



Artificial Intelligence (AI) guardrails and guidance

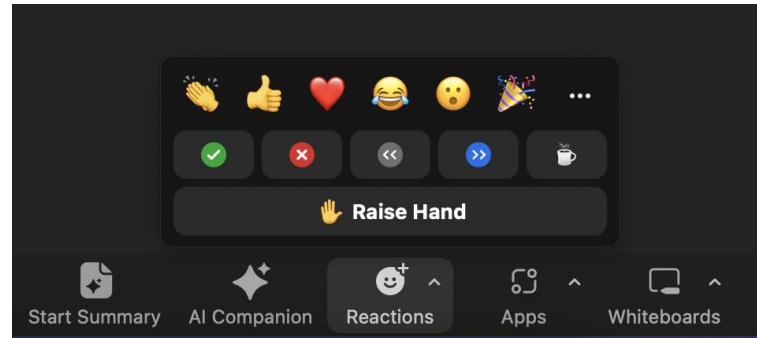
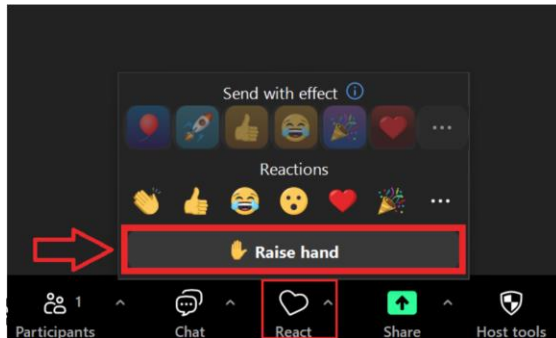
Responsible leadership and artificial intelligence

Presenter: **Nina Laitala**, Training Lead, Institute of Community Directors Australia

Date: Monday 14 July 2025

Housekeeping

- When you'd like to share with the group, please use the raise hand function.



- Chat function is for everyone to use. Feel free to share your experience and advice, respond to prompts and answer any questions that arise if possible.
- You will receive the slides and the recording via the email you registered with.
- Please don't use AI to summarise or record this session.
- Please mute yourself unless you are speaking to the group.

Nina Laitala – she/her

- 20 + years community leadership
- Former CEO Victorian Student Representative Council
- Musician
- Current community board deputy chair
- Enthusiastic generative AI user



What will we go through today?

- The real opportunities AI presents for not-for-profits
- The key risks—and how to manage them
- A practical governance framework for AI use
- How to support your board, staff, and volunteers to use AI responsibly

Why AI matters for not-for-profit leaders

- AI is already in your organisation—even if unofficially.
- Inaction is risky: over 50% of Australian workers use AI without guidelines
- Leadership is about curiosity, not technical mastery.

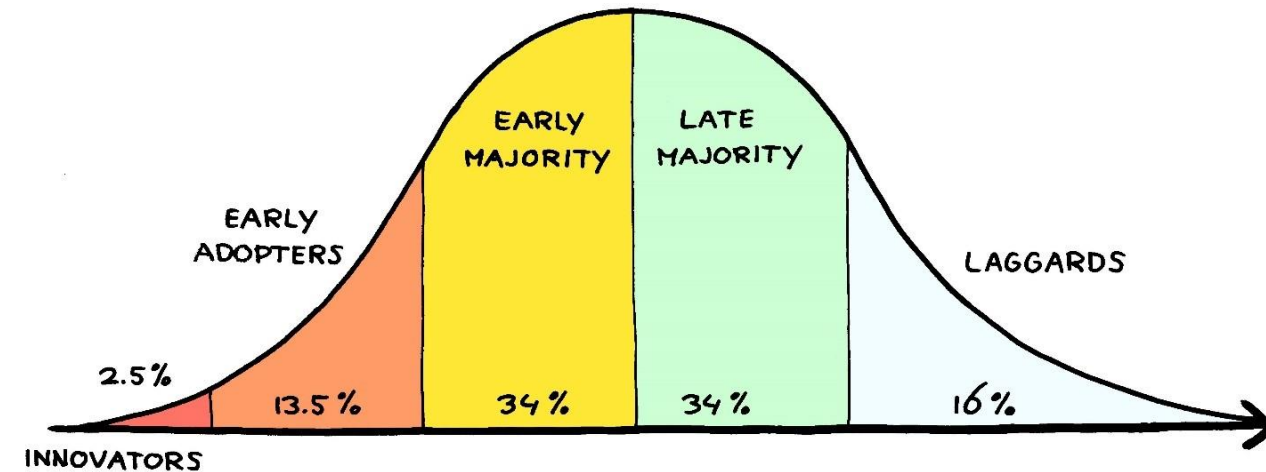
Framing the conversation about AI: Know your people

Who is excited? Why?

