. To accompany this we've written a step-by-step guide to recruit and build your team, and then persuade key stakeholders to give you the resources you need to change your company for the better.

Thank you to the contributors, the community and to you for reading this guide.

As ever, keep us updated with your progress and ping us if you'd like some support.

Alice Thwaite

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What do we mean by tech ethics?

The phrase 'tech ethics' is a relatively new one, and as such has taken on different meanings. These meanings depend on who is talking about tech ethics, and in which contexts. This diversity is good: doing the 'right' thing isn't always going to look the same.

Those that describe themselves as working in 'tech ethics' tend to be focussed on similar goals. They are part of an ecosystem that is driving towards a future where business is motivated by more than just shareholder profit. We want businesses to actively contribute towards a world motivated by protecting the environment, promoting human rights, and creating communities that benefit everyone.

Beyond tech ethics, common terms to describe this work include: responsible innovation, values-led business, or even systems accountability. Being aware of this terminology helps us better understand what tech ethics is, and what it isn't.

Hattusia would like to see a responsible business department which has practitioners from many different methodologies. We want social scientists, anthropologists, psychologists, race & gender specialists, and of course, ethicists & philosophers to have a place here. We explicitly define an ethicist as a person with a background in philosophy, but we appreciate this is a controversial point.

Tech ethics is not an opportunity to engage in highly academic discussions that are very interesting to have but ultimately do not encourage any meaningful change.

Tech ethics is about establishing an ethical framework to guide strategy and decision-making from the conception of an idea to a shipped product. It aims to make 'unintended consequences' a thing of the past, and to understand that your stakeholders include everyone that your technology touches.

Adjacent fields to tech ethics

→ Tech for good
→ Human rights
→ Diversity and inclusion
→ Environment and sustainability
→ Values-driven business
→ Humane tech
→ Tech anthropology
→ Anti… racism, slavery, discrimination and misogyny
→ Mental health and physical health
→ Fair corporate tax
→ AI ethics

The value of responsible business

What kind of world do you want to live in? A world where the environment is sustainable for human and animal life? Where there is no slavery? Where your family is safe and free and human rights are upheld and protected? Where companies design for future wellbeing?

Or do you want to live in a world where work is only meaningful if it makes profit?

Ethics helps us understand that growth is not everything. If a business grows in a way which exploits human and planetary resources, without giving anything back, eventually there will be nothing left — and no business left either.

Recently we've seen the emergence of new kinds of 'resources' from which businesses have extracted value, and one great example of this is data. This new source of value has brought forth unprecedented growth for just a handful of tech firms. This is because unlike traditional resources, data is versatile and it does not run out.

However, what does run out as a consequence of this unchecked data-mining is privacy, democracy, and trust. If we have any expectation of progress beyond the old maxim 'move fast and break things', then the products that we build in the future have to be ones that users and consumers trust. One of the ways to embed trust into new and exciting technologies is to build them with ethics in mind.

Ethical products are robust products
Just recently, both Amazon and IBM had to withdraw their facial recognition products from the market. Why? Because of a growing mistrust of the quality of the technology, and its applications: it's inaccurate in a way that disproportionately affects people of colour, and in turn it's used by law enforcement.

This has been true for years, but in 2020 this mistrust reached a peak due to the growing momentum of the Black Lives Matter movement. Even though Amazon have only imposed a year-long moratorium on Rekognition (their facial recognition technology), this has had a huge effect on the market — and it's all down to the fact that their technology did not undergo the processes necessary for its end-users to trust it.

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One of the ways to embed trust into new and exciting technologies is to build them with ethics in mind.

" Tech ethics is valuable because human lives are valuable

Social risk management

It's possible that your great new product idea is in development as you read this. You could build it, ship it, and sell/acquire thousands of units/sign-ups. Everything will be going great, but then one year later a new regulation comes into effect and suddenly your product is no longer up to standard — you either need to make significant changes, or you will be facing fines. It's likely you can afford neither.

