# Exploring Practical Applications of Autonomous Finance

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# Featured Presenters

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# Agenda

Autonomous Finance Concept

Implementation Considerations
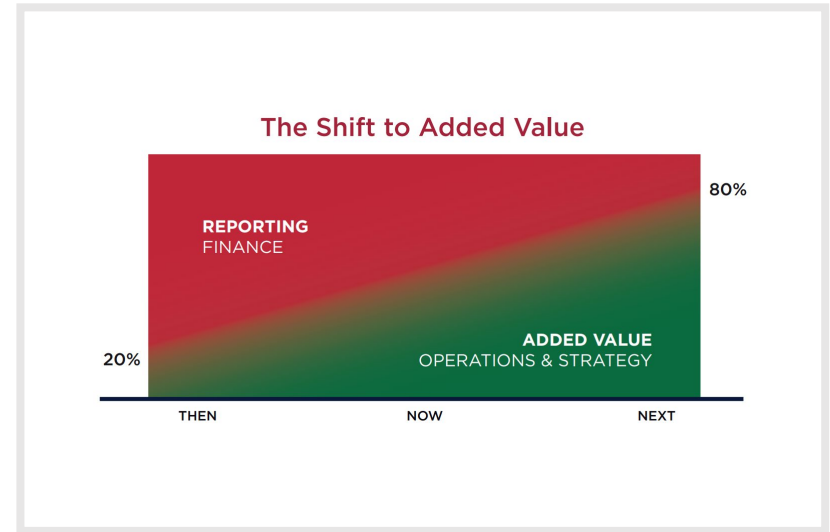
Case Study

Bringing it all Together

Q&A

# Autonomous Finance

# FP&A Evolution

- Move from a cost center to a value creator

- Extend beyond finance to become a more cross functional partner  - xP&A

- Creating and aligning strategic, financial, and operational plans

- Driver of digital transformation

Only 12.5% of organizations spend more than 40% of their time on high-value activities

**The Shift to Added Value**

REPORTING
FINANCE

80%

ADDED VALUE
OPERATIONS & STRATEGY

20%

THEN          NOW          NEXT

# Poll Question 1:

About how much time do you spend on manual repetitive tasks?
a) Less than 10% of the time
b) Less than 25% of the time
c) Less than 40% of the time
d) I can't count that high ☺

