The Talkdesk guide to responsible AI

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Introduction

Every new technology is praised as a solution to everyday problems, offering benefits that were previously unavailable. All too often, however, the bounty of promised benefits comes with unexpected risks and challenges. Email brought lightning speed to communications, replacing snail mail and the fax machine. Along with it came password theft, ransomware, and phishing schemes endangering confidential private information.

Text messaging and Instagram took communications to another level but also brought hidden scams and fake security warnings that could lock phones and trick users. In the same way, machine learning and generative AI tools are disrupting the industry with efficiency and cost-saving workflows while creating another platform that requires careful monitoring, data protection, and adherence to best practices.

Artificial intelligence (AI) has revolutionized customer service operations, automating repetitive tasks, offering predictive analytics for customer behavior, and allowing customers to self-serve, to name a few advantages. However, businesses should carefully consider the risks associated with AI and the negative impacts on customers, agents, and contact center supervisors.

The powerful new large language models (LLMs) at the heart of the latest innovations can inherit biases in training data that lead to unfair outcomes. They can also inadvertently generate false outputs and spread misinformation. And like with all networks and applications, safeguarding customer data requires robust security measures to prevent unauthorized access to internal AI systems; as well as to keep agents from inputting customer data into one of the many free, consumer-grade options readily available today.

Understanding the foundations of responsible AI is pivotal to getting the most out of AI without eroding customer trust and brand value.

I. Large language models (LLMs) and generative AI.

LLMs and generative AI have revolutionized the customer service industry by providing more efficient, automated, and personalized customer experiences in real time, leading to quicker call resolution and higher customer satisfaction. Their unique ability to combine natural language processing and understanding (NLP/NLU) with robust data search and delivery mechanisms offers powerful time-saving and workflow management tools. LLMs excel at accurately interpreting and analyzing customer queries, while generative AI can deliver real-time responses across a customer's communication channel of choice that are indistinguishable from human interaction. Together, they provide instant and relevant support to customers, enhancing their overall experience.

A useful framework for understanding the benefits of these tools segments contact center workflows into three stages: pre-agent engagement interactions, real-time customer-agent interactions, and post-agent interaction workflows. A sampling of contact center engagement pain points within each stage highlights why AI tools are valued and growing in popularity.
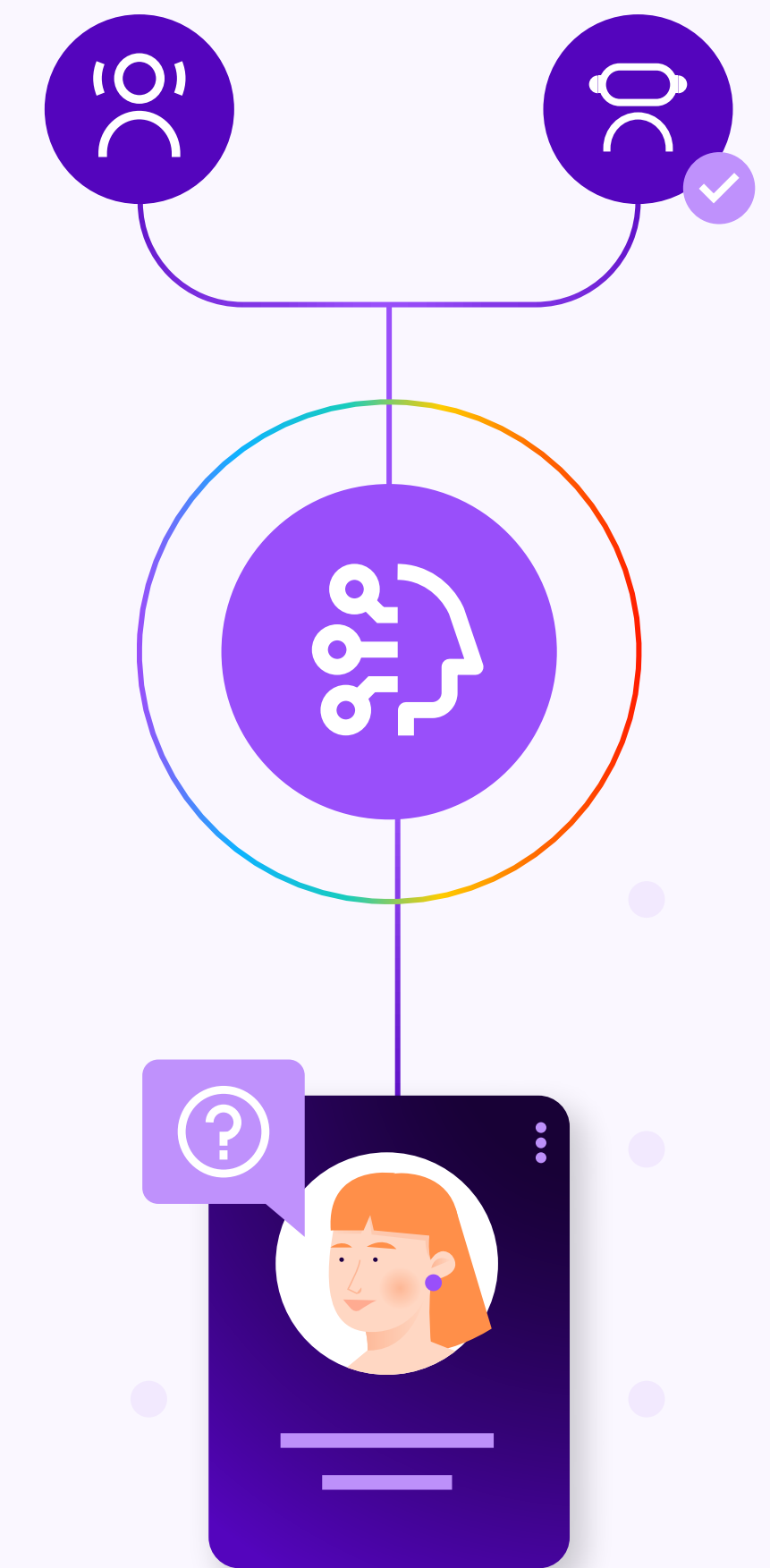
Automated virtual assistance.