Now, for companies as large and monopolistic as Facebook and Google, regulatory fines are just the cost of doing business. Most other businesses cannot operate in this manner. Furthermore, the ability to afford huge fines should not be considered a mark of success. Successful products are ones that are robust enough to live up to regulatory scrutiny. Therefore, it is in the interest of business to set ethical principles into how we build products; managing risk is one of the reasons why tech ethics is valuable.

Responsible business does not stunt innovation — it enables it

"The larger set of stakeholders that you are accountable to, the more creative you have to be with your product"
– Will Griffin, chief ethics officer, Hypergiant

Publicly-listed companies have a group of shareholders that you need to keep happy. And all companies have their clients and paying-customers. But your stakeholders are much more wide-ranging than this. A single technology has the ability to have a profound effect on the lives of millions of people. These people might not directly use your product, but they do have the potential to decide whether you are successful or not.

As you begin this journey, you must internalise ethics' value: that it enables us to build in a sustainable way, which allows us to continue to thrive on this planet.

In order to make this vision for a new world real, we first have to work within the systems that already exist. In order to change these systems, we must identify the value of tech ethics via the language of business: managing risk, driving innovation, and building trust.

Business benefits of ethical design

INNOVATE + MANAGE RISK + BUILD TRUST

Identify new opportunities

Increase your organisational resilience

Ensure all stakeholders are considered in your strategy

Obstacles to achieving budget and buy-in for tech ethics

It helps to know what you might be up against. These are the key obstacles we've found to winning budget and buy-in for ethics and responsible business. If you've experienced any of these, you are not alone. We will help you get around these issues.

1. Tech ethics has never been on the agenda

It's highly possible that you could be working in or with a company that has never even thought about being more ethical in how they build and engage with technology. In which case, it's hard to be the first (and possibly only) person to speak up about this challenging issue and then, to set an ethical agenda.

4. The unfortunate realisation that leadership don't want to put the work in

You may be wondering how you would ever find yourself in this position — why would management agree to budget and buy-in if they have no interest in tech ethics? Because no one will ever say 'I don't care about ethics'. There's a very real possibility that those in leadership will be very excited by the prospect of being more ethical with technology, but ultimately not willing to put the work in.

2. Push back from leadership

It can be tough to convince C-levels that taking the time to embed an ethical practice into their business is actually worth it. It could be that the main questions that block your path are 'what is the value of ethics in business?' How can we remain competitive whilst taking ethics into account?'

"It's difficult to secure budget and buy-in because tech ethics is viewed as a nice to have rather than a must have."
– Olivia Gambelin, founder, Ethical Intelligence

3. Not recognising ethics as a profession

No one will put time and money into something they do not understand, so another key obstacle is getting leadership to understand tech ethics is a discipline with established practices of working.

"The challenges are around committing budgets because the field is not widely recognised, and there is no common standard or certification to reassure organisations that the work they do, or pay for, is worth it and in line with wider industry."
–Tariq Rashid, director, Digital Dynamics

Key milestones

This infographic helps you visualise how much effort you should put into each part of the budget and buy-in journey, and at what time.

You can see that effort increases as you recruit more people, and that you must spend time with both internal and external stakeholders. We would like to reinforce that you should not start the audit or the imiplementation stage until you have got buy-in from senior management.