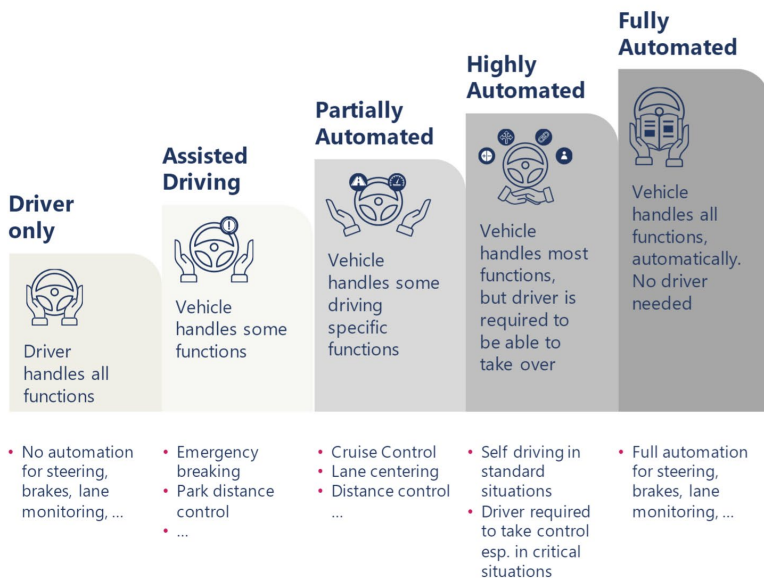# Poll Question 1 Results: (Placeholder)
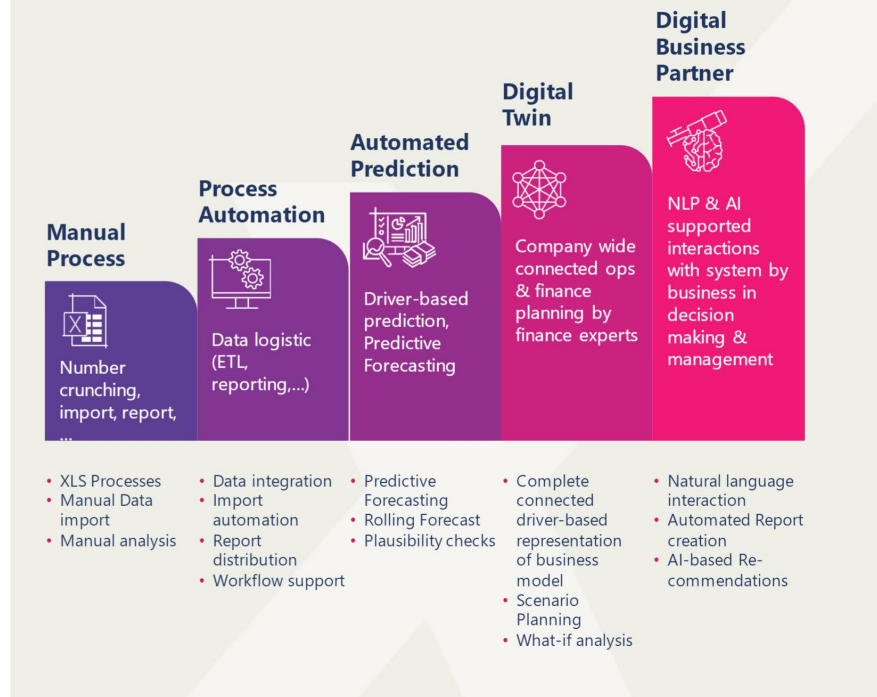
# What is Autonomous Finance?

- Automation of financial tasks to enhance decision-making
- Combines AI, machine learning, and automation
- Aims for end-to-end automation of complex processes
- Processes, data, and systems are then connected to provide a robust and interactive approximation of your organization
- Provides continuous planning and monitoring to create alerts and reports detailing important business drivers
- Interactive, reactive, real-time

# Autonomous Finance Journey

## Let's learn from Autonomous Driving

**Fully Automated**

**Highly Automated**

**Partially Automated**

**Assisted Driving**

**Driver only**

Driver handles all functions

Vehicle handles some functions

Vehicle handles some driving specific functions

Vehicle handles most functions, but driver is required to be able to take over

Vehicle handles all functions, automatically. No driver needed

- No automation for steering, brakes, lane monitoring, ...

- Emergency breaking
- Park distance control
- ...

- Cruise Control
- Lane centering
- Distance control
  ...

- Self driving in standard situations
- Driver required to take control esp. in critical situations

- Full automation for steering, brakes, lane monitoring, ...

## PM evolution as part of Autonomous Finance

**Digital Business Partner**

**Digital Twin**

**Automated Prediction**

**Process Automation**

**Manual Process**

Number crunching, import, report, ...

Data logistic (ETL, reporting,...)

Driver-based prediction, Predictive Forecasting

Company wide connected ops & finance planning by finance experts

NLP & AI supported interactions with system by business in decision making & management

- XLS Processes
- Manual Data import
- Manual analysis

- Data integration
- Import automation
- Report distribution
- Workflow support

- Predictive Forecasting
- Rolling Forecast
- Plausibility checks

- Complete connected driver-based representation of business model
- Scenario Planning
- What-if analysis

- Natural language interaction
- Automated Report creation
- AI-based Recommendations

# Benefits

- Efficiency
- Accuracy
- Agility
- Better business partnering
- Proactive decision making

# It Starts with Automation

- AR / AP automation

- Invoice automation

- Reporting and analytics
  - Connected to operations and finance systems

- Robotic process automation

- Close automation

- Planning automation

- Treasury management

# Digital Twin

- A digital twin is a virtual representation of a physical entity or system.
- In our context, it's a digital replica of our organization, including processes, assets, and workflows.

