

EMBA/SFMBA Executive Elective: Al Governance and Ethics for Business Leaders MIT Sloan School of Management

Instructor Email

Jeffrey Saviano, MIT Sloan Senior Lecturer

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Session Dates: January 7–8, 2026 Location: MIT Sloan (Cambridge, MA) Format: Two-day intensive, in-person only

Grading: Pass / D / Fail

Deliverable: Personal reflection (due January 22, 2026)

Course Overview

Artificial intelligence is transforming business models, risk structures, and the moral responsibilities of corporate leaders. This two-day elective equips executives to lead responsibly amid the accelerating adoption of AI and associated emerging technologies. Students will explore AI governance and ethics through lectures, case discussions, and experiential exercises, culminating in the *Boundaries of Tolerance Framework*, a practical model for defining what organizations will and will not tolerate in their AI practices.

Learning Objectives

By the end of this course, participants will be able to:

- 1. Explain the relationship between AI strategy, risk, governance, ethics, and leadership
- 2. Analyze corporate fiduciary duties as they apply to Al oversight
- 3. Evaluate trade-offs among transparency, privacy, performance, and fairness
- 4. Apply governance frameworks (e.g., NIST AI RMF, Boundaries of Tolerance) to real-world cases
- 5. Formulate a personal and organizational AI ethics charter

Course Materials

All readings, slide decks, and case materials will be available on Canvas

Required Readings

- Saviano, J. Boundaries of Tolerance: A Framework for Ethical AI Governance (draft excerpts from an upcoming book published by Wiley in 2026)
- Saviano, J. Politicians and nonprofits will struggle to keep AI in check but corporate boards can't afford to fail; Fortune (2024)
- America's Al Action Plan; White House Office of Science and Technology Policy (2023)
- Shapira, R. Max Oversight Duties: How Boeing Signifies a Shift in Corporate Law; The Journal of Corporation Law (2022)

Recommended Readings

NIST AI Risk Management Framework (2023)

Program Description & Agenda

Day 1 – Foundations of Ethical AI Governance (8:30 – 11:30am / 1:00 – 4:00pm)

Morning: Setting the Stage

- Framing: the global bank boardroom story and the birth of the Boundaries of Tolerance
 Framework
- The state of AI strategy and applications in business today overview of generative AI use cases across industries; value creation and risk balance
- What is AI Ethics? Defining the bridge between technological power and human values
- Who will be the guardians of AI in the world? Government vs civil society vs business

Afternoon: Governance, Risk, and Fiduciary Duty

- Managing AI risks: operational, algorithmic, strategic, and governance categories
- Regulatory landscape and global standards; EU AI Act, U.S. Executive Orders and state acts,
 China and Singapore models; designing a normative compliance model for AI
- Apply corporate governance principles enunciated in key judicial opinions to AI fiduciary oversight (e.g., Caremark, Marchand, Boeing, McDonald's)
- Exercise 1: Develop a fiduciary oversight action plan for your company's Al systems
- Fireside chat with a public company board director

Day 2 - From Principles to Practice: Leadership, Culture, and Action (8:30 - 11:30am / 1:00 - 4:00pm)

Morning: Motivations and Introducing the *Boundaries of Tolerance* Framework

- External influencers of corporate behavior (e.g., investors, labor unions, NGOs, media, religious institutions)
- The Boundaries of Tolerance framework
 - o Ethical Principles Index and Enterprise Ethics Integration Index

Afternoon: Boundaries of Tolerance Framework (cont.) and Personal Reflection

- The Boundaries of Tolerance framework (cont.)
 - Leading practices: Fractional AI Ethicist model; AI/Technology Board Committees; Intel's "Guard Band of Safety;" Prudent Vigilance; Extending AI guidance from law and medicine to other knowledge professions
- **Exercise 2:** Group analysis; determine the current and target *Boundaries of Tolerance* level for four companies (cross-sector)
- Exercise 3: Define your personal Boundaries of Tolerance (charter creation and peer discussion)
- Key takeaways and call to action

Final Deliverable: A 3-5 page personal reflection paper (due January 22, 2026) addressing:

- 1. Your organization's current and target *Boundaries of Tolerance* level
- 2. Specific actions you plan to take to advance ethical AI governance in your role and achieve the target state for your organization
- 3. The personal ethical principles you will not compromise in your AI leadership

About the Instructor

Jeffrey Saviano is a leader in innovation, disruptive technology strategy, governance, and ethical AI. He is a Senior Lecturer at the MIT Sloan School of Management and holds a research appointment at Harvard University, with prior fellowships and appointments at Boston University School of Law, New America, and the U.S. Department of Commerce.

Since 2023, Jeff has educated and advised more than 100 corporate boards and executive leadership teams, leveraging deep expertise in AI, Web3, and technology-driven transformation. His <u>Fortune Op-Ed</u> (May 2024) urged corporate boards to take a more proactive role in governing AI responsibly.

Jeff retired from EY in 2025 as Emerging Technology Strategy & Governance Leader and the AI leader for the Center for Board Matters, after a 32-year career with the firm in which he pioneered innovation, developing and commercializing more than 25 technology-enabled businesses and solutions generating over \$400 million in annuity revenue.

He is a sought-after speaker and contributor on AI strategy, governance, ethics, and innovation, and the author of the forthcoming book *Boundaries of Tolerance* (Wiley, 2026). Jeff also leads TEDxNaples, curating public dialogue on leading topics and innovative ideas. Jeff's insights have been featured at the Vatican, World Economic Forum, TEDx, U.S. Congressional Roundtable, U.S. Treasury, United Nations, World Bank, Nasdaq, and leading universities including Harvard and MIT, influencing global perspectives on responsible AI adoption.

Jeff holds an LL.M. in Taxation (Boston University School of Law, 1998), a J.D. (Syracuse University College of Law, 1992), and a B.B.A. in Accounting (Iona University, 1989).