
ETHICAL DECISION MAKING USING ARTIFICIAL INTELLIGENCE

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Abstract :

With the need for sustainability and strong market existence it has become all the more imperative to take quick, situation friendly, economic and perfect decisions for the overall performance. Artificial intelligence (AI) has been increasingly utilized in decision-making processes across various fields and industries. AI decision-making can be applied in a variety of fields, including healthcare, finance, marketing, and even solving complex crime activities. Creating ethical AI requires examining the ethical implications of policy, education, and technology. Ethical decision-making using artificial intelligence (AI) in commercial sector mainly focuses on uniting and integrating moral principles—such as fairness, transparency, and accountability—into the development and deployment of AI systems. AI decision making systems should be transparent, meaning that the decision-making process is clear and understandable to those affected by the decisions

Keywords : Sustainability, AI, Decision Making, Ethics, Fairness, Transparency, accountability

Introduction :

The modern competitive global scenario is witnessing continuous transformations in every sector. With the need for sustainability and strong market existence it has become all the more imperative to take quick, situation friendly, economic and perfect decisions for the overall performance. This has along term effect as it enables to keep pace with the drastically volatile economic scene and most vulnerable human resource. Manual works have been substituted by mechanical gadgets and thus the decision making power and deciding ideas have been transferred. This has brought about a drastic and notable change in the work of management as far as decision making and implementation is concerned. With the transformation to the age of AI it now seems that it will cast a deep impact on implementation and authentication in the business field. Artificial intelligence (AI) has been increasingly utilized in decision-making processes across various fields and industries starting right from recruitment to financial management, AI decision-making systems are being more used in streamlining processes, maximising efficiency, and cost reduction models. However, with the use of AI decision-making comes a range of ethical



considerations that must be addressed to ensure fair and just outcomes In this article, we will focus on the ethics of using AI decision-making processes, also highlighting its potential risks and benefits, as well as the methods to be adopted and steps to be initiated to mitigate ethical concerns.

Evolution of AI Decision Making :

The evolution of AI decision-making has undergone a massive transition from rigid, rule-based programming to autonomous, learning-based systems capable of complex, real-time, and, increasingly, explainable actions. This trajectory is characterized by a paradigm shift from assisting human decision-makers with structured data to fully automated agents that operate in dynamic environments. Following is the chronology of years in the evolution.

- **1950s–1970s: Birth of AI and Symbolic Reasoning :** Early AI focused on logic-based systems designed to mimic human problem-solving, such as "symbolic reasoning" and the "General Problem Solver". **1980s: Expert Systems (ES):** Rule-based systems, such as XCON, were adopted to mimic human expertise in specialized, narrow domains.
- **1990s–2010s: Machine Learning & Recommender Systems :** The advent of big data and improved computing allowed AI to transition from rule-based to learning-based systems.
- **2010s–2020s: The Deep Learning & Big Data Explosion :** The rise of convolutional neural networks enabled AI to detect complex patterns, moving from simple classification to predictive analytics.
- **2020s–Present: Generative and Agentic AI :** The current era is dominated by Large Language Models (LLMs) and Agentic AI, which can reason, plan, and act autonomously. AI agents now operate as "digital employees," making real-time, high-stakes decisions in fields like finance and logistics

Objectives of the Research :

1. To Study the need and use of AI in ethical decision making
2. To highlight the hindrances in ethical considerations
3. To discuss the role of different stakeholders in AI Ethics
4. To describe the benefits, risks and challenges in AI Decision making

Scope for AI Decision Making-- What is it? Where to use?

AI decision making refers to the process of using machine learning algorithms to make decisions based on input data. These algorithms are specifically and exclusively derived to identify patterns and make predictions based on data inputs, paving way for more efficient and accurate decision-making. AI decision-making can be applied in a variety of fields, including healthcare, finance, marketing, and even solving complex crime activities.

Stakeholders in AI ethics :



To Develop ethical AI a massive collaboration among various sectors is mandatory. Stakeholders must analyse economic, political and social possibilities connected with AI and determine how machines and humans coexist harmoniously. Following Stakeholders must combine their roles in one direction :

- **Academics** : Researchers and Teaching fraternity are responsible for developing theory-based statistics, research, and ideas which can help governments, corporations, and non-profit organisations.
- **Government** : Agencies under the government can help facilitate AI ethics in a nation. Aimed to provide access to all the latest information about AI while supporting the development and promotion of ethical AI technologies and programs.
- **Intergovernmental entities** : Entities like the United Nations and the World Bank are responsible for raising awareness and drafting agreements for AI ethics globally.
- **Non-profit organisations** : Non-profit organisations extend tremendous help increase the accessibility of AI technology across the country, even amongst those who speak marginalised languages.
- **Private companies** : Executives at global tech giants like Google and Meta, as well as banking, consulting, health care, and other private sector industries that use AI technology, must create ethics teams and codes of conduct, which often set a standard for other companies to follow.

