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Consistency and transparency: Getting connected products to reflect organizational values

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From tennis rackets to crockpots, "smart" products are now available everywhere for the general consumer. On a daily basis, companies are considering how consumers might want to use technology in everyday items, what will control the devices, what services will be attached to use the device, and how they would interact on the Internet of Things (IoT). If the organization you are working for does not yet have a connected device or service related to IoT in the marketplace, it is only a matter of time.

Ethics and compliance (E&C) has an important opportunity—and responsibility—during this digital shift. Most of us are familiar with compliance risks in these connected devices and IoT, typically focused on privacy or cybersecurity. But thinking in a silo when evaluating your organization's exposure in this area is no longer effective.

The ethics and compliance officer can choose to embrace the coming changes, actively learn about the products and their role in the company's strategic future, or they can avoid it because they don't understand the space. Avoiding it guarantees that E&C will miss key conversations that could protect both the company and the future stakes of the IoT network and the design of related devices.

Crossing over industry lines

There is a huge global network being created that brings together Big Tech as well as organizations previously in separate, independent industries. The network comes without true collaboration focused on appropriate self-regulation of an evolving industry.

Manufacturers of cars, appliances, pet products, and other items are experienced in meeting the safety and quality requirements of their specific industries. However, they are unprepared to meet these same requirements once they enable a product to be recognized and controlled by an IoT-related device. These companies are now exposed to a digital industry they've never previously been a part of and are connecting with partners originally thought to be completely unrelated.

Product development reflects internal values

To know how the IoT industry will fare if E&C does not encourage internal development and exercising of principles, all we need to do is look to examples, such as healthcare and entertainment ratings, which have demonstrated the consequences of failing to comply with reasonable, organizational-level, internal principles to establish widely accepted industry self-governance.

In each of these areas, consumers are met with myriad conflicting local, national, and international regulatory

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requirements that make it near impossible for them to make informed purchasing decisions by using like comparisons across various jurisdictions. Because there are limited physical boundaries on the use of IoT, ethics and compliance professionals must do themselves a favor and get involved proactively to address the complexities of regulatory enforcement.

Low organizational standards set low industry-level standards, which drive low consumer expectancy standards. This downward spiral leads to poor application of smart, connected, or artificial intelligence-enabled devices and incomplete, inaccurate data fed to the overarching IoT. A quick search of the internet will lead to a number of articles demonstrating how this spiral is already happening and must be corrected before competing regulations make future product design and marketing a compliance nightmare. Connected consumer product development requires immediate consideration of internal organizational values and principles driven by cross-functional input.

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