# Components of a Digital Twin

- Data Integration
- Modeling
- Analytics
- Visualizations
- EPM Tools

# Digital Twin to Autonomous Finance

- The additions of recent AI breakthroughs to a digital twin are enabling autonomous finance

- Connecting this AI enabled twin to external data enhances its representation of the organization by adding components from its environment

- Advances in NLP and generative AI are allowing our systems to act as a digital business partner

# Hyperautomation with AI: use cases in the office of finance

| | Efficiency and Automation | Enhanced Decision-making | Risk Management | Fraud Detection | Cost Reduction |
|---|:---:|:---:|:---:|:---:|:---:|
| **Machine Learning** | • | • | • | • | • |
| **Natural Language Processing** | | • | • | | • |
| **Robotic Process Automation** | • | | | | • |
| **Predictive Analytics** | • | • | • | | • |

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# How it Applies to Finance

- Eradicate manual data entry and processing
- Automated compliance and regulatory reporting
- Cohesion of large data volumes
- Identification of cost reduction opportunities
- More accurate planning techniques at a faster cadence

# Challenges

- Requires planning, technology investment, and continuous improvement
- A significant shift in business
- Integration Complexity
- Data Security
- Workforce Reskilling

# Poll Question 2:

Does your organization have an automation strategy?
a)   Yes, we have already started automation implementations
b)   No, but there is a plan to implement automated Financial systems
c)   Not at all

# Poll Question 2 Results: (Placeholder)

# Practical Considerations

# Ideation to Value Realization

**Business Leaders Analysts, IT Generate Ideas** → **Identify Potential Opportunities** → **Filter ROI Generating Opportunities** → **Validate and Deploy Model** → **Achieve Impact to Earnings**
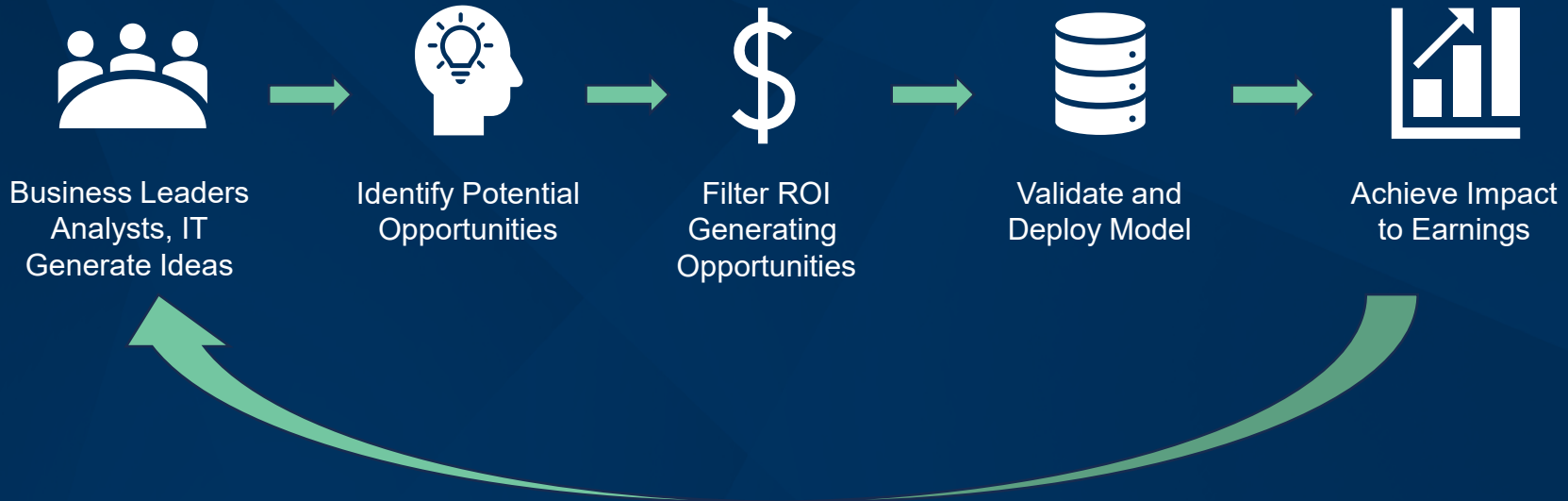
# Implementation Roadmap

