



Always Designing
for People™

ADP: Ethics in Artificial Intelligence

ADP is a leading global technology company that supports tens of millions of people in 140 countries with its comprehensive human capital management solutions. With over 70 years of experience responding to changing workforce needs with insights and solutions, ADP has built a legacy of innovation and service. This legacy has yielded ADP a profound understanding of the lives of people and their success in the world of work and has embedded within the organization a great respect for the trust placed in ADP.

ADP holds the trust of its clients and their employees at the heart of its mission, vision and values. First and foremost, we are committed to upholding strong ethics as part of our core business approach – not just because we believe it gives us a competitive advantage, but because it is the right thing to do. Our associates reflect this every day in their actions and commitments, including placing [a great focus on Privacy](#).

As technology evolves, new opportunities arise; with them, however, can come the potential for unintended effects. Automation fueled by artificial intelligence (AI) is helping transform organizations by reimagining the way we work, and even the nature of the work itself. Machine learning (ML), a branch of AI, allows machines to make decisions by feeding them data to learn on their own, without constant human supervision. ML is helping accelerate innovation by reducing the time required for process-driven work and providing opportunities to perform tasks more effectively, quicker, and at a scale that exceeds human capacity.

Aspects of this automation are at work today: identifying discrepancies in payroll registries, automating the completion of forms, or providing recommendations for financial programs or retirement offerings. While powering positive advancements, ML applications can potentially have negative implications as well, such as arriving at incorrect recommendations or amplifying factors of bias. To counter such impacts, ADP has adopted a rigorous set of principles and processes to govern its use of newer technologies,

including real-time, operational monitoring of automated decisions, much in the same way we monitor transaction and payroll processing. This awareness ensures that our models are relevant and functional, and do not “drift” from their intended goal unknowingly or inappropriately.

Included in this approach is the isolation of unintended bias. Bias in the world of work – that is, favoring or disfavoring one group compared with another - is caused by a variety of factors. Ethically, anyone developing ML technologies should be vigilant not to reproduce such bias in any ML-enabled product or service. Even when accounting for potential unintentional bias in the source data, coding, or use of an AI-enabled product or service, there can be unexpected or unforeseen bias that come into play. ADP’s goal is to continually strive to identify new and unexpected sources of bias and then refresh and enhance the design of our client offerings to address them.

We at ADP believe it is important to abide by the following core set of guiding principles, which put people at the center of everything we do:

1. Accountability and Transparency

- ADP believes that human oversight is core to providing reliable ML results. We have implemented audit and risk assessments to test our models as the baseline of our oversight methodologies. We continue to actively monitor and improve our models and systems to ensure that changes in the underlying data or model conditions do not inappropriately affect the desired results.
- ADP provides information as to how we handle personal data in the relevant privacy statement that is made available to our clients’ employees, consumers or job applicants.

2. Privacy Principles/Privacy by Design

- We have implemented an enterprise-wide Privacy by Design approach that incorporates privacy and data security into our ML and associated data-processing systems. Our ML models seek to minimize access to identifiable information to ensure we are using only the personal data we need to generate insights. ADP is committed to providing individuals with a reasonable opportunity to examine their own personal data and to update it if it is incorrect.

3. Explainability

- We strive to develop ML solutions that are explainable and direct. Our ML data discovery and data usage models are designed with understanding as a key attribute, measured against an expressed desired outcome. For example, if the ML model is to provide an employee specific learning or training recommendations, we actively measure both the selection of those recommendations as well as the outcome or results of the learning module for that individual. In turn, we provide supporting information to outline the results of the recommendation's effectiveness. ADP is also committed to providing individuals with the right to question an automated decision, and to require a human review of the decision.

4. Data Governance

- Understanding how we use data, and the sources from which we obtain it, are key to our AI and ML principles. We maintain processes and systems to track and manage our data usage and retention from across ADP systems or

processes. If we use external information in our models, such as government reports or industry terminologies, we understand the processes and impact of that information in our models. All data included in our ML models is monitored for changes that could alter the desired outcomes.

5. Ethical and Practical Use of Data

- We have an active AI & Data Ethics Committee, comprised of both industry leaders and ADP experts, which meets on a regular cadence and reviews our design principles. The Committee advises on emerging industry trends and concerns and provides guidance with respect to the principles ADP should follow while developing products, systems and applications that involve AI and data.