Who is okay with it, sees the benefits? Why?

Who is nervous but compliant? Why?

Who is negative? Why?



Roger's innovation adaptation model

<https://www.enablersofchange.com.au/what-is-the-diffusion-of-innovations-theory/>

AI opportunities for NFPs



Enhancing content creation and communication

Grant writing support
Marketing materials
Content editing



Data analysis and donor engagement

Grant applications
Personalised donor interactions
Predictive analysis



Client/member communications

Chatbot for basic enquiries



Time saving automation for operations

Scheduling
Social media management



Efficient documentation through AI transcription

Meeting documentation
Accessibility



Enhancing writing quality and clarity

Grammar and style suggestions
Consistency

Institute of Community
Directors Australia (ICDA) |
Not-for-profits...

Prompt ideas for AI

Use Case: Quickly generating drafts of grant applications tailored to specific funding guidelines.

Prompt Example:

"Write a compelling grant application summary (max 300 words) for a program that supports youth mental health in regional Australia. The program provides free counselling sessions, peer support groups, and online resources for young people aged 12–25. Emphasise social impact, need, and expected outcomes."

Use Case: Turning workshop notes or brainstorming ideas into coherent strategic plan sections.

Prompt Example:

"Based on the following workshop notes, draft a 3-year strategic plan summary with vision, mission, values, and three key strategic priorities.

Notes:

Vision: equitable access to education for all rural children

Values: inclusion, collaboration, tenacity

Priorities: advocacy at state level, building partnerships with schools, expanding scholarship support."

Use Case: Condensing lengthy reports into digestible executive summaries for board meetings.

Prompt Example:

"Summarise the following 10-page operational report into a 1-page executive summary for the board. Focus on key activities, metrics, issues, and decisions required."

Risks

- **Privacy & data security** – fears about breaches and protecting sensitive client, financial, or organisational information
- **Lack of understanding** – general workplace anxiety and uncertainty about how AI should be used
- **Legal & ethical concerns** – issues like copyright, misuse, and potential loss of human connection in service delivery
- **Inaccuracy & misinformation** – risks to reputation, compliance, and quality of client services
- **HR concerns** – fear of job or volunteer displacement
- **Over-reliance on AI** – potential for bias, reduced authenticity, and loss of trust
- **Uncontrolled use** – staff using AI without approval or policy, and board inaction slowing strategic response

AI Governance Framework

1. A governance framework is not a policy
2. Ethical considerations
3. How do you currently use AI?
4. How are others in your sector using AI?
5. Who is responsible for oversight?

AI Ethics Framework – CSIRO
Institute of Community Directors Australia | Artificial
Intelligence...

Part 1 - The use of AI to assist decision-making.

1. Ethical bias
2. Accountability in decision making
3. Value alignment
4. Strategic alignment
5. Education and awareness

1. Ethical conduct and bias

Governance principle

The organisation should reflect the diversity of the community it serves

AI implications

Artificial intelligence is inherently biased

Board response

Ensure that AI systems are trained on diverse and representative data



2. Accountability in decision-making

Governance principle

The board should uphold high standards of ethical behaviour.

AI implications

Decisions based on AI generated information might expose the organisation to legal and ethical liabilities.

Board response

Boards need to establish clear lines of responsibility and accountability.