Business Process Re-Engineering

Data Warehousing

Descriptive Analytics

Predictive Models

Gen AI/LLM

Workflows, Triggers, Notifications
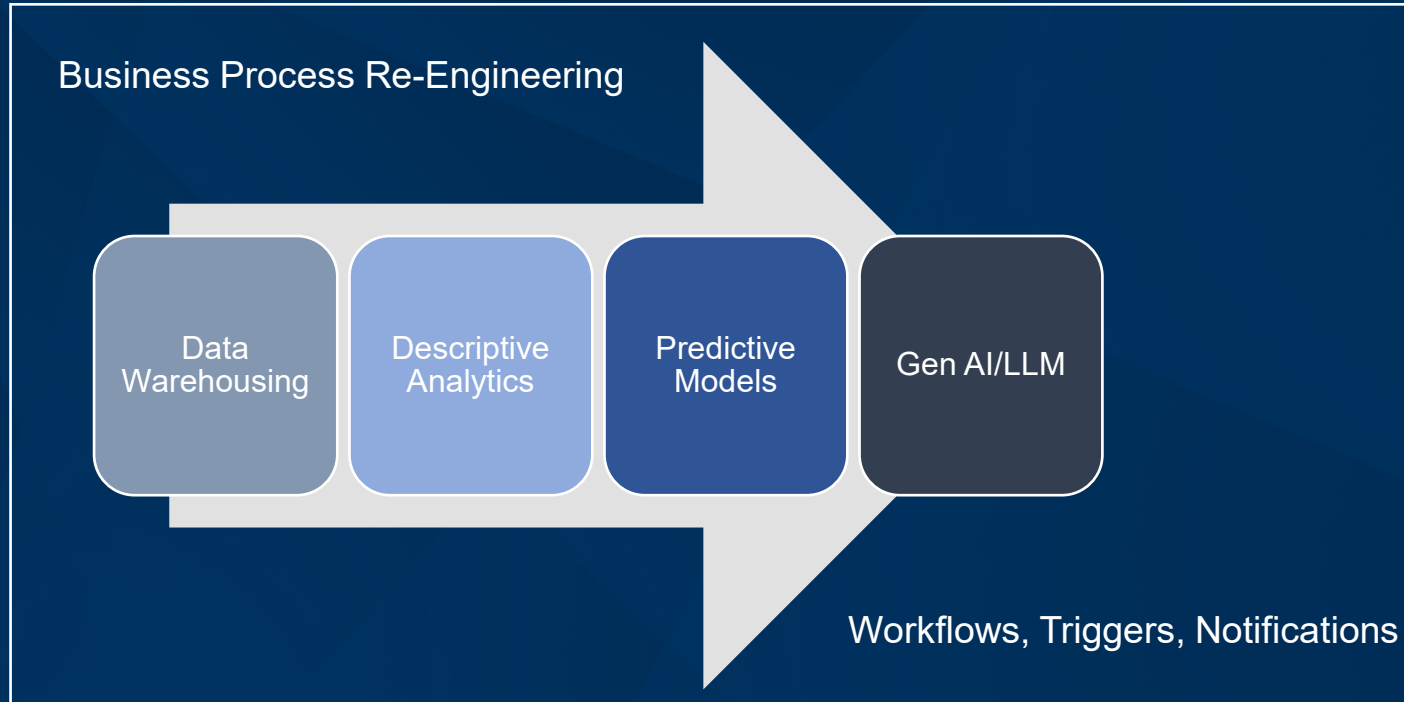
# Understand Complexity

Low Complexity ──────────────────────────────────────────▶ High Complexity

- High human touch
- Internal use only
- High latency
- Basic tasks or prompts

- Automated/low human touch
- Public facing
- Low latency
- Complex tasks or integrations

