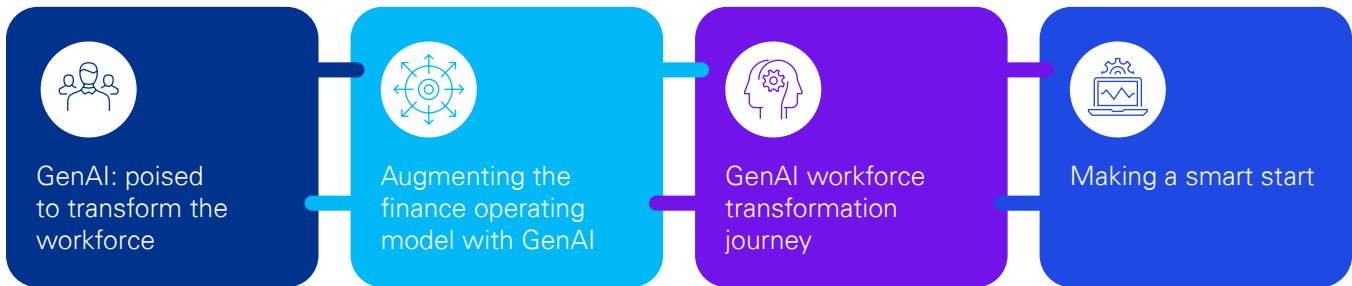# Reshaping your finance workforce with generative AI

October 19, 2023

As generative AI (GenAI) takes center stage in elevating productivity and creativity, business functions, including finance, are grappling with the burning question, "What does it mean for the workforce?" It is undeniable that the emergence of GenAI has had a dramatic impact on the people agenda. Finance needs to prepare for this shift and rethink talent strategies to successfully embrace the future of work.

This webcast highlighted how leading organizations are exploring GenAI capabilities and discussed its role in transforming the workforce within finance.

Panelists discussed the following topics:

GenAI: poised to transform the workforce	Augmenting the finance operating model with GenAI	GenAI workforce transformation journey	Making a smart start

GenAI: poised to transform the workforce

The world stands at an inflection point today. The emergence of GenAI has democratized artificial intelligence (AI) like never before, unlocking new levels of automation and innovation in how businesses operate. AI copilots are increasingly gaining prominence in helping users analyze massive datasets, identify patterns, and enhance decision-making. This is set to disrupt the size, structure, and talent composition across enterprise functions, including finance, and create new capacity to drive incremental value. However, as finance taps into the capabilities of GenAI, it is important to balance opportunity with responsibility to address concerns around data privacy and biases.

GenAI's value proposition to Finance

While AI adoption has historically centered around improving efficiency, accuracy, and speed, finance leaders have the opportunity to connect commercial operational levers and drivers to financial goals and derive tangible value. As finance takes on a business partnering role, it is expected to drive a broader set of strategic responsibilities, including capital allocations, new market expansions, doubling down on customer-centricity, and risk management and compliance.

GenAI can empower finance teams to:

- **Accelerate growth:** Enable faster, more effective innovation and investment decisions.
- **Improve profitability:** Integrate GenAI across digital and data ecosystems, and transform decision-making through collaborative intelligence.

- **Increase productivity and efficiency:** Prioritize focus on knowledge workers and capabilities.
- **Dynamic risk management and compliance:** Proactively address governance, regulatory requirements, and ethical dilemmas.

Executives need to evaluate the impact of GenAI on increasing capacity and productivity for finance roles while quantifying the technology's value potential.

What makes GenAI different from other technologies?

The latest technology advancements are creating demand for higher-value roles that require advanced skill sets and creativity. GenAI is reinforcing this paradigm even further. Large language models, trained on over a trillion parameters, are helping people enhance the speed of intelligence by processing huge datasets in seconds, gaining new insights, and identifying risks that are traditionally performed at an executive level. As a result, organizations are starting to see value and return on investments (ROI) like never before.

What truly sets GenAI apart from other breakthrough technologies is that users don't need any technical knowledge to interact with it or derive value from it. Finance can identify priority use cases for GenAI that could be applied to revenue, costs, risk, or analytical roles while providing a secure environment for their teams to start experimenting with its capabilities. The goal should be measurable quick wins that will naturally build momentum.

Unlike prior types of technologies such as robotic process automation, Gen AI can automate complex analytical decision support activities using advanced cognitive abilities and deliver personalized user experiences. Gen AI is an enterprise-wide capability that companies can apply to different functions, particularly in roles that involve high-volume, consultative work.

Augmenting the finance operating model with GenAI

As GenAI becomes mainstream in commercial applications, it poses a burning question, "What does it mean for the workforce?" The cultural impact of GenAI on talent is undeniable, but it is not a complete replacement for human intelligence. Embracing GenAI capabilities can't

just be limited to specialized groups within a business function. Companies need to ensure access to everyone—which can ultimately lead to greater value creation.

