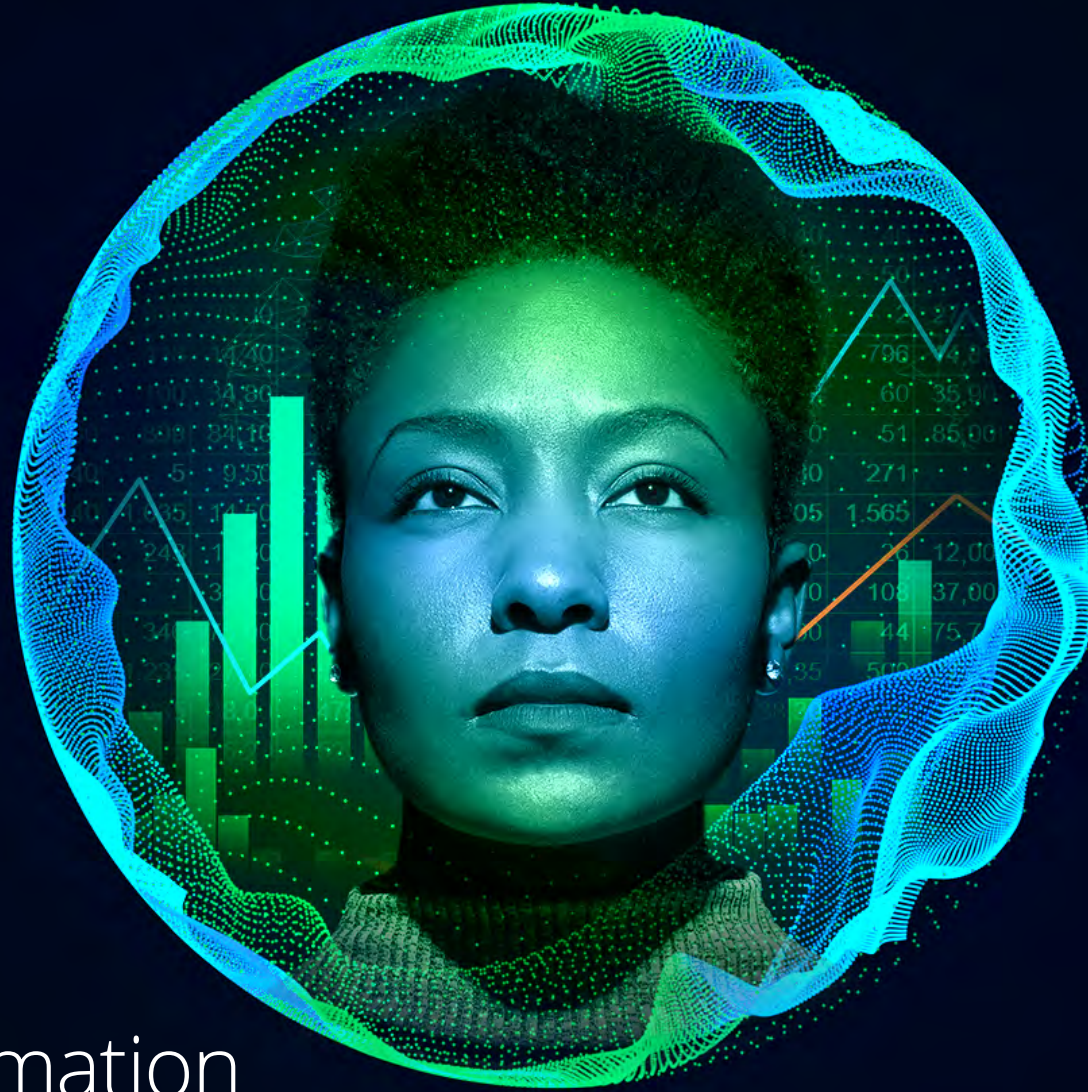


**Deloitte.**



AI-Fueled™  
Finance Transformation

October 2024

# What's inside

01 Introduction.....3

02 Now: Within the next year or so .....5

03 Soon: A year or two from now..... 9

04 What to start doing today .....14

05 Conclusion.....16



# Introduction

It's time to move beyond the hype and get practical about FinanceAI™—a finance function that embraces artificial intelligence (AI) as a collaborator to enhance human capabilities and unlock untapped potential for growth, resilience, and innovation. But doing so does not mean moving without a plan. Many boards are asking CFOs when they'll see AI in action, and CFOs are wondering what tangible value they can demonstrate to the board and when. And let's not forget the way robotic process automation (RPA) arrived almost a decade ago with more smoke than return on investment (ROI) fire. What will be different this time? A lot.