Pre-agent engagement benefits emphasize the ability to accelerate customer response times for high-volume queries with identical answers. FAQs are easily handled by AI and LLMs. Examples include providing business hours of operation, scheduling appointments, changing delivery instructions, obtaining account balances, and other simple transactions. Because LLMs are great at understanding everyday language and phrases, customers can voice their requests in natural language once instead of over several 'takes'. Customers can access 24/7 services and get the right answers with AI doing knowledge retrieval work

and LLM modeling capturing topics and intent by voice or over digital channels. If customer issues require agent assistance, these systems can easily route the customer to the best agent immediately while preserving all pre-agent engagement information enabling a seamless handoff. Customers don't need to start over and agents don't need to hunt for customer account information. AI handles all data migration. For supervisors, these efficiencies translate into smoother operations and overall improvements for metrics like average handle times (AHT), first call resolution (FCR), and CSAT scores.

Improved personalization.

AI virtual assistance allows agents to spend more time with customers who have complex needs and require more attention. Customers are no longer burdened with frustrating self-identification processes or alpha-numeric data entry because AI does all the work and pre-populates the agent's workspace so both parties can get down to business quickly. If an agent is new or unfamiliar with a topic, AI is always listening in real time, capturing key phrases and serving up answers or scripts quickly. For supervisors, this translates into shorter hold times, fewer call transfers, and engaged agents enabled to deliver that personal touch.

Expanded and diversified communications.

LLMs and generative AI can grasp complex linguistic structures, nuances, and contextual cues in customer queries. This understanding extends across multiple languages and dialects, enabling these systems to interpret diverse conversational styles and colloquialisms with remarkable accuracy. Likewise, they can generate text responses that are coherent, contextually relevant, and indistinguishable from human-generated content.

Accelerated call summaries and disposition.

AI accelerates post-engagement workflows for agents by streamlining time-consuming tasks such as note-taking and call summaries, setting up follow-up actions, triggering automated communications such as appointment reminders, confirmations, or requesting survey feedback, and so much more. This enhances an agent's ability to handle more interactions and focus their attention on the next live interaction.

Streamlined privacy, security and compliance controls.