# General Risks

a) Trust
- o Hallucination
- o Training data

b) Training of models

c) Security

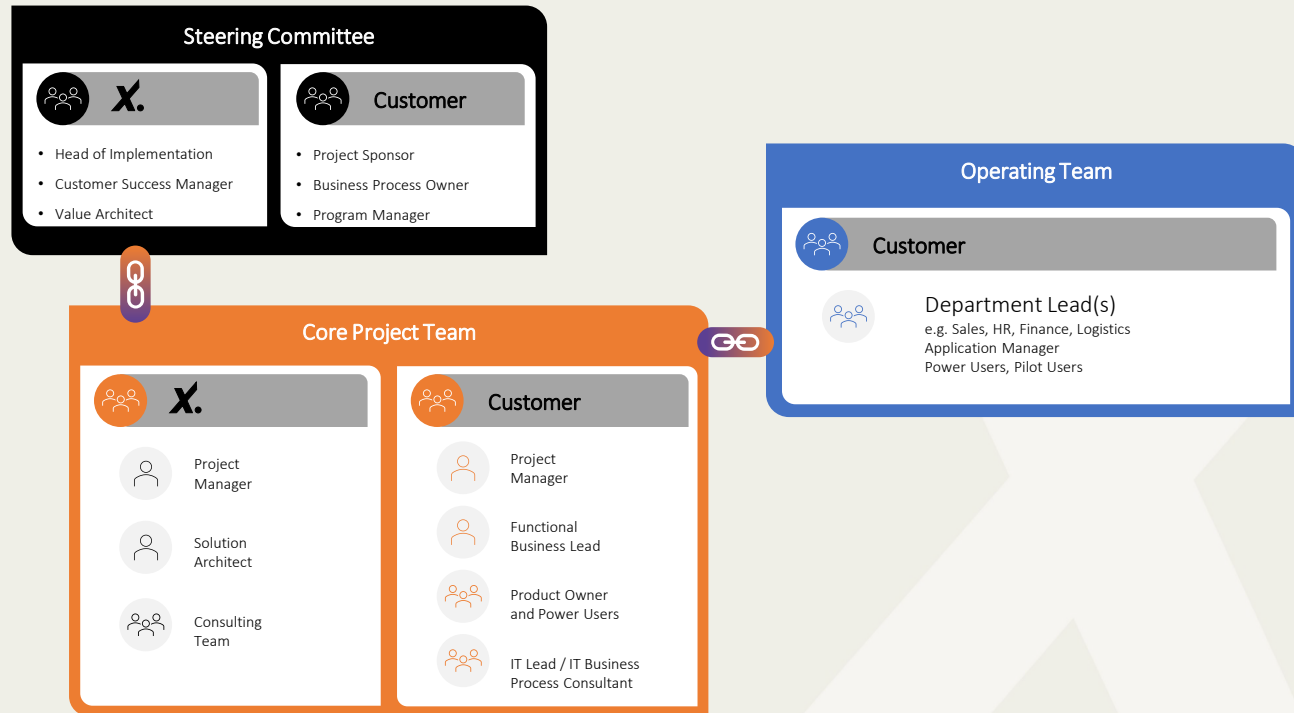d) Speed of advancement

# Internal risks and organizational readiness
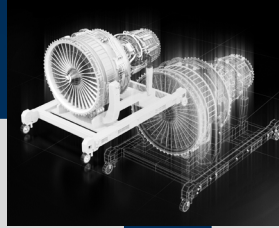
- Project risk assessment overview

The main risks identified have to be addressed proactively as early as possible and monitored adequately.

| Topic | Risk Assessment | Description |
|---|---|---|
| | low                                    high | |
| 1. Data quality, availability, and migration pains | | Different local standards, quality and consistency not guaranteed. HR such as FTE incl. approvals. |
| Size and complexity of solution | | Not beyond typical requirements, yet the global scope will add to the risk. |
| Top management sponsorship and support | | Sponsorship and support currently given, need to keep this project a priority. |
| Project and change management expertise | | Currently very promising, change discipline has to be handled strictly within the project team. |
| Resource availability and documentation level | | Current involvement seems to be high, overcompensating low level of documentation. |
| 2. Overall IT architectural maturity and steadiness | | A lot of WIP, no fully operational DWH and automated access to a lot of systems, yet. |
| 3. User involvement vs. level of innovation | | Very centralized approach with partially high level of innovation vs. complexity of a global roll-out. |

