

Australian Responsible AI Index 2024

Executive Summary

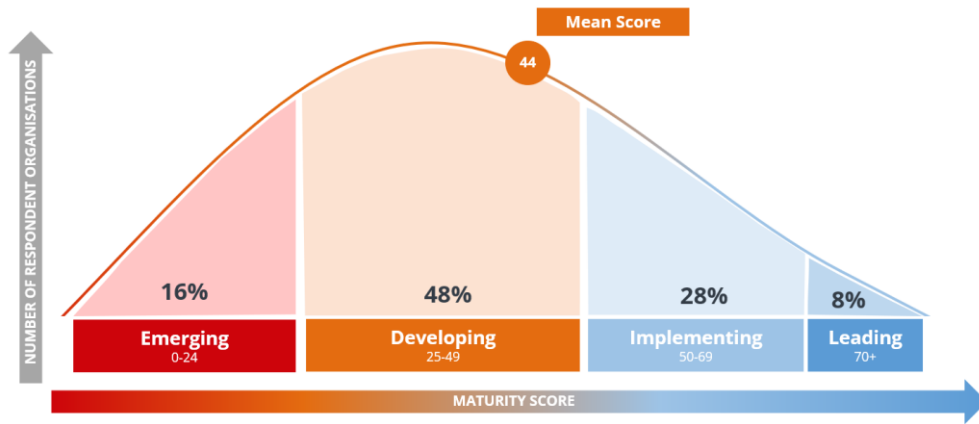


Tracking Responsible AI Adoption

The Australian Responsible AI Index, sponsored by the National Artificial Intelligence Centre (NAIC), provides an in-depth analysis of how Australian organisations are adopting and implementing Responsible AI (RAI) practices. The Index tracks the maturity of AI systems across key dimensions such as fairness, accountability, transparency, explainability, and safety.

Overview

The Index is derived from a comprehensive survey of 413 executive decision makers who are responsible for AI development within their organisation. The mean Responsible AI Index score for Australian-based organisations is **44 out of 100** which indicates significant room for improvement in the adoption of responsible AI practices.



Respondents were evaluated on their implementation of 38 identified RAI practices. On average, organisations have adopted only 12 of these practices, indicating a gap in full-scale implementation.

RAI Maturity Levels

The Index groups organisations into four maturity levels based on their adoption of RAI practices.



Emerging

Minimal implementation (4-5 practices on average); lacking oversight, leadership support, and knowledge



Developing

Partial progress (9-10 practices on average); introducing initiatives to improve transparency, explainability, and contestability



Implementing

Broader implementation (16 practices on average); focus on customer and employee engagement, auditing processes, ethical implications, data protection, and security



Leading

Extensive RAI adoption (28 practices on average); business leadership driving AI strategy, ensuring accountability, and strategic oversight

This publication is sponsored by the Australian Government Department of Industry, Science and Resources through the National AI Centre.



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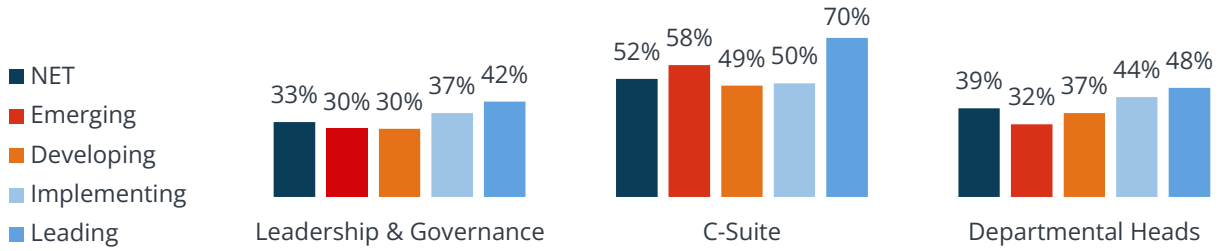
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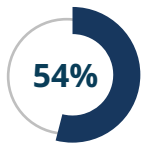
Responsibility for Driving AI Strategy

Organisations in the Leading segment are more likely to have business leaders (CEOs, Board Members, Owners) driving AI strategy, ensuring strategic oversight and accountability.

Who in your organisation is responsible for driving the AI strategy?