AI tools are highly effective at analyzing language patterns and biometrics to simplify customer verifications. They can also analyze context to ensure interactions comply with regulations regarding accurate and transparent communication. Additionally, they can be programmed to adhere to strict privacy policies, ensuring that customer data is handled securely.
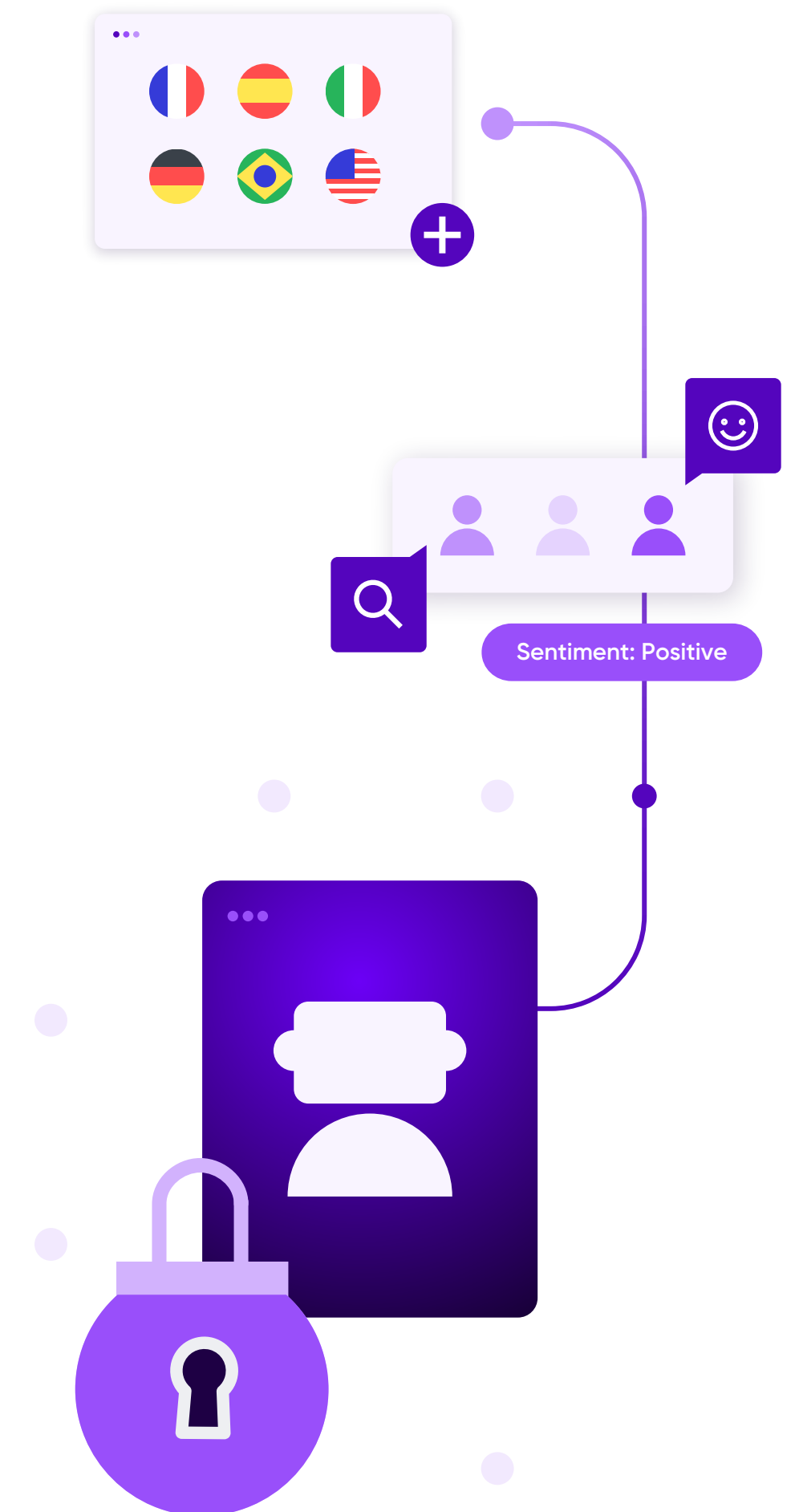
II. Key ethical considerations.

Businesses should consider the following key issues and challenges when implementing AI tools.

Transparency and trust.

Technological advancements such as generative AI, have enabled the creation of virtual agents that can sound just like a human, but it's important to disclose to customers that they're interacting with a bot by clearly identifying AI-powered responses and providing options for customers to speak to a human if they prefer. Failure to do so may lead to a breach of trust and credibility as customers expect AI to be helpful and speed up tasks, not pretend to be a real person.

Moreover, AI systems are not infallible and may have limitations in understanding certain dialects, cultural nuances, or offensive content. By being transparent about these limitations, contact centers can set realistic expectations and avoid any potential harm or misunderstanding. If customers understand the capabilities and limitations of the technology, there won't be any confusion or reluctance in seeking help from a human agent, if necessary.

