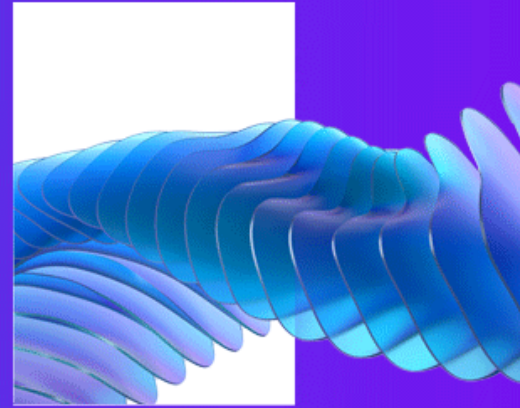


# Data, analytics, and AI: The new value drivers for finance



As artificial intelligence (AI) revolutionizes business, finance leaders must align AI initiatives with enterprise strategies to unlock the power of data and analytics. By exploring AI capabilities across various solutions and platforms, organizations can gain the insights and enablers needed to embark on their AI journey. This approach will enhance decision-making processes and drive business value to new heights.



## AI investments: Are CFOs ready? ■

As AI reshapes industries, companies are embracing its transformative potential. A recent KPMG survey reveals that an astonishing 97 percent of organizations are ready to invest in AI within the next year. The reason? They view AI as the key to boosting productivity, enhancing employee satisfaction, and driving revenue growth. However, it is crucial to recognize that simply investing funds in AI is not sufficient. Chief financial officers (CFOs) need to be the navigators, making sure that AI investments align

with the company's big goals. It's like putting together a puzzle, with pieces like innovation, going digital, and managing risks. And the common thread that holds it all together? Data intelligence.

Innovation revolves around thinking creatively and leveraging AI to devise novel approaches. Workforce augmentation uses AI to boost employee efficiency and satisfaction, which leads to a more engaged and fulfilled workforce. Dynamic risk management ensures data is securely stored and access is controlled, thereby earning stakeholder trust.

AI does come with risks, like data security and privacy issues, but 70 percent of respondents believe that the benefits of AI outweigh the potential downsides when it's applied correctly. The key to managing these risks is to establish strong processes and protections, making AI a valuable investment for organizations aiming to maintain a competitive edge.

CFOs play a crucial role in this transformation. By adopting AI with strategic insight, they can unlock opportunities for growth, innovation, and success. The issue isn't whether CFOs are prepared, but how well they can use AI to advance their organizations in a highly competitive environment.



## Future-proofing finance through AI ■■

For AI to truly make a difference in the finance function, organizations must ensure that their initiatives are closely aligned with their overall financial objectives. This means connecting the dots between financial key performance indicators and other critical metrics to create a clear picture of how AI can drive meaningful outcomes. By examining historical financial data, market trends, and external factors, AI can improve financial forecasting and budgeting. This can offer precise predictions for revenue, costs, and cost of goods sold.

