

Chapter 1

Virtuous Business Intelligence

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ABSTRACT

This paper examines three approaches to ethics and focuses on the development of character and the practice of virtue in business intelligence (BI). The paper describes BI as a tool for mediating the relationships between pairs of stakeholders such as management and customer. Three aspects of the relationship which benefit ethically from the practice of virtues are discussed: the purpose of the BI, the prejudices behind the BI and the power of the stakeholders. The connection between the ethics of BI and the corporate ethics is discussed. Without the practice of virtues, BI may be recruited to support corporate vices of exploitation, exposure, exclusion, coercion, control and concealment. The paper seeks to highlight the importance of ethical issues in BI practice and suggests the development of an ethical balanced scorecard as a vehicle for developing ethical sensitivity.

INTRODUCTION: THE POWER OF BI

BI has the power to change people's lives. It also has the power to control people's lives. BI can influence people's identity, their access to services and products and their capability to live fulfilling lives. It can free and empower or it can control and restrict. Married with big data, BI can render people's lives transparent. BI may attempt to preserve people's anonymity, but the unique electronic trails which people leave render anonymity difficult to sustain. The potential of business intelligence and business analytics requires increased attention to ethical issues. Users of BI data need to be able to demonstrate attention to ethical issues such as privacy. This will require new technique to provide strong anonymization, such as cloaked computing technology (Aircloak, 2014). Systems to track people such as Raytheon's RIOT extreme analytics system (Storm, 2013) demonstrate the rate at which business analytics is developing and the need to address ethical issues.

BI is a decision-making tool. Its value lies in the value of the decisions the business makes as a result of its BI practice. Without decisions being made and action taken by the business or organization, BI is pointless. The outputs of BI at the very least influence the decisions made in a business, if not actually determining them. These decisions cover all areas of human endeavor, including commerce, politics, science, health and security (Chen et al, 2012).

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The decisions companies and organizations make will impact on people's access to resources and the choices they make. Access to health insurance may be influenced by BI outputs concerning lifestyles, genetic information and attitudes and opinions (Ashrafi et al, 2014; Stodder, 2012). The availability of treatment may be determined by BI employed by governments and health authorities to commission services and treatments. Access to learning and education may be affected by the results of BI applied in learning analytics (Buckingham and Ferguson, 2012, Siemens, 2013). Access to housing and credit will be influenced by BI practice and even affect where people can live (Cherpack, 2005, Morano and Tajani, 2014). BI used in election analytics uses a wide range of data to target messaging, drive fund raising and identify floating voters and influence who is elected and what policies are pursued in national and state government (Scherer, 2012, Larsson, 2014).

With such power to influence, drive decisions and allocate resources comes great responsibility. BI must be conducted with excellence and empathy. It requires practitioners who are committed to the ethical use of data, who understand the data and the issues associated with it. Ethical concerns cannot be resolved simply through codes of practice and corporate compliance. BI ethics requires individual commitment, learning and maturing in ethical BI practice and the development of an ethical culture that is supported throughout the organization.

While the importance of philosophical and ethical consideration in BI (Buytendijk, 2013) has been highlighted and a framework for the discussion of BI ethics (Thomann and Wells, 2013) recently proposed, there has been little further attention on business intelligence and business analytics ethics despite its increasing impact and a developing recognition of its importance by practitioners. Since codes of practice and data ethics principles need to be turned into action (Thomann and Wells, 2013), a different approach to BI ethics is required which concentrates on character and how that influences behavior. This paper explores the application of virtue ethics to business intelligence systems. It argues for a virtuous practice of BI. Following a discussion of approaches to BI ethics, BI systems are defined as mediators of stakeholder relationships. BI ethics is placed in the context of corporate ethics. The possibility of BI's recruitment in pursuing corporate vices is raised and the importance of culture identified. This article surveys the ethical issues associated with BI and suggests an approach to engaging with ethical issues in BI.

WHAT IS ETHICS?

Ethics concerns how we relate to each other as individuals in communities and societies. Ethics are expressed in actions and behaviors which affect others and the natural and physical environment. Actions and behaviors are derived from the attitudes and beliefs which influence our thoughts, and the moral frameworks we learn and adopt from culture, history and family. How we behave cannot be separated from what we think and believe. Thoughts lead to decisions which lead to actions. Personal beliefs and principles will influence corporate culture, rules and guidance, and their interpretation, acceptance or their rejection and opposition. Ethics is expressed in making choices. Since BI intends to influence and mediate choices made by individuals in organizations, if not determine choices, the commercial outcomes of BI will inevitably have an ethical dimension.

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