In addition to being transparent about the use of AI, contact centers should also provide a clear explanation of how data is being used to train AI models. Customers should know what information is being collected, how it's being used, and how it's being protected. Being open and clear about the use of AI and any limitations or biases in AI models fosters trust, improves customer satisfaction, and ensures responsible AI usage.
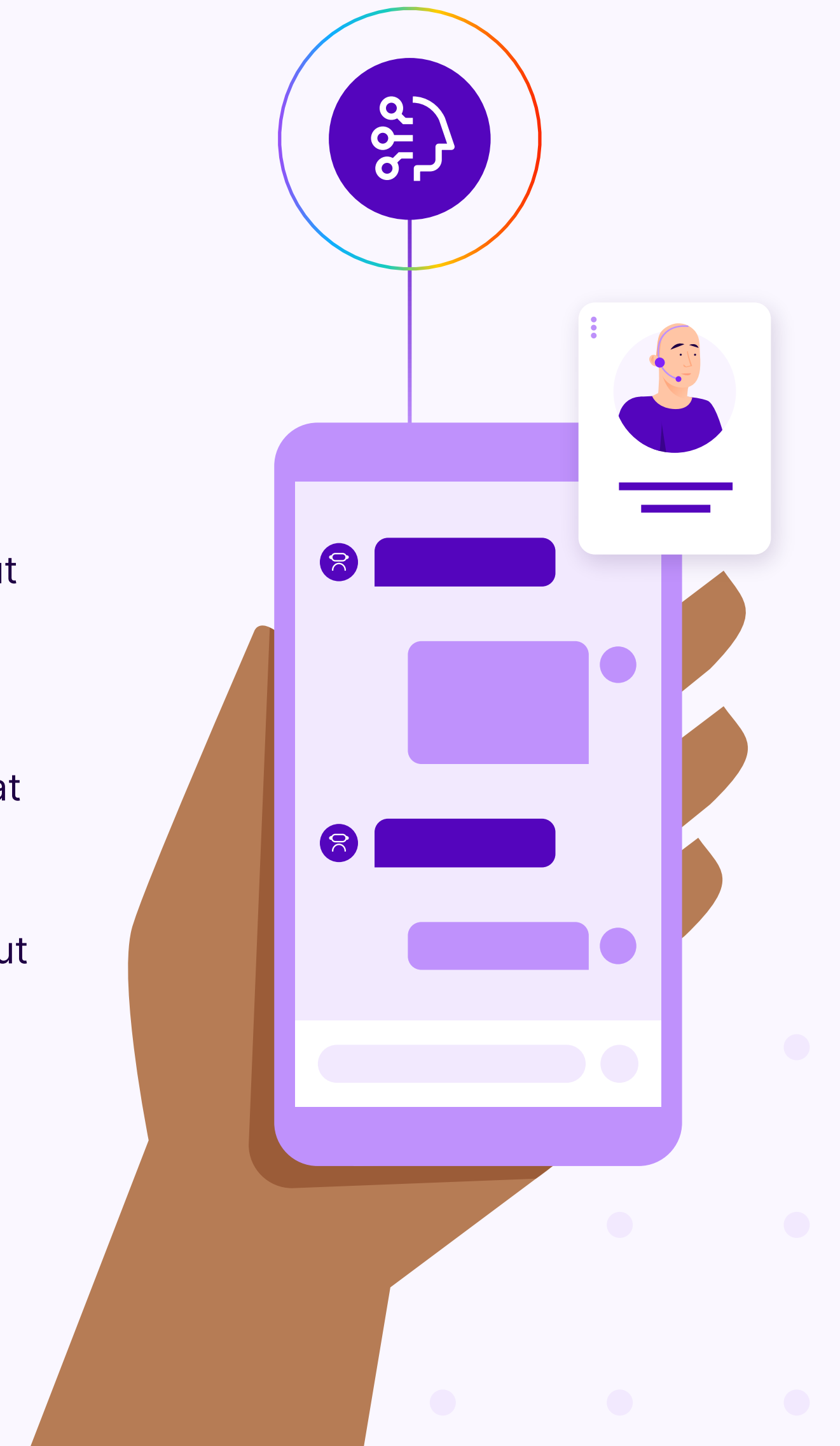
Hallucinations.

The language generation capabilities of LLMs and generative AI, while able to produce human-like text, may also be susceptible to hallucinations, such as text or information that might be incorrect, illogical, or inconsistent with factual reality.

AI models learn by identifying patterns in the data they are trained on. If the training data is incomplete, lacks diversity, or contains biases the model might learn incorrect patterns. This can lead to hallucinations when the AI encounters new data that doesn't perfectly match its learned patterns.

In the customer service industry, the potential for hallucination in AI-generated responses presents both challenges and opportunities.

While AI enhances efficiency and customer satisfaction by producing relevant responses, it may struggle with contextual nuances that lead to misinformation.

AI models are trained on data and use its patterns to make predictions. If the training data is wrong, incomplete, or biased, they will make incorrect predictions and hallucinate, misleading people with wrong information, damaging their trust, and promoting biases.

Addressing hallucinations involves fine-tuning the models to prioritize accuracy, reliability, and coherence. Controlling and testing procedures help reduce this risk and ensure that the generated results are accurate and reliable.

Bias mitigation.

While AI systems are powerful, they are not immune to biases present in their training data, potentially resulting in unfair and discriminatory treatment of customers. Bias mitigation is crucial to ensure that AI systems handle all customers fairly and equitably. It's important to establish clear guidelines and processes to monitor outputs for bias and update models as soon as they are detected.

The first step is to carefully select and evaluate training data. The data used to train AI models should represent a diverse range of customers, taking into account factors such as age, gender, race, accent, and cultural background to reduce bias and promote fairness in AI interactions.

