Management Information System

Ch-4: Ethical and Social Issues in Information Systems

Opening Case: Behavioral Targeting and Your Privacy: You're the Target

- How would be your feeling when you come to know that somebody is watching your activities being taken place on the web?

- Many of us search for different materials on the Internet using different kinds of search engine for buying or just for getting information about some products.

- The activities that is done over the system is visiting some web pages, viewing web content, clicking ads, watching videos, sharing content purchasing some product.

- The overall form of using Internet is specific by any user and follow some unique pattern.

- Google can be considered as an example which track our activities mentioned above.

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- The behavior of users is tracked by Google along with other such web sites and it displays ads based on their previous activities.

- In March 2007, when Google began displaying ads on thousands of Google based websites, it said that it would give users the ability to see and edit the information that it has compiled about their interest for the purposes of behavioral targeting.

- Behavioral targeting seeks to increase the efficiency of online ads by using information that web visitors reveal about themselves online.

- Online tracking is used to measure the results in terms of click-throughs and purchase

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- The technology used to implement online tracking is a combination of cookies, flash cookies and web beacons.

- Web beacons are small programs places on the system during the time of visiting thousand of web sites which report back to servers operated by the beacons owners the domains and web page visited, clicked ads and other online behaviors.

- A recent study of 20 million web pages published by 2 million web domains found Google, Yahoo, Amazon, YouTube, Photobucket and Flickr among the top 10 web bugging sites among which Google alone accounts for 20 % of all web bugs.

- Firms are experimenting with more precise targeting methods (Snapple used behavioral methods) focusing on specific types of things on their interests.

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- Following the same trend, Microsoft offers MSN advertisers to access to personal data derived from 270 million worldwide users to identify their personal interests and behaviors so that they can show ads precisely targeted on them.

- The growth in the power, reach and scope of behavioral targeting has drawn the attention of privacy groups and the Federal Trade Commission and web tracking is unregulated.

- In 2007, the FTC opened hearing to consider proposals from privacy advocates to develop a "do not track list".

- Hearing on behavioral targeting were held throughout 2009 and the first half of the 2010 with attention shifting to the privacy of personal location information.

- While Google, Microsoft and Yahoo pleaded for legislation to protect them from consumer lawsuits.

Opening Case: Behavioral Targeting and Your Privacy: You're the Target

- The FTC refused to consider new legislation to protect the privacy of the Internet users.

- In 2010, Congressional committees pressed leading Internet firms to allow users more opportunities to turn off tracking tools and to make users aware on entry to a page that they are being tracked.

- All of these regulatory efforts emphasize transparency, user control, over their information, security an the temporal stability of privacy promises.

- This technology is useful to develop a smart system which can response in accordance with the behavior of user though 70% of Americans do not want to receive targeted ads as they consider their information are only owned by them.

Understanding Ethical & Social Issues Related to a System

- In past days, we can see many examples of failed ethical judgment by senior and middle managers which lead them to pay different types of penalty.

- In today's new legal environment, managers who violate the law and are convicted will most likely spend time in prison.

- In the past business firms would often pay for the legal defense of their employees enmeshed in civil charges and criminal investigations, now firms are encouraged to cooperate with prosecutors to reduce charges against the entire firm for obstructing investigations.

- In many cases, the perpetrators of these crimes artfully used financial reporting information systems to bury their decisions from public scrutiny in the vain hope they would never be caught.

Understanding Ethical & Social Issues Related to a System

- Ethics refers to the principles of right and wrong that individuals acting as free moral agents use to make choices to guide their behaviors.

- Information systems raise new ethical questions for both individuals and societies because they create opportunities for intense social change and thus threaten existing distributions of power, money, rights and obligations.

- Ethical issues in Information System have been given new urgency by the rise of the Internet and electronic commerce, Internet and digital firm technologies make it easier than ever to assemble, integrate and distribute information unleashing new concerns about the appropriate use of customer information, the protection of personal privacy and the protection of intellectual property.

A model for thinking about Ethical, Social & Political Issues

- Ethical, social and political issues are interrelated with each other.

- If we consider a society as a calm pond, a delicate ecosystem in partial equilibrium with individuals and with social and political institutions, every individual knows how to act in the pond because social institutions have developed well-honed rules of behavior and these are supported by laws developed in the political sector that prescribe behavior and promises sanctions for violations.

- If a disturbing and powerful shock of new information technology and system hits a society, individuals related with them are confused with new situations and cannot response overnight to this ripples.

A model for thinking about Ethical, Social & Political Issues

- Political institutions also require time before develop the meantime

- A model is to be designed that connect ethical, social and political issues to identify the main moral dimensions of the information society which cut across various levels of actions.

- Refer Page No. 128 for figure.

Five Moral Dimensions of the Information age.

The major ethical, social and political issues raised by Information System include the following moral dimensions

- *Information rights and obligations*: Its about what an individual and organization can do to protect the system.

- *Property rights and obligations*: Its about the protection of traditional intellectual property rights in digital society in which tracing and accounting for ownership are difficult and ignoring such property rights.

- *Accountability and Control*: This part explains who can and will be held accountable and liable for the harm done to individual and collective information and property rights.

- *System quality*: To protect individual rights and the safety of society, standards of data and system quality demand are considerable.

Five Moral Dimensions of the Information age.

- *Quality of Life*: Its about the data or information which is stored in an information and knowledge based society. It is on the priority basis for the preservation of data.

Key Technology Trends that raise Ethical Issues

- Information Technology has heightened ethical concerns, taxed existing social arrangements and made some laws obsolete or crippled. The trends responsible for these ethical stresses are mentioned below:

Trends	Impact
Computing power doubles every 18 months	Organizations depend on advance computer systems for critical operations
Data Storage cost rapidly declining	Organizations can easily maintain detailed databases on individuals.
Data Analysis advances	Companies can analyze vast quantities of data gathered on individuals to develop detailed profile of individual behavior
Networking Advances	Access data from remote system, sharing files and devices has been easier.

Key Technology Trends that raise Ethical Issues

- The use of computers to combine data from multiple sources and create electronic dossiers of detailed information on individuals is called *profiling*.

- DoubleClick and ChoicePoint are the examples of profiling application which gathers data for different purposes and those information are sold in different business and government agencies.

- A data analysis technology called nonobvious relationship awareness (NORA) has given both the government and private sector even more powerful profiling capabilities by collecting data from different sources.

- This technology scans data and extracts information to provide homeland security by providing a detailed picture of the activities and associations of any individual.

Key Technology Trends that raise Ethical Issues

- Advances in networking, including the Internet, promise t greatly reduce the cost of moving and accessing large quantities of data and open the possibility of mining large pools of data remotely using small system.

- See figure in Page No. 131

Interactive Session:

- Interactive session 1 and 2 shall be prepared by students