

# California State University, Northridge

<b>Member Information</b>		
<b><u>Name</u></b>	<b><u>Graduation Year</u></b>	<b><u>Major</u></b>
Dominic Garcia	2024	Business Law
Fernando Sosa	2023	Business Law
Gillian Watkins	2024	Accountancy

**Advisors:** Valerie Flugge, J.D, Roxana Naraghi, Ed.D.

**Topic:** Unethical use of OpenAI's software

**Division:** Undergraduate

**Audience:** Board of Directors of OpenAI

## Executive Summary

We at Mata-Tech Consulting are pleased to provide our analytical services and recommendations to you, the Board of Directors of OpenAI, on the ethical, legal, and financial aspects of specific uses of ChatGPT. ChatGPT has been considered a cutting-edge and pioneering innovation concerning its potential benefits for improving the business world and as a leader in the future development of language processing and academia. However, despite its positive prospects, its release was met with almost immediate bad publicity regarding the potential for misuse. Therefore, you engaged us to recommend solutions concerning the ethical aspects of potential abuse and systemic flaws of ChatGPT.

We have encountered several questionable practices involving ChatGPT that require your attention. These include inherent faults such as data privacy, consumption of vital environmental resources, and ingrained biases. In addition, we will address end-user abuse, including its use by students to cheat. Lastly, we will explore the broader implications that ChatGPT may have on society.

With respect to data privacy, we recommend that the company not only encrypt data but also prepare, publish, and make a transparent user agreement so that users understand the risks involved to their privacy. Regarding using vital environmental resources, we suggest that OpenAI relocate its data centers to areas more suitable for using green energy, such as Iceland. Concerning ingrained biases, the company should strategize methods and processes to remove such biases from its programming. Furthermore, for third-party abusers, we advise that OpenAI actively works with educational institutions to assist in catching plagiarism and copyright infringement. Lastly, in reference to the societal implications of ChatGPT's use, we propose that OpenAI bring together various stakeholders, such as organizations, academia, governments, and the general public to discuss the evolving concerns regarding the use of AI technology, and to be a leader in this dialogue.

By implementing these recommendations, OpenAI would establish a high standard for ethical practices in the industry. At Mata-Tech Consulting, conscientious and honest business practices are critical to long-lasting success. Therefore, this is an opportunity for OpenAI to become a standard bearer for the ethical deployment of AI technology.