The Indian Government's Ministry of Electronics and Information Technology and the United Nations Educational, Scientific, and Cultural Organisation (UNESCO) teamed up to hold the National Stakeholder Workshop on the Ethics of Artificial Intelligence (AI). This innovative workshop dealt deeply with the needs, features and characteristics as well as the fundamentals of AI and its ethical considerations. It also was the official Launchpad for India's AI Readiness Assessment Methodology,

Creating more ethical AI :

Creating ethical AI requires examining the ethical implications of policy, education, and technology. Regulatory frameworks need to be introduced so that the Ethical AI is of maximum benefit to the public and society rather than harm it. Globally and here in India, governments are beginning to enforce policies for ethical AI, including how companies should deal with legal issues if need to be or other harm arises. Anyone who uses AI should also focus on the risks and potential negative impact of unethical or fake AI., AI tools can help determine whether video, audio, or text (hate speech on Facebook, for example) is fake. These tools can search and more efficiently detect unethical data sources

Risks and Benefits of AI Decision Making :

While AI decision-making has the potential to provide a number of benefits, such as increased accuracy and efficiency, it also poses a number of risks that must be considered.



Major Benefits :

- AI systems can analyze vast amounts of data quickly and accurately,
- Allowing for more efficient and effective decision-making
- AI systems can identify patterns and trends that may not be immediately apparent to human decision-makers.

Major Risks and Challenges :

Algorithmic Bias : AI systems can inherit and amplify societal prejudices present in their training data, leading to discriminatory outcomes, such as unfair hiring practices or loan denials.

Lack of Transparency ("Black Box") : Complex deep learning models often operate without clear explanations for their decisions, making it difficult to understand, contest, or audit them.

Data Privacy and Security : AI requires massive datasets, often containing sensitive personal information, which can lead to privacy breaches or misuse if not managed according to strict data governance standards.

Accountability : Determining responsibility when an AI system makes a mistake or causes harm is complex, requiring clear, defined lines of liability.

Job Displacement : The automation of tasks through AI can disrupt the labour market, requiring organizations to consider the social impact and the need for workforce upskilling.

Ethical Considerations :

Ethical decision-making using artificial intelligence (AI) in commercial sector mainly focuses on uniting and integrating moral principles—such as fairness, transparency, and accountability—into the development and deployment of AI systems. As AI becomes more vital ingredient for business operations (e.g., hiring, lending, and customer service), it offers significant efficiencies along with risks of bias, privacy violations, and lack of transparency, necessitating a humane approach to ensure responsible, equitable outcomes. Analysing the potential risks and visible benefits of AI decision-making, it is important to consider the ethical implications and ethical behaviours to be of using these systems. Key ethical considerations include :

Fairness :

AI decision making systems should be designed in such a manner that it will be substantially helpful in taking decisions that are fair and unbiased. The main criterion required here is to ensure that the data used to train the system is supportive and represents the population size it will be making decisions about and also that the system is tried and tested to ensure that it is not discriminating against any groups.

Transparency, Accountability and Authentication :

AI decision making systems should be transparent, meaning that the decision-making



process is clear and understandable to those affected by the decisions. Authentication includes providing explanations for decisions made by the system, as well as making the decision-making process itself transparent.

Respect for individual Privacy :

AI decision making systems should respect individual privacy, ensuring data used by the system should be collected and used in accordance with relevant privacy laws and regulations.

Key Ethical Challenges in AI Business Decision-Making :

1. **Algorithmic Bias** : AI systems can inherit and amplify societal prejudices present in their training data, leading to discriminatory outcomes, such as unfair hiring practices or loan denials.
2. **Lack of Transparency ("Black Box")** : Complex deep learning models often operate without clear explanations for their decisions, making it difficult to understand, contest, or audit them.
3. **Data Privacy and Security** : AI requires massive datasets, often containing sensitive personal information, which can lead to privacy breaches or misuse if not managed according to strict data governance standards.
4. **Accountability** : Determining responsibility when an AI system makes a mistake or causes harm is complex, requiring clear, defined lines of liability. Those responsible for developing and using AI decision making systems should be accountable for the decisions made by the system. This includes monitoring the system for bias and errors and taking steps to mitigate any negative outcomes.
5. **Job Displacement** : The automation of tasks through AI can disrupt the labour market, requiring organizations to consider the social impact and the need for workforce upskilling.

Steps to minimise Ethical Challenges :

To address the ethical complexities and complications associated with AI decision-making, a number of steps can be taken. These include: Diversifying the data used to train AI systems: With the objective to make and maintain AI decision making systems unbiased, it is important that the collected and determined data represents the target population for which the system will be making decisions about. This necessitates diversifying the data used to train the system, or collecting new data to fill gaps in the existing data. To manage these risks, organizations should adopt several key strategies given below:
Ethical AI Governance : Establishing internal AI ethics cells or committees to oversee the AI lifecycle—from design to deployment—and make it business friendly and in adherence to company values and regulations

Regular Audits and Monitoring : Conducting frequent, systematic audits of AI systems are utmost necessary to detect, fix, and prevent biases.

Diverse Data and Development Teams : It becomes imperative to ensure that data is



representative and that data development teams are diverse to avoid the introduction of implicit biases.

Transparency and Disclosure : Clearly informing users when they are interacting with an AI system and providing explanations for AI-driven decisions.

Human Oversight Maintaining human judgement and logical thought at critical decision points to ensure that AI acts as a tool that complements rather than replaces human responsibility.

Conclusion :

Although AI has now become an extra essential most sought after method to handle situations, the tedious and most critical part is its best use to derive utmost positive benefit. There can be complex situations but they need to be handled with care involving efficiency, transparency and security so that AI becomes an **All Inclusive** decision making tool directed towards maximum support and suitability. AI team must develop fool proof techniques to minimise the risk and give maximum profitable exposure.

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