After models have been trained, regular audits and ongoing monitoring are required. Regularly evaluating the performance of AI models and identifying patterns or inconsistencies that may indicate bias allows the adoption of corrective actions to minimize its impact and ensure equitable treatment of all customers.

Additionally, training staff to recognize and address bias in AI-driven interactions further strengthens the mitigation efforts, promoting ethical and unbiased customer service experiences.

Privacy and data security.

Contact centers are a goldmine of customer data, hence the need for privacy and data security as a top priority in a responsible AI deployment. As they harness the power of artificial intelligence to enhance customer experiences, they must guarantee the privacy of customer data.

AI best practices should include developing methods that minimize collecting and storing unnecessary customer data, such as sensitive financial information or personal identification numbers. Adopting privacy by design principles allows contact centers to proactively protect customer privacy and ensure the deployment of responsible AI. The existing customer information must be stored securely and used only for the intended purposes.

Furthermore, the rise of bring your own device (BYOD) and shadow IT policies are a danger to data security and integrity. Agents may elect to 'sneaker-net' their own AI-assistance tools to improve job performance. While this may have a performance upside, it also triggers potential risks, such as data breaches and unauthorized access to sensitive information. If contact centers don't have AI tools, agents will use a random free tool, without the knowledge or approval of IT administrators, and are free to share sensitive information publicly. Additionally, the growth of shadow IT makes it difficult to maintain consistency and coherence across the organization's IT infrastructure.

Addressing these challenges requires a comprehensive approach that combines technological solutions, policy development, and employee education. Deploying robust security measures helps prevent data breaches, safeguarding customer information from unauthorized access or misuse. This protects both customers and the organization from potential harm or financial losses.

Data storage and retention policies must be communicated to customers. If they trust their sensitive information is handled carefully and protected, they feel more comfortable engaging with the contact center's AI-powered services.
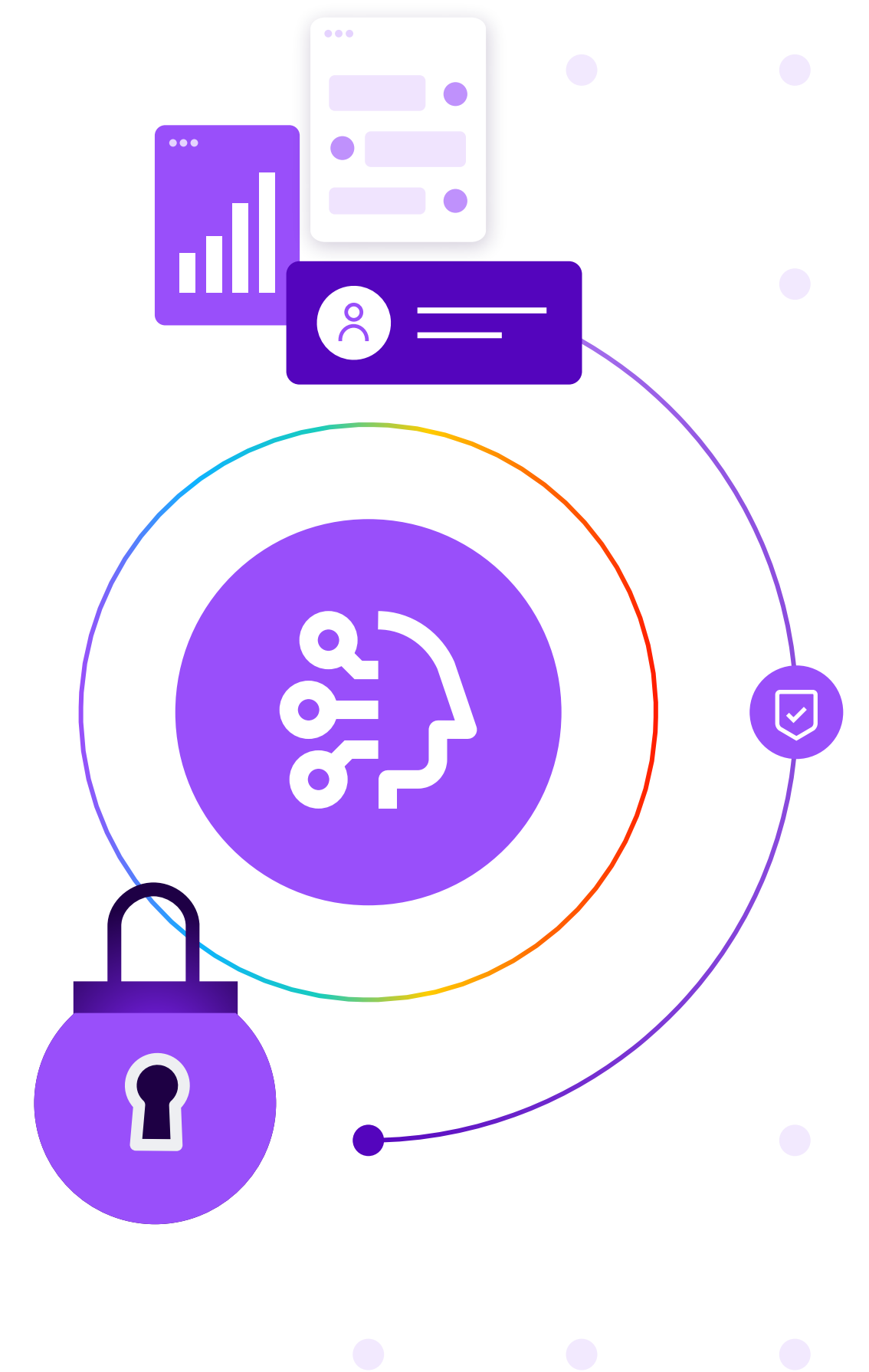
Customer consent and communication.