Working with stakeholders inside your organisation

Working with external stakeholders

RECRUIT

EDUCATE

AUDIT

IMPLEMENT

Time

Budget

Budget and Buy-in

Effort
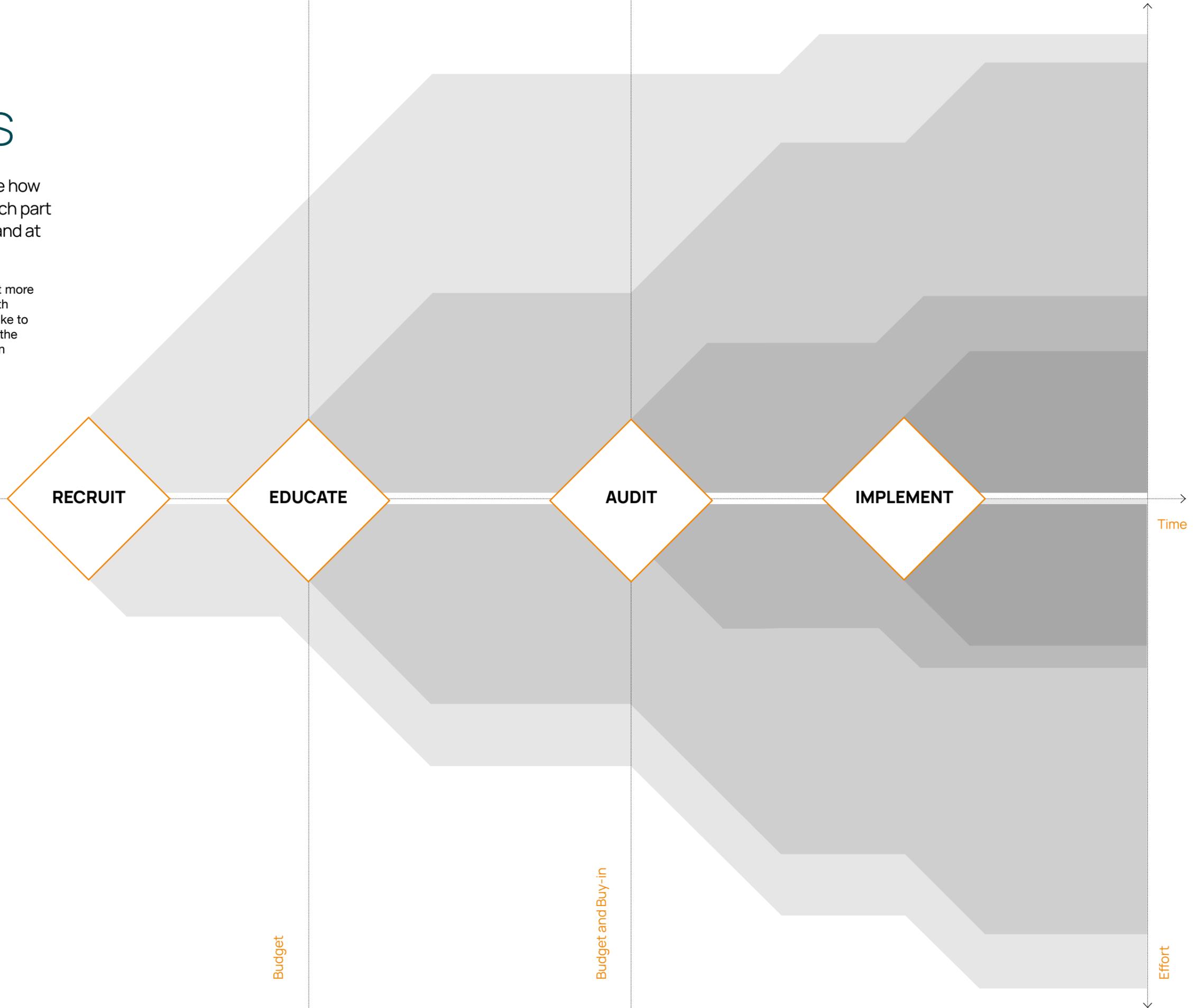
Breaking the mountain into mole hills

Winning budget and buy-in for tech ethics is a daunting task, and it's easy to get overwhelmed. We've broken a process down into structured, manageable pieces, to inspire you to make a plan.

If we could give you a one-size-fits-all step-by-step guide, we would. But any successful approach to achieving budget and buy-in for tech ethics will be bespoke. Nevertheless, our research has shown us that there is one crucial first step to this process: recruiting a responsible business team (RBT).

Why do you need to recruit a team?
First of all, winning budget and buy-in will be easier if you have more people working towards the goal. A diverse team will help you develop creative and innovative solutions. If you're armed with a range of skill sets once you're in front of the CEO, it will be all the easier for management to validate your ideas, and ultimately allocate budget and buy-in to make those ideas a reality.