# Create a clear governance structure

## Steering Committee

### X.
- Head of Implementation
- Customer Success Manager
- Value Architect

### Customer
- Project Sponsor
- Business Process Owner
- Program Manager

## Core Project Team

### X.
- Project Manager
- Solution Architect
- Consulting Team

### Customer
- Project Manager
- Functional Business Lead
- Product Owner and Power Users
- IT Lead / IT Business Process Consultant

## Operating Team

### Customer
Department Lead(s)
e.g. Sales, HR, Finance, Logistics
Application Manager
Power Users, Pilot Users

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# Address three main change management topics



Address planned changes in the Finance Tech stack and IT architecture

Be proactive throughout the project. Speed adoption and mitigate risk

User engagement and acceptance through the creation of the digital twin
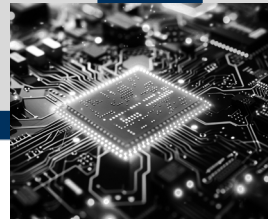
# Current Opportunities

## ML/PA
- Pattern Recognition
- De-Seasonalize
- Real-time data

## NLP/LLM
- Code Free Interaction
- Rapid Access to Insights

## Gen AI
- Content Creation
- Automated Office of Finance

# Future of FP&A and AI

a) Democratization of AI

b) Importance of statistics training

c) Specialized chatbots

d) Focused AI tools for FP&A

e) Prescriptive AI

# Case Study

# Key Outcomes

1) Ticket Sales Prediction - Drives Revenue

Areas for Refinement

1) Identification of new drivers

2) Detailed prediction of revenue based on lines of business

3) Predicting staffing plans based on ticket sales

4) Impact of promotions on ticket sales, thereby revenue

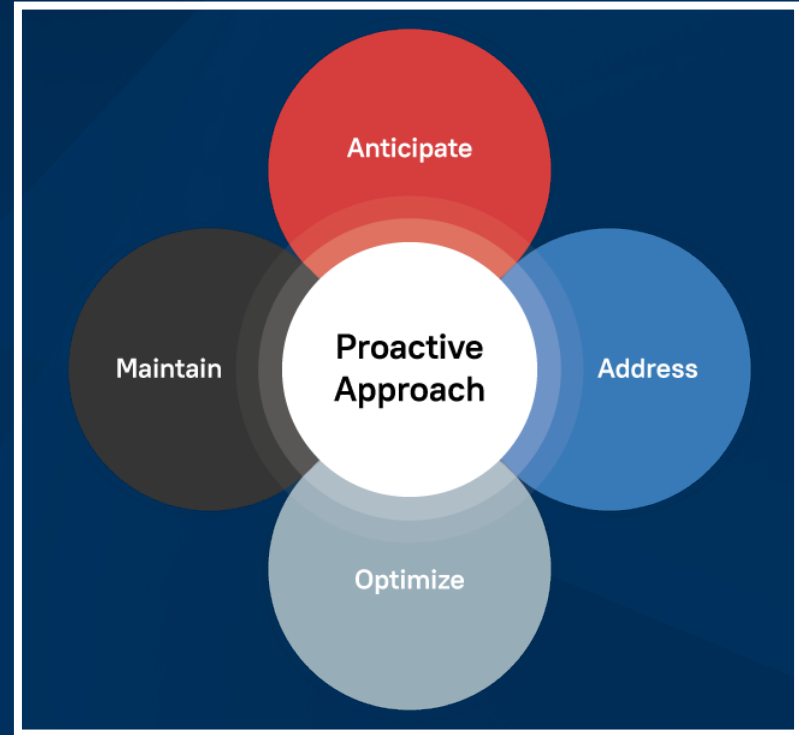# Poll Question 3:

Does your organization have a use case for AI?