While there is some misalignment on how AI can be applied to different roles within an enterprise, there are potential use cases across all functions, including finance, procurement, and HR. GenAI can, in fact, help companies augment their financial reporting capabilities by summarizing financial reports and synthesizing information to develop performance commentaries. However, it is critical to be mindful of its unintended consequences such as bias, outdated forecasts, and loss of privacy due to inaccurate data or inefficiencies in user access. GenAI needs to be seen as a collaborative intelligence tool that challenges assumptions and provides actionable insights to senior business leaders.

Moreover, it's also important to consider new skill sets within the finance function to capitalize on emerging technologies. Even if specific people lead initial AI efforts for the rest of the workforce, ultimately, upskilling needs to be democratized for people over time. This will arm different knowledge workers with the right tools and capabilities to help inform strategic decisions.

Impacts to capacity and distribution of efforts

Digital disruption is changing the nature of work and the workforce, which means executives must sharpen their focus on upskilling their existing talent pool to stay competitive. GenAI can drastically impact capacity and distribution of efforts, resulting in significant efficiency gains and self-service reporting through automation.

Using GenAI, the finance function has seen significant advancements in business partnering, strategic advising, and prescriptive analytics.

Many companies are also turning to specialized Centers of Excellence focused on transformation and advanced analytics to reduce administrative transaction processing tasks and improve the agility of finance teams.

However, adopting generative AI is a massive change management effort. There is a need to reshape the service delivery model to create value within finance and the enterprise as a whole. This involves developing new capabilities and competencies, filling in new roles, and embracing new ways of working to take advantage of capacity gains. While existing skills such as business

acumen and collaboration remain relevant, creative problem-solving and design thinking are becoming crucial to working with new technologies. Additionally, strong foundational data and analytics competencies are essential to interpreting and working with insights generated by AI tools.

To make the most of these technologies and keep up with the evolving business climate, finance leaders need to look for talent who possess the qualities of intellectual curiosity and a drive for continual learning.

GenAI workforce transformation journey

While the ability to utilize GenAI is promising, taking a unified approach that addresses technology and the workforce is critical. GenAI adoption will likely be incremental, which is why organizations must reconsider the role impacts over time in a more agile way. We recommend a methodical three-step approach to drive workforce transformation with GenAI:

- Identify which capabilities will be impacted by GenAI and quantify the impact on tasks. Prioritize roles that can deliver the highest value impact in productivity and capacity, while identifying redundancies that can result in cost savings.

- Build use cases for role augmentation with proof-of-concept pilots and outside-in analysis, focusing on capacity gains, scaling impacts of GenAI on roles, and deconstructing and reconstructing jobs.

- Reshape the workforce structure by rethinking the organization's operating model and talent agenda in line with GenAI, which will inform the overall workforce strategy. Change management strategy will continue to play a critical role in driving adoption and scaling the technology while keeping a value-based focus and positive workforce experience.

It's also important to consider new roles and skill sets, such as prompt engineering, within the finance function to capitalize on breakthrough technologies. Digital disruption is changing the nature of work and the workforce, which means executives must sharpen their focus on upskilling their talent pool to stay relevant.

Together with efforts to assure data quality and identify use cases, businesses will need to pay attention to the impact GenAI will have on their workforce and enhance their digital literacy so they can manage these AI capabilities over time.

While concerns exist about staff reductions due to the implementation of GenAI in the finance and accounting space, the focus should be on achieving productivity gains within teams instead of eliminating jobs. High-performing strategic jobs within the finance function are unlikely to be fully replaced, but will evolve. Augmenting and reshaping existing roles like business partners and account managers to automate tasks that could not be automated before is important, along with upskilling and rescaling individuals into new roles.

A comprehensive, data-driven approach can estimate and track capacity gains and cost savings using GenAI in finance. Rather than restricting jobs, leaders need to allocate jobs thoughtfully and invest in new roles while maintaining competitive advantages in cost of service and market share.

Making a smart start

As GenAI applications proliferate throughout the organization, there will be a rapid requirement for a unified, robust approach for handling challenges such as risk management, legal compliance, intellectual property, confidentiality, and cybersecurity. This approach must encompass more than just tools developed by the organization. As organizations sharpen their focus on the emerging GenAI technology to achieve new levels of optimization, here are few critical success factors:

- Focus on change activation to drive adoption of breakthrough technologies and prepare the workforce as companies embark on their transformation journey.

- Think about ROI and business value up front.

- Experiment with the tool to identify commercial use cases and uncover new GenAI opportunities.

- Build the right team with the right skills, and create strategic partnerships with the right vendors to support the organization's short- and long-term goals.

Where do you start?