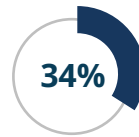


Over a half of organisations (54%) with an enterprise-wide AI strategy have their business leaders driving the strategy, compared to only a third (34%) where the AI strategy is confined to specific divisions. This highlights the crucial role of business leaders in steering comprehensive AI initiatives.



of organisations that have an **AI strategy tied to all divisions** say their leadership team are driving the AI strategy

VS.



of organisations that have an **AI strategy tied to some divisions** say their leadership team are driving the AI strategy

Top 5 Most Implemented Practices

	NET	Emerging	Developing	Implementing	Leading
Maintained comprehensive documentation of AI development process	49%	24%	41%	65%	91%
Informed stakeholders about the use of AI	46%	15%	35%	73%	82%
Provided necessary information to end users about personal data use	43%	18%	39%	56%	73%
Maintained rigorous bias monitoring practices	41%	15%	37%	50%	88%
Developed internal communications program to understand AI tools	41%	20%	29%	61%	88%

Analysis of the most and least implemented RAI practices reveals significant gaps between the different segments. The most implemented practices include maintaining comprehensive documentation of the AI development process, ensuring transparency and explainability by informing relevant stakeholders about AI use and providing necessary information to end users about personal data usage.

Notably, the Leading group exhibits high implementation rates across all practices. The Developing segment, while showing improvement from the Emerging group, still lags significantly behind the Implementing and Leading groups; highlighting the need for enhanced focus on documentation, transparency, explainability, and bias mitigation strategies.

Top 5 Least Implemented Practices

	NET	Emerging	Developing	Implementing	Leading
Engaged business leadership on issues about responsible AI	25%	9%	19%	32%	70%
Reviewed global best practices	24%	8%	18%	30%	76%
Implemented specific oversight and control measures	23%	6%	16%	27%	82%
Identified risks and opportunities for human rights	22%	11%	13%	31%	64%
Assessed vendor's claims on AI model performance	18%	6%	12%	23%	58%

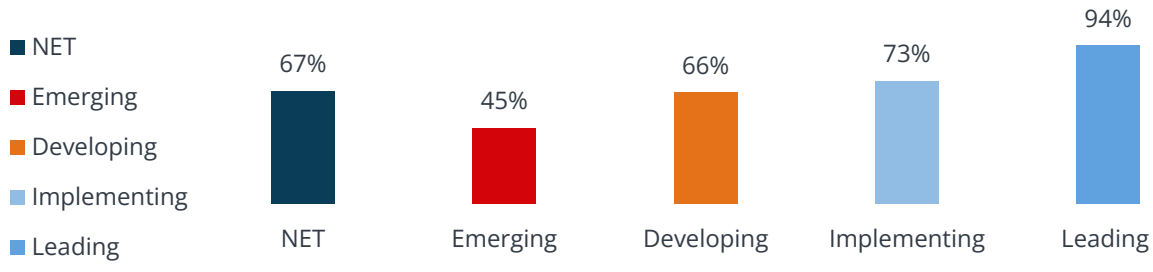
The least implemented RAI practices primarily relate to accountability and oversight, with the exception of assessing vendor claims on AI model performance. The significant gaps between maturity levels highlight the importance of strategic leadership, rigorous oversight, and adherence to global best practices in developing Responsible AI systems.

The low percentage of organisations assessing vendor claims on performance (only 6% of Emerging and 12% of Developing) is particularly concerning. This suggests a lack of diligence in verifying the accuracy and reliability of third-party AI models, which could lead to the deployment of ineffective or biased AI systems.

Awareness of Australia's AI Ethics Principles

Two thirds of organisations are aware of Australia's AI Ethics Principles. This awareness increases from 45% in the Emerging segment to 94% in the Leading group. This high level of awareness, especially among more mature organisations, indicates that the efforts by the Department of Industry, Science and Resources to promote these principles are having a significant impact.

% Aware of Australia's AI Ethics Principles



Australia's AI Ethics Principles & Practices

Most executives believe their organisation is developing AI systems that align with [Australia's AI Ethics Principles](#). The table below compares these perceptions with examples of practices implemented for each Principle.

Agreement With AI Performance Statements	AI Ethics Principles	Examples of Practices Implemented
<i>% of organisations agreeing with statement</i>		<i>% of organisations implementing</i>
77% Our AI systems generate quantifiable benefits to humans, society and the environment that outweigh the costs	Human, Social and Environmental Wellbeing	Conducted impact assessments to understand the effects of AI systems on different stakeholders, society and the environment 26%
82% Our AI systems are designed to be human-centered at their core	Human-centred Values	Identified and assessed the risks and opportunities for human rights 22%
69% We have robust systems and processes in place to minimise the likelihood of our AI systems causing unfair treatment of individuals, communities or groups	Fairness	Selected fairness metrics that are aligned with the desired outcomes of the AI system's intended application to evaluate the fairness of AI systems 35%
84% Our AI systems comply with relevant privacy and security regulations	Privacy Protection and Security	Reported security-related vulnerabilities in AI systems 31%
82% Our AI systems are designed to be safe and to not harm or deceive people	Reliability and Safety	Conducted safety risk assessments including technical reviews and audits to ensure AI systems are resilient and secure 37%
76% We are able to transparently show and explain how algorithms work	Transparency and Explainability	Publicly reported on AI system limitations, capabilities, and areas of appropriate and inappropriate use 29%
73% We have a timely process in place to allow people to challenge the use or outcomes of our AI systems	Contestability	Set up recourse mechanisms if an AI system negatively impacts a member of the public 30%
79% Our leadership can be held accountable for the impact of their AI systems	Accountability	Established clearly designated roles with responsibility for the responsible use of AI 27%