a) Yes, we have plan and team in place to execute our AI roadmap
b) No, but we are actively planning and creating a team and roadmap
c) No, this is not something we have explored

# Poll Question 3 Results: (Placeholder)

Bringing it all together

# Reactive to Proactive

- Continuous analysis
- Real time communication and course correction
- Simulations of scenarios and solutions
- Monitor and track success

# Remember it is a Journey

- Start with a plan
- Choose high ROI areas first
- Enlist business partners
- Balance cost and complexity with results
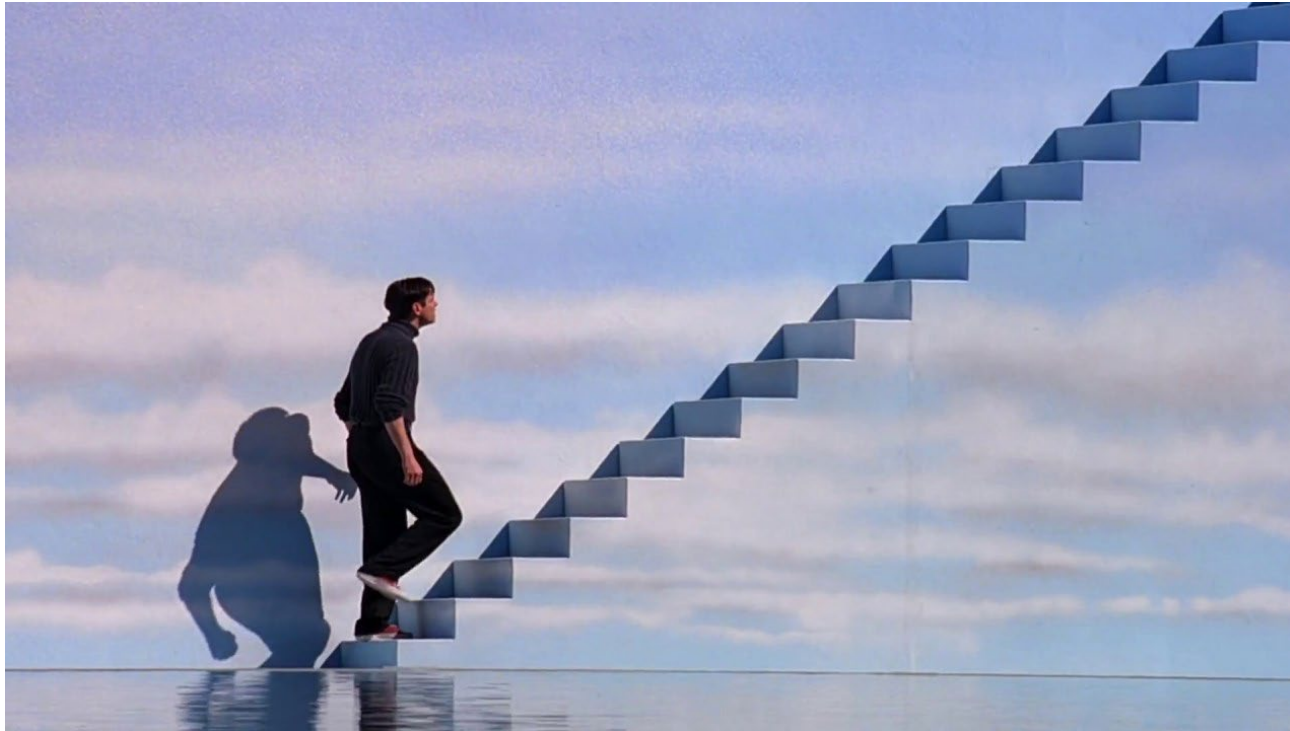- Find a trusted partner

# Poll Question 4:

Do you have access to tools that help make more proactive decisions?

a) Yes, our tools give near real time insights to help be proactive
b) Yes, but our tools do not provide insights as quickly as needed
c) No, we do manual reporting after the month end close

# Poll Question 4 Results: (Placeholder)

# Conclusion

# Questions and Answers

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# Thank you!

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