3. Value alignment

Governance principle

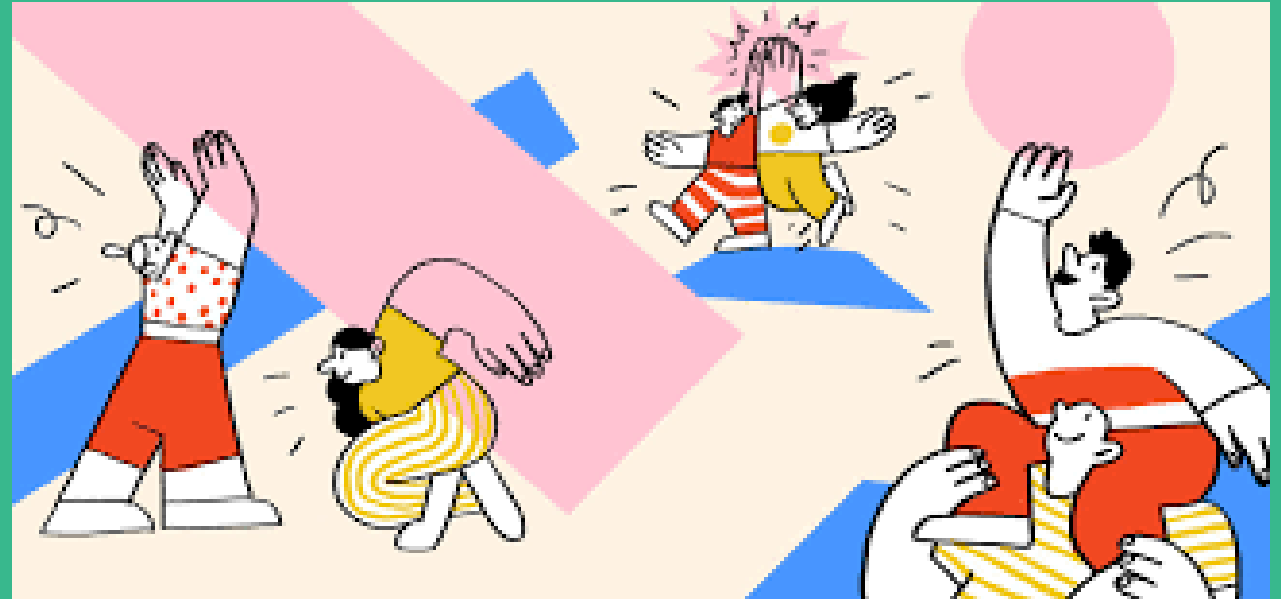
The board is accountable for making informed and ethical decisions.

AI implications

AI-powered systems may face situations requiring ethical decision-making, ethical suggestions or ethical answers.

Board response

Boards must ensure that the organisation's use of AI and AI-powered systems aligns with its core values.



4. Strategic alignment

Governance principle

The board should develop and follow a clear strategic plan that outlines the board's mission, vision, goals and action plans.

AI implications

AI initiatives and the way staff use AI products should align with the company's overall strategic goals and long-term vision.

Board response

The board should ensure that AI deployment is in line with the organisation's broader business strategy and the organisation's overall purpose.



5. Education and awareness

Governance principle

The board should develop and follow a clear strategic plan that outlines the board's mission, vision, goals and action plans.

AI implications

AI initiatives and the way staff use AI products should align with the company's overall strategic goals and long-term vision.

Board response

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Part 2:

Role of the leadership in overseeing AI use within the organisation

- 6. Data governance
- 7. Staffing
- 8. Board oversight
- 9. Long-term monitoring
- 10. Sustainability and risk management

6. Data governance

Governance principle:

The board should treat data as a valuable asset and ensure it's protected.

AI implications:

The collection and use of data for AI purposes raises data privacy concerns.

Board response

Boards should ensure that data privacy and protection measures are in place to protect sensitive information.



7. Staffing

Governance principle:

The board should recognise that its human resources are its most valuable asset.

AI implications:

The integration of AI could affect the workforce by altering job roles and requirements.

Board response

The board should oversee workforce transition strategies to align with the organisation's future needs.



8. Leadership oversight

Governance principle:

The board has a duty to exercise due diligence.

AI implications:

Reliance on AI can lead to unintended consequences.

Board response:

Boards should ensure that when AI is used to aid decision making, it is only a tool.



9. Long-term monitoring

Governance principle:

The board should establish mechanisms to measure the organisation's impact.

AI implications:

AI systems may evolve over time, leading to changes in the way they behave and the impact they have.

