

ETHICAL AI GOVERNANCE AS A DETERMINANT OF SUSTAINABLE DIGITAL TRANSFORMATION

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Abstract:

Sustainable digital transformation increasingly depends on the way artificial intelligence (AI) is governed from an ethical perspective. This paper examines ethical AI governance as a strategic determinant for ensuring responsible and long-term digital transformation within organizations. Building on recent literature that highlights persistent gaps in accountability, transparency, and fairness mechanisms in AI systems, the study proposes a conceptual framework that integrates core ethical principles, such as fairness, responsibility, and data protection, with operational governance mechanisms, including continuous monitoring, stakeholder engagement, and adaptive regulation. The paper also discusses the challenges of implementing ethical standards at an international scale, particularly in the context of emerging global policy initiatives. The analysis shows that responsible digital leaders, by adopting robust ethical AI governance structures, can foster a balance between rapid innovation and social, economic, and organizational sustainability. Overall, the paper argues that ethical AI governance is not only a moral imperative but also a practical determinant of long-term resilience and competitiveness in an increasingly digitalized world.

Keywords: *sustainable digital transformation; AI ethics; organizational sustainability; responsible innovation; adaptive regulation*

JEL codes:: *M15, M14*