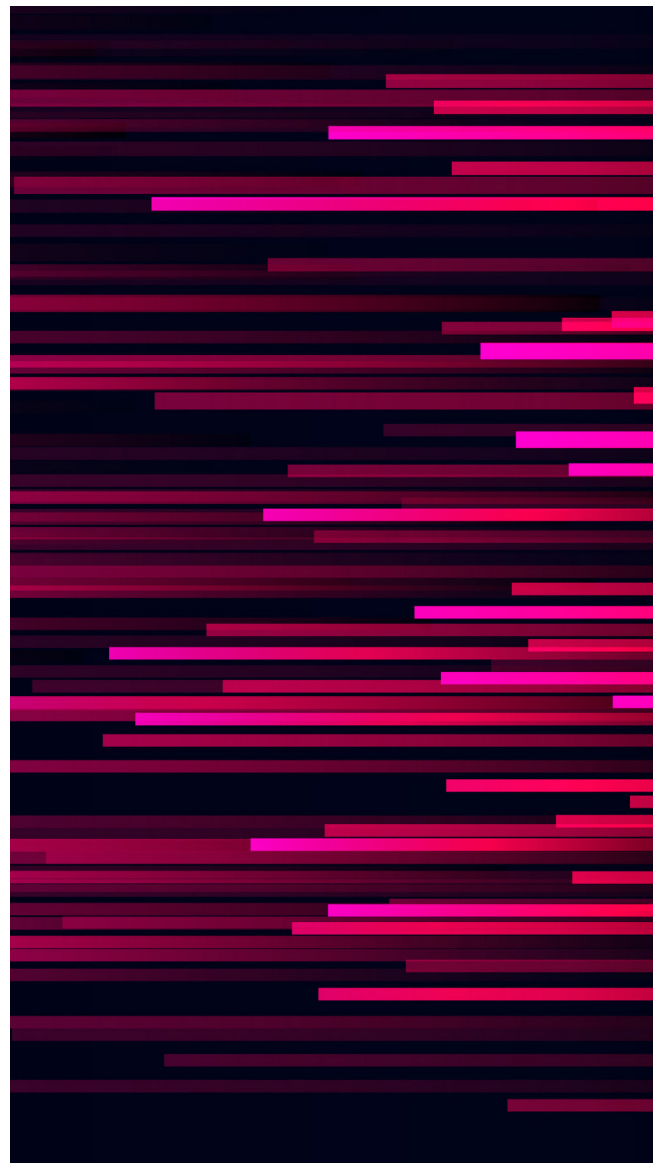
When it comes to application, AI-generated commentary on financial performance can save countless hours spent on manual report writing by automatically explaining variances and fluctuations. Contract mining is another area where AI truly shines, identifying key financial terms, conditions, and obligations to effectively manage risk and optimize revenue. AI-powered anomaly detection continuously monitors financial transactions, swiftly identifying unusual patterns or activities, thereby enabling proactive risk mitigation.

To fully realize the benefits of AI, organizations must connect and integrate financial data from a wide range of sources. Structured data, such as financial transactions and account information, forms a solid foundation, while unstructured data, including emails, invoices, and financial reports, provides valuable context and insights.

## Modernizing data for AI: Do you have a strong foundation? ■■

Today, to truly capitalize on AI's potential, organizations must first lay a solid groundwork—a modern, robust data infrastructure and a commitment to data quality. By building a modern data platform, organizations can establish the foundation for their AI journey. This requires a scalable, flexible architecture that can seamlessly integrate disparate data sources and support the demands of advanced analytics and AI applications.

Establishing comprehensive data governance policies, coupled with meticulous data cataloging, tagging, and metadata management, ensures that the data fueling AI engines is accurate, reliable, and trustworthy. By prioritizing data integrity, organizations can confidently harness the power of AI to deliver meaningful, actionable results. By leveraging cloud technologies and implementing data pipelines and integration processes, organizations can democratize data



access, driving innovation and agility. However, data quality is only one side of the coin. Equally important is having a culture of data literacy throughout the organization. This sets the stage for a truly data-driven finance function. Empowering employees with the skills and knowledge to understand, interpret, and leverage data is crucial for driving adoption and maximizing the value of AI investments.

Modernizing the data foundation is ongoing, requiring continuous improvement. As finance evolves, organizations need agility to adapt data infrastructure to new challenges and opportunities. The success of any AI initiative hinges on close collaboration between information technology and business stakeholders. Aligning data strategies with overarching business goals is essential for ensuring that AI investments deliver tangible, measurable results. By defining reusable, certified “data products,” organizations can accelerate time-to-value and optimize resource allocation, paving the way for scalable AI adoption.



## Crafting a smarter tomorrow ■■

Starting with your enterprise AI journey requires a well-defined approach, considering various enablers for successful adoption and scalability. Think of it as a thrilling expedition, with CFOs as guides leading the way, establishing a clear governance framework and operating model to mitigate risks, ensure compliance, and promote trust in AI systems. Change management is also crucial, proactively managing shifts in processes, roles, and skills.