01

02

03

04

05

# Time to jump-start your AI-Fueled™ Finance Transformation

There is a lot to unpack when it comes to AI applications in finance—what they can bring today, what they can bring tomorrow, and how the finance function may change as a result. Think of these as initial steps on an AI-fueled finance transformation journey—your process of becoming an organization that uses data as an asset to deploy and scale AI systematically across business processes in a human-centered way. The rapid, data-driven decision-making power of Generative AI in finance can help enhance workforce experiences and business partnering capabilities, unlocking enterprise value and driving continuous innovation. **And it all will need to begin somewhere.**

## Consider this:

### Preparing data for the age of AI is a big job.

Consider how data governance/management and analytics service providers (e.g., Databricks, Snowflake, etc.) that specialize in this could help your organization; and how hyperscalers—such as Amazon Web Services (AWS), Google Cloud, and Microsoft Azure, which have existing large language model (LLM) solutions backed by their data and tools—can drive consistent AI at scale.

### Data and digital fluency are important at this stage.

So is trust, in two forms: trusting in the quality and reliability of AI outputs; and trusting that the transformation should make people’s jobs easier, not replace them. Consider that building AI capabilities skill by skill and tool by tool may come later. Right now, build a “North Star”—a culture of innovation that is ready to make AI productive.

### Assess your current finance technology roadmap.

Where is it backlogged? What capabilities can AI accelerate? Consider engaging actively and regularly with platform providers to understand existing investments and future roadmaps for core finance technology systems; then map those capabilities against your actual needs.

### Stronger governance can help to scale capabilities and drive value.

Consider the operating model that will best suit your needs and your use of AI: Should you start to build dispersed “digital playgrounds,” or should you take a more centrally controlled approach? With any choice, incorporate principles of [Trustworthy AI™](#) to understand, weigh, and manage AI-related risks—not only technical ones but also ethical ones.



01

02

03

04

05



Now  
Within the next year or so



01

**02**

03

04

05

Now: Within the next year or so

# Where things stand: Time to find your sweet spot

The raw ability of AI and Generative AI has been growing fast, and the business applicability of Generative AI in finance isn't far behind. The elements needed to surround that technology for business impact—such as data discipline, governance, regulatory clarity, and product functionality—are catching up quickly. Finance leaders may find themselves in a bind: Get out ahead of the curve, but potentially misstep. Wait too long, and you risk falling behind. The challenge now is to find a “sweet spot” of measured AI adoption.

That sweet spot will be different for each organization, but for many, some degree of in-house development is likely part of the near-term mix.



01

02

03

04

05



Now: Within the next year or so

# What to do about it: Start making targeted investments

Should you be an AI buyer, a builder—or a late adopter? There are trade-offs.

Even as large hyperscalers and software vendors bring turnkey solutions to market, there are still operations where lower risk, present need, and the unique nature of your business might suggest building AI tools of your own. Large, complex organizations have particular requirements; they can't buy "off the rack" no matter how mature the market-scale offerings become. True, vendors may address common finance use cases out of the box, but they are not likely to address each company's specific needs in detail. Only you know the ROI calculus that drives your adoption.

Commercial solutions that are possible today may call for you to combine one or more available resources to find what works for you and your finance transformation agenda. Or, you may consider building to your own specifications, blending new Generative AI capabilities with established machine learning (ML) ones to drive a hybrid strategy all your own.

Integrating these types of solutions into your finance organization can deliver business value quickly today, no matter what may come later. For example, some of the insights you depend on could emerge in minutes rather than days.

Of course, if you were to go all out today, you might find your bespoke systems out of sync with the at-scale standards the market produces later. So, a large investment may be premature. But targeted initiatives today can pay off in more than one way: Not only will you have tools that you need now, but you'll build experience and competencies that can prepare you for larger AI bets in the future.



01

02

03

04

05

Now: Within the next year or so

# It's already happening

Where? Promising AI for finance use cases that are already active include ML forecasting, predictive analytics, cash flow forecasting, and anomaly detection. They aren't widespread yet, but they are evolving fast, as is the opportunity for a strong ROI. When exploring transactional use cases like invoice processing, consider how the process from purchase order creation to contract writing and validation, through invoice processing and duplicate payment detection can all be automated through Generative AI using multiple prompts in a sequence (called prompt chaining).

Operational areas that focus on management information, such as quarterly business reviews and draft investor relations scripts, may be another area to explore because they face less regulatory scrutiny. Remember that unlike RPA, which relied on consistent, repeatable processes to automate workflows, the LLMs that power Generative AI contain logic and the ability to reason (somewhat) like a human. It's advisable to include the risks of machine-powered judgment when you weigh the ROI of an AI deployment.

If you can move ahead in measured ways while you wait for deeper applications to gain an ecosystem foothold, you may have found your sweet spot. Just remember to manage board and stakeholder expectations along the way.



01

02

03

04

05



# Soon

A year or two from now



01

02

**03**

04

05

# Where things may stand: Data catches up to technology, and talent thrives

When more substantial, enterprise-ready AI applications do reach the market, the opportunities to embrace them will grow—and so will the responsibility to maintain a sensible approach by making realistic choices.