Strategy

- Establish a vision and desired business outcomes
- Align GenAI with the business strategy and define a plan for a pilot based on the readiness of your organization

Design

- Embed AI across processes and redesign controls and governance
- Prioritize data needs along with new roles and enablers
- Deconstruct work to quantify impact on workforce and organization

Activate

- Embrace new ways of working by evolving AI-enabled talent strategies and enabling continuous innovation

Responsible AI is critical to building trust and scaling technology with confidence. Successful GenAI adoption requires an approach to designing and deploying AI capabilities in a safe, trustworthy, and ethical manner. While no organization can be truly prepared to grapple with the opportunities and risks posed by AI technology, finance leaders must pay attention to its impact on the workforce and enhance their digital literacy to manage AI capabilities over time.

Closing comments

While GenAI has enormous use cases in finance, executives need to reimagine how they do business—from how their employees manage day-to-day work to how they compete. The true strength of GenAI lies in its ability to act as a catalyst for transformation of processes, functions, and business models. However, finance can only achieve this by securely integrating GenAI into the company's data and systems while also connecting it to the organization's strategy and broader ecosystems.

Where is your organization with their GenAI journey?

1,263 responses

- 73.63%
- 9.82%
- 12.75%
- 3.80%
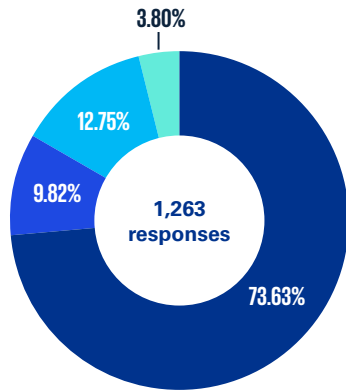
■ Early exploration: Still in learning mode

■ Experimentation: Leveraging Enterprise GPT models and/or building specific GenAI solutions in select areas to evaluate impact and path forward

■ Strategy and Planning: Prioritizing areas where GenAI can create the most value and developing plan for pilots

■ Transformation: Executing GenAI implementation roadmap and reshaping operating model to realize value

Where do you see GenAI having the most impact in Finance?

1,093 responses

- 19.76%
- 8.69%
- 24.34%
- 4.39%
- 42.82%
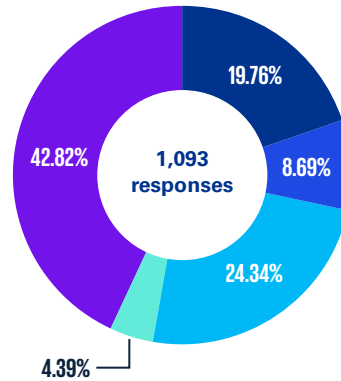
■ Business Partnering, analysis, and decision support

■ Controls and compliance

■ Significant impacts across Finance

■ Tax and Treasury

■ Transactional processing and reporting (Accounting, AP, AR, Fixed Assets, etc.)

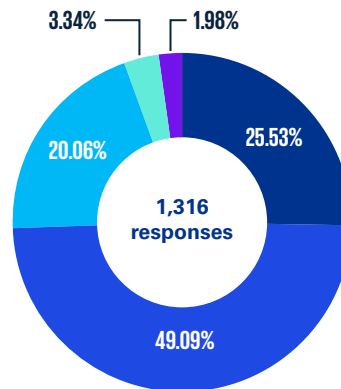Note: Percentages may not total 100 percent due to rounding.

Where can Finance leverage GenAI to create the most value for your enterprise?

1,274 responses

- 10.44%
- 33.12%
- 6.83%
- 34.07%
- 1.88%
- 13.66%
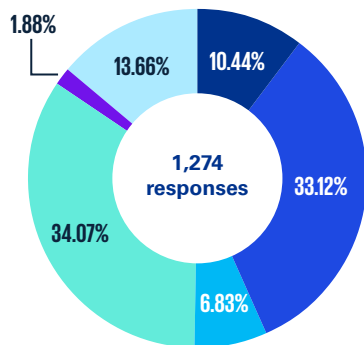
■ Accelerating growth

■ All of the above

■ Improving profitability

■ Increasing productivity and Efficiency

■ Proactive risk mitigation

■ Unclear on GenAI value proposition

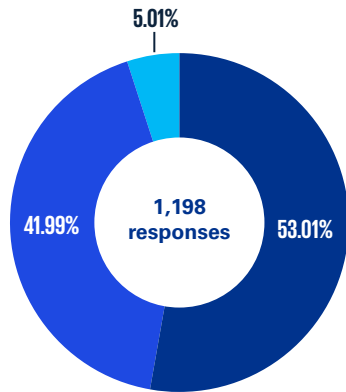Note: Percentages may not total 100 percent due to rounding.

How much capacity will GenAI create in Finance over the next 24/36 months?

1,316 responses

- 25.53%
- 49.09%
- 20.06%
- 3.34%
- 1.98%

■ 0–10%

■ 10–25%

■ 25–50%

■ 50–75%

■ More than 75%

Note: Percentages may not total 100 percent due to rounding.

How are you feeling about the future of GenAI in Finance?

5.01%

41.99%   **1,198 responses**   53.01%

- ■ Curious but cautious
- ■ Excited and optimistic
- ■ Skeptical and resistant

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