Customer consent and open communication are the main pillars to drive ethical and transparent interactions. It's imperative to obtain explicit customer consent to interact with AI systems and collect any data that might be captured. Transparency about the purpose of data usage fosters trust and empowers customers to make informed decisions about sharing their information. Similarly, clear communication about how AI-collected data will be used to enhance their experiences and assuring them of data privacy and security measures builds trust and buy-in, facilitating data collection.

Customers should also be able to control their preferences. Options to manage their data settings, opt in or opt out of specific AI services, and customize interaction preferences ensure that customers control their own experiences.

A responsible AI contact center prioritizes customer consent and communication by being transparent, proactive, and customer-centric. For example, before engaging with customers, companies use the AI-powered system to obtain explicit consent for gathering and processing data, including clearly explaining the purpose of collecting customer information and providing opt-in mechanisms for customers to agree to the terms and conditions.

Ensuring clear communication, obtaining consent, respecting preferences, and maintaining compliance allow businesses to build strong relationships while reaping all the benefits of AI technology.

Job displacement.

AI brings many benefits, but it also presents potential risks, including job displacement. However, a responsible AI business can mitigate this risk in several ways, as a future with AI can't leave humans aside. Human decision-making is crucial when using AI for customer experience.

On the one hand, AI increases agent efficiency, productivity, and empowerment. Training agents can span tasks as diverse as learning how to manage AI systems, developing expertise in roles that require human touch, or solving complex customer issues. Efficient customer service also combines humans and bots. AI can do many great things, but it can't be human. For example, AI is really good at collecting data and firing back information, but it can't feel emotions or empathy towards customer frustrations. Addressing job displacement responsibly ensures that employees are supported through the transition and empowered to adapt to new roles or opportunities arising from AI integration.

III. Best practices for responsible AI use.

Guidelines for contact center managers.

Contact center managers play a pivotal role in ensuring responsible AI usage within their operations. To be successful, they should create an ethical framework that prioritizes fairness, transparency, accountability, and privacy in AI deployment and ensure these principles guide the AI implementation, namely with:

Training and awareness programs—educate employees about the ethical considerations and potential impacts of AI. These programs should cover topics such as bias detection and mitigation, privacy and data security, and the importance of human-AI collaboration.

Periodic ethical audits—assess the impact of AI technologies on customers and employees. These audits should evaluate the fairness, transparency, and accountability of AI systems and identify any areas for improvement. Regular monitoring and evaluation of AI usage can help address potential issues and make necessary adjustments for improvement.

Training and awareness programs and regular audits enable contact center managers to ensure that AI technologies are used ethically, transparently, and in the best interests of both customers and employees.

Regulatory compliance.

As AI continues to revolutionize the customer experience space and responsible AI becomes center stage for CX professionals, adherence to industry standards and legal frameworks takes on a greater importance. Contact centers operate in a highly regulated environment because they handle sensitive customer information. Therefore, adherence to regulatory standards is not optional. Regulatory standards, often defined by industry associations, outline the principles and best practices for ethical AI development and deployment. Adhering to such standards ensures that AI systems

comply and avoid not only legal penalties but also damage to customer trust.

Observing legal compliance is also one of the most important pillars of responsible AI. For example, the General Data Protection Regulation (GDPR) in the European Union has strict regulations on data collection, usage, and individual rights concerning personal data. Complying with GDPR requirements ensures that AI systems respect individuals' data privacy, granting them control over their information. Similarly, regional laws like the CCPA enforce data privacy

rights for Californian residents, compelling organizations to disclose data practices and honor consumers' choices regarding their data.