One sensible perspective can be to remember that ML, well-established in many applications before Generative AI made its first headline, isn't going away. In fact, the years ahead may find ML even more relevant than it is today.

The evolution of data may be as important as the evolution of technology. Today's data structures and processes weren't created with AI in mind. According to Deloitte's *State of Generative AI in the Enterprise Q3 Report*, 75% of organizations have already increased their technology investments around data life cycle management due to Generative AI.<sup>1</sup> Within a few years, it's more likely organizations will be working with data that has "AI in its DNA"—meaning data standards will be created and upheld to satisfy AI's needs. That change will play a major role in unleashing the AI power that many business leaders are enthusiastic about today.



01

02

03

04

05



## Soon: A year or two from now

As new AI capabilities approach a more active role in finance—and existing ones find more and more application—the finance function will begin to look different. Because AI facilitates real-time visibility and reporting, periodic closes may fade in significance, and the volume of finance work may become more consistent across time. And finance team members may become more embedded across the fabric of the business.

The people who make up tomorrow's finance teams will also need new AI-related skills. "Prompt engineering," or knowing how to ask the right questions to generate the desired results, is a new kind of fluency to develop. AI users need to confirm the validity of AI output, be confident enough to question it, and recognize potential

bias in it. They should also be comfortable explaining AI concepts to other stakeholders. Infusing a finance team with these skills can be a matter of hiring, in-house training, or cooperation with a university or academy.

There's more, though: In addition to skills that apply directly to using AI, team members will need to learn about the ways the technology interacts with the human workforce. Some tasks are all-human; some are all-machine; some require humans and machines to work together. Being able to recognize which tasks can be automated and which ones can be augmented is an important precursor to understanding the opportunities and putting the right training in place.

Another training frontier: Junior team members will be less likely to cut their teeth on spreadsheets, reports, and analyses because AI can handle those tasks. Finance may need a new pathway to help professionals understand the basics of the business and the foundational finance skills they need. That may affect not only the nature of in-house training, but also the recruitment pipeline. Internships and job shadowing may be useful prerequisites for new hires who may go directly into AI prompt generation and related jobs.



01

02

03

04

05

Soon: A year or two from now

# What to do about it: Expect more from the leading edge, but don't overlook 'traditional' AI

If you've taken steps to build competency in AI for finance, the time will come to spread those wings and expect more from the technology. But even as you move toward bigger and more impressive applications, remember the context: Measure each tool's value by its contribution to identified business needs, surround it with the quality data it needs to function, and implement the controls and monitoring that can help minimize drift and bias.

And remember there's more to AI than Generative AI. Machine learning didn't spend 2023 in the headlines—it was busy getting things done. The huge strides that are likely in the AI field will carry ML forward, too, and hyperscalers may roll out more low-code/no-code, point-and-click models that can apply in budgeting and forecasting, accounts payable and receivable, early close, or anywhere you use predictive calculations.

## Machine learning has its moment

You may already have seen a self-driving car or even a drone deliver a package. They represent the vanguard of technologies that organizations are just beginning to understand and apply. And they're attention-getting. But you still see plenty of traditional cars and 18-wheelers on the road, don't you?

As it is with vehicles, so it is likely to remain with AI. Generative AI has such exciting promise that it's taking up much of the air in the room; but ML is still going strong and has more tricks to show. This isn't a question of new and established technologies existing side by side—rather, they work together

in what is becoming a hybrid environment. ML and other "traditional AI" tools can mesh with the newer capabilities of Generative AI in complementary ways to offer functionality that exceeds what either could deliver alone.

Ultimately, Generative AI is just a specific, advanced type of ML model that creates novel content—another tool in an established toolbox. Understanding the relationship between deep learning models like Generative AI and more "classical" ML models is an important step toward making effective decisions on where to invest and what to deploy.



01

02

03

04

05



## Soon: A year or two from now

Another “traditional” resource to keep in your sights: the human factor. Human skills, like institutional knowledge, relationships, and storytelling, are likely to be more important, not less, in a world where data and its outputs are at everyone’s fingertips. Your own team may be eager to use AI in new ways. And remember that changing the way finance works can change the experience of working with finance from everyone else’s point of view. What should internal and external customers understand about your evolution—and how can they benefit?

The answers to those questions may induce finance workforce skills to shift so they can drive more strategic decision-making throughout the business. Finance team members can fan out as “intelligence partners” to help model the implications of strategic choices providing timely, accurate outputs. Their contributions can help improve performance across the value chain while empowering business leaders to be more effective in their own roles.

As wise as it may be in the near term to keep your AI ambitions modest, this middle period may see today’s “what-ifs” emerge as practical capabilities. Invest wisely, choose carefully—but don’t be shy about dreaming big.