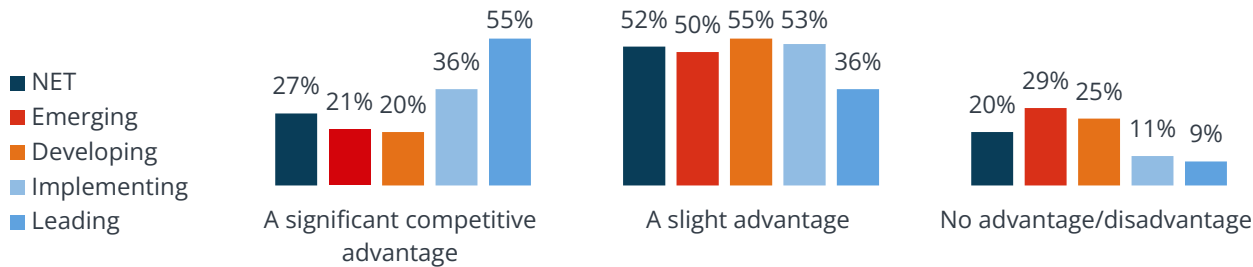


The overall gap of 49 points highlights a substantial “say-do” gap between the perception of responsible AI practices and their actual implementation. This discrepancy underscores the need for organisations to move beyond mere awareness and to actively implement robust RAI practices to align with ethical principles effectively. Addressing these gaps is crucial for building trust, ensuring ethical AI deployment, and achieving long-term sustainability in AI initiatives.

Benefits of Responsible AI

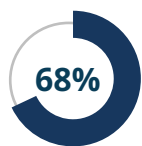
There is broad recognition that adopting RAI practices can enhance business competitiveness. Organisations at higher maturity levels show greater appreciation of RAI's competitive benefits, including reputation, innovation, operational efficiency and talent acquisition.

Competitive Advantage of Responsible AI



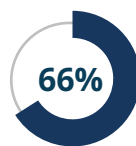
Adoption of Australia's Voluntary AI Safety Standard

Encouragingly, the research reveals a high awareness of the International Standards Organisation (ISO) AI Management System Standard and a high intent to implement the Standard. This indicates a strong foundation and readiness among Australian organisations to align with the forthcoming Australia's Voluntary AI Safety Standard.



are **aware** of the **ISO AI Management System Standard**

V.S



of those aware **intend to implement the Standard, across all business functions** where AI is used

By adopting [Australia's Voluntary AI Safety Standard](#), organisations can significantly enhance their implementation of Responsible AI, ensuring their AI systems are ethical, transparent, and aligned with global best practices. Benefits of adoption include:

- Enhanced trust and credibility** among stakeholders, including customers, regulators, and the public, signaling a commitment to high ethical standards.
- Regulatory compliance** providing a structured approach to compliance with existing and emerging regulations, reducing legal risks and ensuring AI systems meet legal requirements.
- Competitive advantage** providing a point of differentiation in the marketplace, gaining a competitive edge by showcasing a commitment to responsible and ethical AI.
- Global alignment** facilitating smoother collaboration and integration with global partners, fostering innovation and cross-border technological advancements.
- Risk mitigation** minimising the potential for AI-related failures, biases, and ethical breaches, protecting organisations from reputational and operational risks.

For a comprehensive description of how organisations can use tools and guidelines to connect the principles and practices of Responsible AI, see NAIC's report [Connecting Principles and Practice: Implementing Responsible AI in Business](#).

This report provides a pragmatic selection of practices aligned with Australia's AI Ethics Principles, including examples of tools and guidelines available to support each practice. It highlights the importance of staying informed about emerging resources, and adapting organisational culture and governance, to elevate Responsible AI to a standard routine. These steps are crucial for ensuring that AI systems operate ethically, transparently, and in alignment with societal values.

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