In the past year alone, countries and regions went further and passed laws and regulations to govern AI's ethical use, data protection, and privacy through the following:

**Bletchley Park AI Safety Summit.**
The summit brought together tech experts and global leaders to discuss the challenges and potential risks of AI. It highlighted the need for proactive measures to ensure safe and responsible development of AI technologies and emphasized the importance of addressing biases in AI algorithms and ensuring that these technologies are used to benefit society as a whole.

The Biden Executive Order on AI Safety.
The Executive Order established new standards and guidelines for responsible AI development, deployment, and usage, as well as promoting innovation and competition. For customer experience professionals, the most significant actions in the Order are for more transparent and trustworthy interactions and robust safeguards for privacy and personal data protection.

The European Union Artificial Intelligence Act.
The act takes a legislative approach to support the trustworthy and responsible use of AI. For the CX industry in particular the EU categorizes AI systems based on their potential risk to society—in particular, those directly interacting with consumers or handling sensitive data must adhere to the new standards, ensuring safety, transparency, and respect for consumer rights.
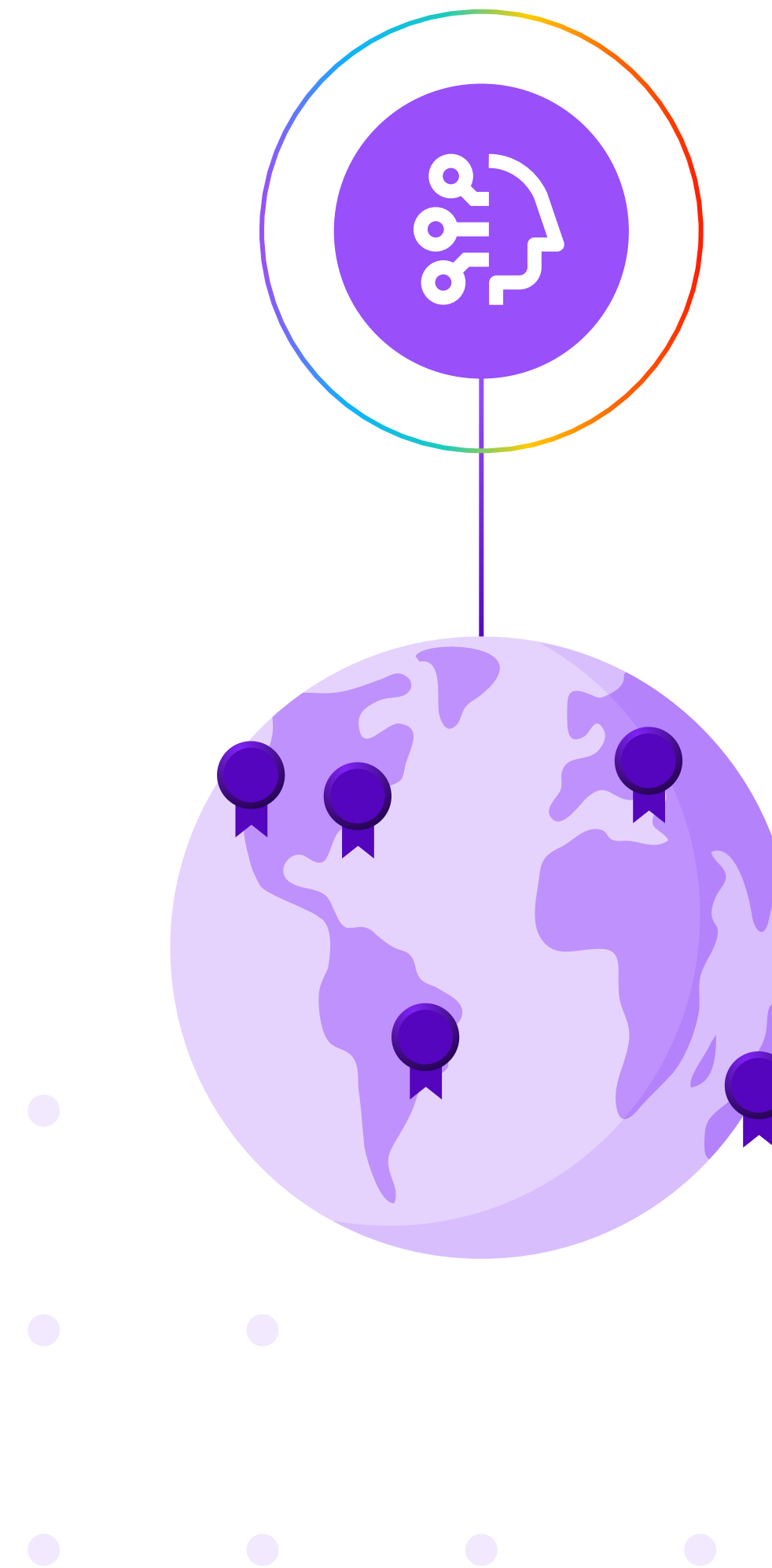
LLMs and generative AI can track and analyze conversations, flagging any potential non-compliant behavior or language, to ensure compliance with industry regulations by monitoring and auditing customer interactions. This proactive approach helps contact centers identify and address any compliance issues in real time.