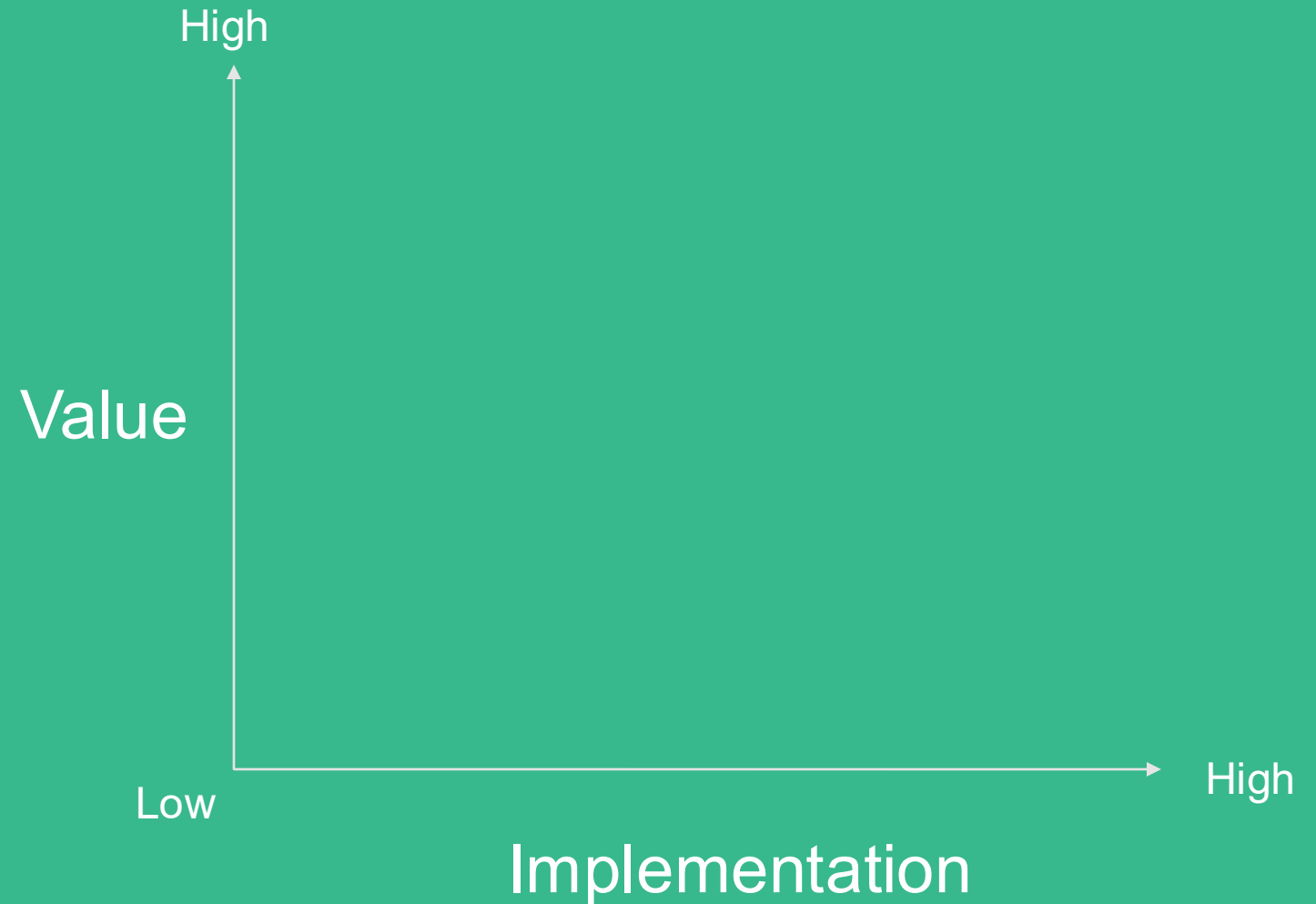
Board response:

Boards should implement mechanisms for continuous monitoring and assessment of AI systems.



Where do we start?

1. Where are the current gaps?
2. How much do we know about different AI products?
3. How many resources do we have?
4. How helpful will this be?



AI governance framework

1. Policies
2. Oversight
3. Decision making
4. Accountability in decision making

Documenting what you know

Side column:

AI applications in use at your organization:

Top row:

- Name of AI application
- Purpose
- Users names/roles
- Is the app human assisted or human oversight
- Do you pay for the app or is it publically available
- Where is the data held (country)
- Risks of the application in the way it is currently used

| Name of AI application | Purpose | Users | Is the app human-assisted (e.g. ChatGPT) or human oversighted (e.g. chatbots)? | Do we pay for this app or is it publicly available and free? | Where is the data held? | Risks of this application in the way it is currently used |
|--|---------|-------|--|--|-------------------------|---|
| e.g. ChatGPT | | | | | | |
| e.g. Chatbot | | | | | | |
| e.g. calendar scheduling/email sorting | | | | | | |
| e.g. e-commerce personalisation | | | | | | |
| e.g. voice recognition and/or transcript | | | | | | |
| e.g. social media management, scheduling posts | | | | | | |

Long term monitoring

- how do management and the board collaborate to do this?

Sustainability and risk management

- how do management and the board know what's going on?

Summary

1. AI is already in your organisation, even if it's unofficial
2. AI brings real opportunities and also real risks
3. Good governance of AI is everyone's responsibility
4. Start with clear values, oversight, and education
5. Don't wait for perfection: start small, document, and learn

Recommended resources

<https://www.communitydirectors.com.au/books/book-artificial-intelligence-and-the-community-sector>

www.communitydirectors.com.au/tools/developing-an-ai-governance-framework-at-your-organisation

www.communitydirectors.com.au/help-sheets/artificial-intelligence-and-governance-framework

Feedback



<https://www.surveymonkey.com/r/2025FOCD>