Second of all, this is where getting buy-in starts. It's very likely that your peers will be easier to access than members of the C-suite and the senior management team.

Start small
Feel content with a small RBT at first. As your team gets bigger, the easier it will be to continue to recruit. The crucial thing is that everyone has a role (including you). On the next page we've made recommendations on what those roles should be, and the skill sets required for each one.

This recruitment process will look different depending on the size of your company. Perhaps you only work with 20 other people, and the CEO is just two desks over. Or perhaps you're in a company of 500 and the CEO is often abroad. Maybe you're a contractor and the CEO is actually your main point of contact, but you don't work with other members of the company.

We appreciate that the way in which you gather your team will differ depending on how large your company is, and how close you are to the decision-makers. Just remember that whether you're in a startup, scale-up, or large corporate, this team will be crucial in both achieving budget and buy-in, and to run the department as you progress into the audit and implementation stage of responsible business.

Who should be in your Responsible Business Team?

Find five people who can take on each of these roles — you can have any number of people working within each role eventually, but a realistic goal is to start with one of each.

The manager

Skill set: A fantastic organiser and administrator.

Role: This person(s) will be responsible for organising the team. They will create agendas, manage schedules, and assign tasks. They are the ones who keep the other team members accountable.

The salesperson

Skill set: A great presenter, with a tenacious personality and understanding of the sales process.

Role: This person(s) will bring the team's ideas to the decision makers. That entails scheduling time with the C-suite, the non-executive directors (NEDs), and any other key stakeholders. The salesperson will take ownership over the messaging, and presentation of your ideas.

The accountant

Skill set: An understanding of finance, and managing budgets.

Role: The accountants' responsibilities entail building financial models to justify the monetary value of ethics to the C-suite. They will be able to calculate the ROI of putting resources into tech ethics when developing a given product.

The product technologist

Skill set: A detailed understanding of the product(s) your company is building, and the go-to-market strategy.

Role: The product technologist is the person(s) who communicates with the rest of the team about how the product(s) is being built: what stage of development the product is at, the technologies and design systems used, and what the market strategy is. This person will likely be working directly on the product themselves, so could be an engineer, designer, product manager, etc.

The humanities specialist

Skill set: An insight into ethical methodologies, and broader societal issues.

Role: This person(s) will work closely with the product technologists to develop the product(s) with ethics in mind. They will be responsible for devising methodologies and researching ethics in context of the product(s). As your team grows, this role will benefit from having individuals from different disciplines, such as: philosophy, anthropology, political science, or diversity & inclusion.

Working with senior management

Once you've built up your initial RBT, pat yourself on the back; this is one of the first key stages to getting buy-in. Having this team with you is great, but nothing will happen if you don't bring your ideas to the C-suite and NEDs.

As touched on before, your strategy for winning budget and buy-in for ethics depends heavily on your relationship to management. Perhaps asking for money and time to research ethics is just one conversation away. Or maybe you'll have to build a stronger case first. This is where the accountant and salesperson will work together on what is effectively a pitch. Here are some things to take into consideration when building this pitch:

What kinds of values does management already advocate for? Your company could already have a set of internal values that celebrate always learning new things. Or someone from management may have made statements on important movements that are relevant to what you're trying to achieve, such as Black Lives Matter or #MeToo. All of this could be instrumental in building a solid case.

> "Where the values work aligns with a known issue (e.g. staff retention or investor demand,) then it may be funded as part of that initiative. In much of my work with SMEs, I simply bundle it into growth and scale strategy so that it is not explicitly called out."
> – Iyas AlQasem, managing partner, Beyond the Quarter

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What kinds of values does management already advocate for? Echoing these could be instrumental in building a solid case for ethics budget and buy-in.

Should you emphasise the business side of this decision? It will be hard to obtain a budget from any decision-makers unless they know it will ultimately make the company money. That's why we put together a return on investment (ROI) calculator (found at the end of this report and at **hattusia.com/ethics-roi-calculator**). This can be used to outline the potential financial risks of continuing to build without ethics in mind, along with the potential gains of giving time and money to your ethics team. This is where your accountant comes in.

