

WHY ORGANIZATIONS MUST ACT NOW

As highlighted during the IAPP Global Summit 2026, the landscape of AI governance is rapidly shifting, demanding urgent attention and strategic adaptation from organizations across all sectors.

Chris Washington, Chief Technology Officer, and Alex Layng, VP of Product, emphasized that while privacy concerns remain vital, the current evolution revolves around AI governance, how organizations manage, monitor, and respond to AI-generated outputs effectively. With the proliferation of native AI technologies and agentic infrastructure, it is clear that organizations must proactively implement governance strategies rather than wait for regulatory frameworks to catch up.

WHAT IS AI GOVERNANCE?

AI governance refers to the structures, policies, and processes that ensure responsible development, deployment, and use of artificial intelligence, encompassing oversight, risk management and compliance, as well as monitoring and reporting, alongside incident management, procedural adherence, and the ability to respond swiftly to risks such as bias, model drift, and deviation from truth.

Three Key Points to Consider When Applying an AI Governance Strategy



1

DEFINE WHAT CONSTITUTES AN AI INCIDENT

A recurring theme at the conference was the challenge of defining an AI incident. According to Chris Washington, an incident can be anything an AI tool or agent produces that deviates from the truth. Because large language models (LLMs) and transformers might introduce bias or drift, organizations must create clear guidelines for identifying incidents.

Considerations:

- Establish standardized criteria for incident detection.
- Train staff to recognize subtle deviations that may impact stakeholders.
- Integrate monitoring tools to automate incident identification.

2

ALIGN INTERNAL GOVERNANCE WITH EXTERNAL STAKEHOLDER EXPECTATIONS

Organizations have both internal and external stakeholders, including third parties, who must be managed through robust policies and procedures. Ensuring compliance means addressing not only current regulatory requirements but also anticipating future needs.

Considerations:

- Engage stakeholders regularly in the governance policy development process.
- Map out the needs of customers, partners, and regulators.
- Stay responsive to changes in third-party demands or industry standards.

3

PREPARE FOR REGULATION THAT FOLLOWS THE PACE OF CHANGE

The consensus is that regulation will always lag behind technological advances. The laws being drafted today often reflect AI as it existed several years ago, not where it's headed now. Organizations must be proactive, creating governance models that anticipate future regulatory requirements rather than merely reacting after the fact.

Considerations:

- Conduct regular reviews of emerging legislation and industry best practices.
- Simulate compliance scenarios based on probable regulatory trends.
- Foster a culture of readiness to adapt policies quickly.

CONCLUSION

AI governance is no longer an afterthought; it is at the core of responsible AI deployment.

By clearly defining incidents, aligning policies with stakeholder expectations, and preparing for evolving regulation, organizations can safeguard their interests, remain compliant, and continue building trust with their constituencies.

Now is the time to act, before regulation catches up and potential litigation accelerates change.