01

02

**03**

04

05

# What to start doing today

AI will be more than a new toolbox for finance. It is a disruptive technology that will likely change entire value chains, along with the very structure and function of finance teams. That means it demands your attention, despite “competing priorities and time” (which a recent Deloitte poll<sup>2</sup> found to be the leading AI adoption hurdle for finance teams—greater than cost, security, or value). If you’re waiting for AI to rise to the top of your to-do list, it may never get there. But you should consider making it happen, even if you start small.



01

02

03

**04**

05





01

02

03

04

05

## Steps for getting started



**Bring an action mindset to AI today**—not later. This isn't the time to spend your whole budget or commit yourself to a multi-year plan of action, but you should be on the move. It may still be too early to make big investments, but it's not too early to start thinking about what they may be.



**Education is critical, for everyone.** Learn beyond the hype: What is AI, how does it work, and what does it offer? What are its limits? Where doesn't it apply? Be aware of where your organization is on the hype cycle. In addition, find clarity on your North Star vision for the AI-fueled workforce and what roles they will play. Then, give people opportunities to experiment with the technology.



**Look for AI applications that may be right for quick in-house development**—ones in which risk is low, regulation is less applicable, and the market is less likely to produce exactly what you're looking for.



**Assess your operations.** Understand end-to-end details so you can identify which tasks can be automated, which can be augmented, and which may be net new.



**Get your data in order.** That doesn't have to mean a large capital investment; it can be a matter of setting up a data governance council with enterprise representation to oversee cleanup exercises, or structuring a cloud environment that can be conducive to eventual use by a Generative AI model. Data readiness today is the foundation on which AI applications rise tomorrow.



**Train the next generation of talent** not only to understand and use new tools, such as AI, but also to work natively in an ecosystem of human-machine collaboration. STEM competencies are important, but don't let them crowd out critical thinking, philosophy, and ethics. AI is meant to augment what humans do well, not to replace it.



**Establish strong governance** through a defined operating model that can help scale capabilities while protecting against organizational risk and driving decision-making clarity. Define who is leading AI planning—ideally a businessperson who has the agency and capability to lead a new implementation to better outcomes.

**View and plan your AI evolution through the lens of what it can accomplish, not the allure of new technology in its own right. The value proposition of an AI investment should be its efficiency and effectiveness—its tangible business value—in your finance organization.**

# Conclusion

As RPA, ML, and Generative AI are further integrated into finance, the daily reality of the profession is likely to evolve. Just as mechanical adding machines or carbon paper are things of the past, soon, today's finance operations may appear just as dated. A CFO may preside over functions that weave throughout the organization rather than a distinct department. Finance people will be operational, and operations people will be financial. All because technology breaks down the barriers between sensing, knowing, and predicting; delivers needed information in real time rather than in monthly or quarterly increments; and removes the mechanical workload of entries and filings, freeing people to spend less time managing information and more time using it. And the decision cycles historically associated with finance may largely disappear.

It will be different, and it may feel daunting at times. But AI-Fueled™ Finance Transformation holds potential benefits that can be well worth the investment and effort. By adopting technologies that provide a simulation of human thought, organizations may end up reaping the benefits of freer, higher-order, more strategic uses of the real thing.

[Learn more](#) about **Deloitte's insights on finance and AI.**



01

02

03

04

05



## Authors

---

### James Glover

#### Principal

Deloitte Consulting LLP  
jglover@deloitte.com

### Richard Littleton

#### Partner

Deloitte Tax LLP  
rilittleton@deloitte.com

### Gina Schaefer

#### Managing Director

Deloitte Consulting LLP  
gschaefer@deloitte.com

### Snaedis Gudnadottir Walsh

#### Partner

Deloitte Statsautoriseret  
Revisionspartnerselskab  
sgwalsh@deloitte.dk

### Cameron Andriola

#### Senior Manager

Deloitte & Touche LLP  
candriola@deloitte.com

### Robyn Peters

#### Senior Manager

Deloitte Consulting LLP  
robypeters@deloitte.com

### JoAnna Scullin

#### Senior Manager

Deloitte Consulting LLP  
jscullin@deloitte.com

## Contributors

---

### Priya Koundinya Ehrbar

### Prashant Patri

### Mark Gustafson

### Daniel Siegel

### Arjun Krishnamurthy

### Sonal K Sood

### Geoffrey Kovesdy

### Court Watson

## Endnotes

---

1. Jim Rowan et al., [Now decides next: Moving from potential to performance, Deloitte's State of Generative AI in the Enterprise quarter three report](#), August 2024.
2. Mike Danitz et al., ["GenAI for finance: Practical steps to get started," Deloitte Dbriefs](#), May 8, 2024.





This publication contains general information only and Deloitte is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

#### **About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.