Are management excited by innovation? When working in tech, the products you build can reach extremely wide audiences in unexpected ways. If you're committed to benefiting everyone who engages with your products, you'll have to be very creative in ensuring that is the case. In other words: ethics will help you innovate.

RECRUIT

↓

EDUCATE

↓

AUDIT

↓

IMPLEMENT
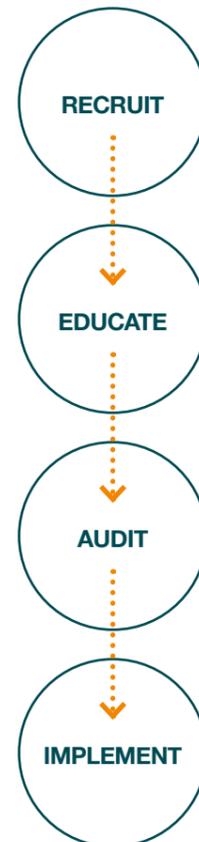
Education and external recruitment

During our research for this report, it became clear that securing a budget for a tech ethics team would likely be easier than achieving buy-in beyond the RBT itself. It's one thing to convince the C-suite that establishing an ethics department is worth the money — you'll find little push-back on the idea that you should be building with ethics in mind. However it's quite another thing to help your peers and superiors understand just what is needed to achieve your goals. Ethics will overhaul your structures and processes. This kind of transformation is a lot of work.

> "I've spoken to ten or so people within a company — some super senior — who are all interested in making it work, but then as the scope of the work dawned on them they realised that they weren't interested in making that kind of commitment"
> – Alix Dunn, founder, Computer Says Maybe

So, a way to clear this obstacle is education: both on why tech ethics is valuable for your business, and what work is required to embed ethical principles into how you build your products.

The first step of education is establishing your RBT team, as outlined above. The initial RBT team should then work to grow the team by continuing to educate others. Achieving full buy-in from the C-suite and NEDs will be easier the more comprehensive your team is. If you have people from sales, operations, product, and strategy, they will each be able to communicate with their departments about why ethics is valuable.

We assume you'll win a budget before buy-in.
Use this money to achieve further buy-in and create a strategy for audit and implementation: bring in external experts to advise you, attend workshops and conferences, and use your learnings to recruit more members into your team.

Be thoughtful about your resources:
1. **Don't get ahead of yourself.** Don't throw money at the problem and expect it to be solved. You'll want to start the audit and implementation stage, but it would be a waste of time and resources if you do this without buy-in.

2. **Pay external recruits fairly.** Show them that you value their work. Not doing so would be inconsistent with valuing ethics.

Hopefully you'll find that gaining tangible learnings about different ethical considerations, and which technologies are riskier than others will only make your RBT more effective. As you continue to educate yourselves, it will become easier to achieve buy-in at a management level. You may also feel compelled to begin educating others outside your organisation. Remember: educating others without buy-in from your organisation could tip you over into a lobbying organisation instead of one driven by ethics.

As a reminder, buy-in is achieved when ethical considerations are an integral part of the decision-making process. Ensure that you have a plan which details what this tangibly looks like in your organisation. That way, you'll know for sure when you've achieved it. Celebrate with the RBT, and look forward to the journey ahead.

> Share your experiences with us: what works, and what doesn't? Please email **hello@hattusia.com** or join our community at **hattusia.com/community**

Insight from the experts

Alice Thwaite and Georgia Iacovou spoke with many responsible business practitioners for research. Here are some key points we wanted to highlight.

Alix Dunn
Founder, Computer Says Maybe, How To Fund Tech and The Engine Room

Consistency leads to problem solving
In conversation, Alix highlighted that "talking about consistency in operations is attractive to business leaders." She went on to say that without an ethical strategy, companies have "front-line workers making highly consequential decisions on the fly, which are way above their pay grade."