When it comes to regulatory compliance, the right customer experience solution—one that offers compliance features and functionalities—makes all the difference in mitigating risks and ensuring regulatory compliance while delivering exceptional customer service.

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Conclusion

Businesses must be cautious about the use of AI, safeguard customer data, ensure fairness, promote transparency, and mitigate bias. Responsible use of AI is a win-win situation for both businesses and customers, promoting a beneficial and trust-based digital ecosystem. It ensures that as contact centers continue to mature through AI they remain fair, secure, and user-friendly platforms for great customer experiences.

As technology continues to evolve, CX leaders need to keep focusing on fostering trust between customers and businesses, strike a balance between personalization and privacy, ensure compliance and ethical standards and regulations, and take a proactive approach that prioritizes ethical considerations with technological advancement. AI is set to shape the future of customer service; however, responsible and ethical AI implementation should be at the forefront of every organization's digital transformation agenda.

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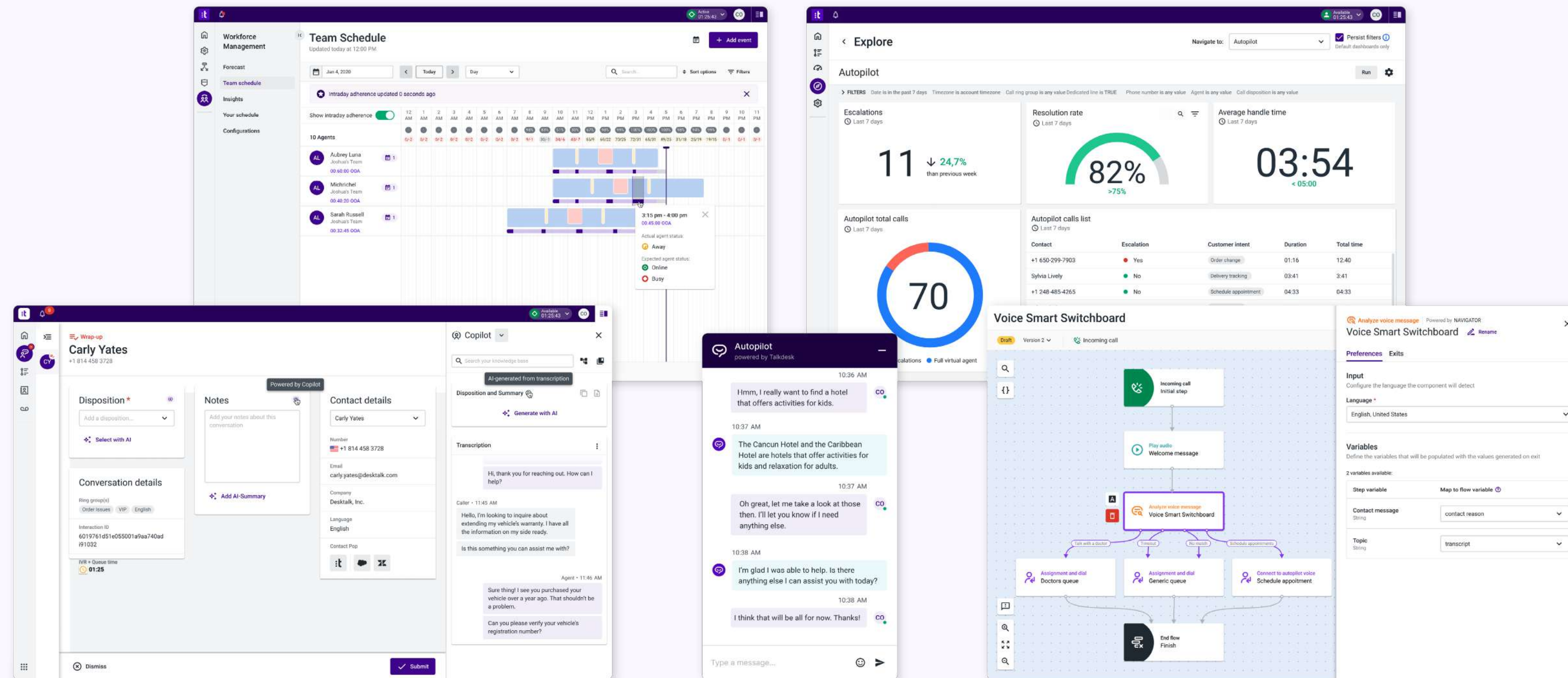
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