This is bad for strategy for a couple of reasons: for one, you have that front-line worker making decisions that are not consistent with whatever strategy you may already have. For another, there's nothing to stop another front line worker being confronted with the exact same problem as the first, and reaching a different decision, because there is no documentation or guidance for them to refer to.

An ethical framework will allow you to solve these problems beforehand, so that when they come up, people on the front-line will all know what to do, and their actions will be consistent with each other and your strategy. Alix says what this essentially does is "reduce your overhead of thinking."

Sell the holistic value of ethics
Business leaders respond to the language of risk management when understanding why ethics is important. However: "there's an ethical dilemma to using the lens of 'risk' as a central reason to change." Ethics and responsible business is not the same thing as compliance and risk management; it includes values like 'justice', 'democracy' and 'human rights'. Ensure business leaders buy into the whole vision of ethics, and not just the risk management side. Otherwise you lose the value of innovation and healing afforded by a more holistic examination of benefits and harms vis-a-vis communities and consumers.

> " Ensure business leaders buy into the whole vision of ethics.

Will Griffin
Chief Ethics Officer, Hypergiant

Without buy-in from the CEO, ethics is fruitless
Will spelled out how important buy-in is from the C-suite. Some tech companies, with a lot of money and resources, hire the best tech ethicists and send them all around the world to discuss subjects like algorithmic bias, fairness and transparency. But it's fruitless, because these knowledgeable professionals don't have the buy-in to actually change the products at their own organisations. This means that all the investment put into the ethics department doesn't generate value.

It will be impossible to embed ethical frameworks into your company on an operational and strategic level if key decision makers are not on board. You must get the CEO on board to have real impact.

Ethics inspires trust and trust leads to economic value
"If you can demonstrate that you are a trustworthy designer of technology, that will lead to economic value because more people will want to do business with you". Will went on to state how this has always been the case. From hunter gatherers, to the agricultural, industrial, and informational age, trust has been a key part of all communities and trading relationships. "Our mantra is, ethics = trust, and trust = economic value creation".

> " Ethics = trust, and trust = economic value creation.

The Hattusia ethics ROI calculator

This calculator measures how much value a responsible business team, which has real power over the future of your products, can generate from a financial perspective.

→ **hattusia.com/ethics-roi-calculator**

We built this calculator to help you persuade other stakeholders of the positive impact ethics can have on business. When you've got your initial RBT together, your accountant can use this as a tool to get both budget and buy-in from the C-suite and non-executive directors.

There's a simple calculator, which takes in the market size, your predicted market share, and your estimated research and development costs. These are all things that you would normally factor in to your financial model when building a new product.

Then we calculate risk based on how much ethical concern is associated with the product you're building. This is measured on a three point scale:

Products/technologies with...

- **Very high ethical concern**
  Facial recognition, adtech., self-driving cars, recruitment tools that rely heavily on AI.

- **High ethical concern**
  Fintech, health & wellbeing apps (such as period or mood trackers, anything that collects health data).

- **Medium ethical concern**
  Productivity apps, collaborative tools.

As well as this simple calculator, we also put together a more comprehensive one which is available to download as an Excel spreadsheet. Here you can change the percentages behind our ethical concern point scale. You'll also find the logic behind the report and that we've grouped innovation and risk into these headings.

- **Innovation from ethics**

  1. Possible market share increases due to new ethical innovations in your product(s).

  2. Potential market size growth due to your ethical building principles becoming a standard within your market or industry.

- **Reputational risk**
  You could lose market share because of negative responses to your product(s).

- **Risk of regulation**
  Your product(s), or even entire industry, could be banned at some point in the future due to new regulations.

- **Risk of non-compliance**
  You may have to make significant changes to your product to comply with new regulations.

We hope the Hattusia Ethics ROI Calculator plays a valuable part in building your case for tech ethics. But please be aware that is shouldn't play the only part. You must paint a holistic picture about why ethics is vital for modern business.

Hattusia runs workshops and seminars on tech ethics. To find out more and to book, go to **hattusia.com/campus**

If you're in need of any project supervision or consultancy please email **hello@hattusia.com**

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