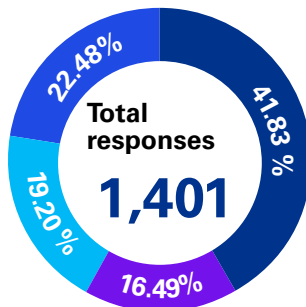
Smart experimentation through proof-of-concepts and pilot projects is key to validating AI solutions and gaining valuable insights before scaling. When starting an AI journey, it's essential to build accountability in the data organization, innovate in bite-sized chunks, and experiment with embedding

AI into employee workflows. For example, using AI to understand customer lifetime value by integrating data from customer relationship management, enterprise resource planning, service logs, spreadsheets, etc., and applying natural language processing and machine learning generates valuable insights. The enterprise AI journey follows a maturity curve, spanning proof of concept, functional scaling, and, ultimately, enterprise scaling. Organizations should progressively move along this curve, learning and adapting at each stage.

By modernizing data foundations, fostering a culture of innovation, and leveraging strategic partnerships, organizations can harness the full potential of emerging technologies to drive growth, profitability, and customer satisfaction.

### Question 1

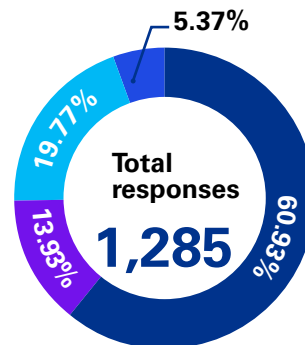
**What is your organization's largest obstacle when it comes to establishing a data and analytics strategy?**



- **Business process enablement**— Enhance opportunities across your business by leveraging AI and utilize insights to infuse leading practices to critical processes
- **Curated data**—Leverage of AI to increase efficiency of data cleansing, normalization and accuracy while identifying anomalies and isolating performance issues
- **Effective data acquisition**—Utilization of AI to enhance data acquisition, identifying informative signals and market intelligence and closing in on data gaps
- **Enterprise-driven outcomes**—Focused business outcomes that start with the target end-state and use data, analytics, and AI to get there

### Question 2

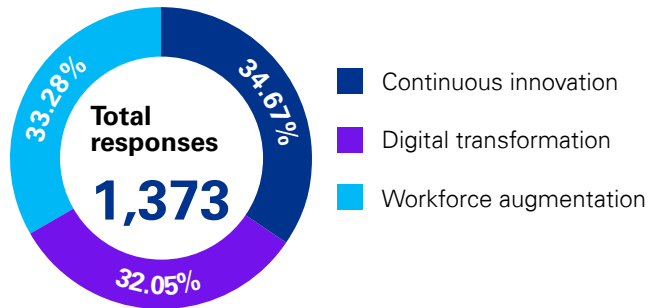
**Where are you on the AI Journey?**



- **Early exploration**—I am in learning mode.
- **Experimentation**— I am leveraging Enterprise GPT models and/or building specific AI-enabled solutions in select areas (proof of concepts).
- **Strategy and Planning**— I am working with my team to prioritize areas that can create the most value and developing a plan for pilots.
- **Transformation**— I am transitioning AI-enabled proof of concepts to production. I am also reshaping operating models to adapt new ways of working leveraging AI.

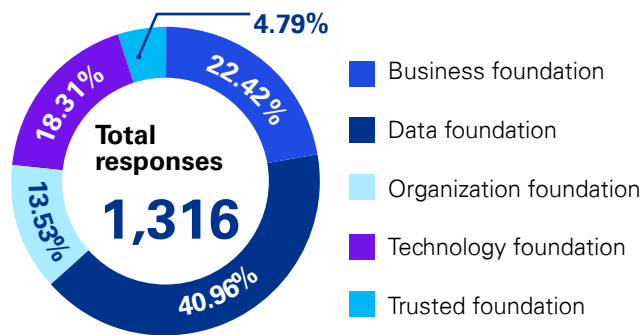
### Question 3

What area of AI-enabled transformation would be most impactful to your organization?



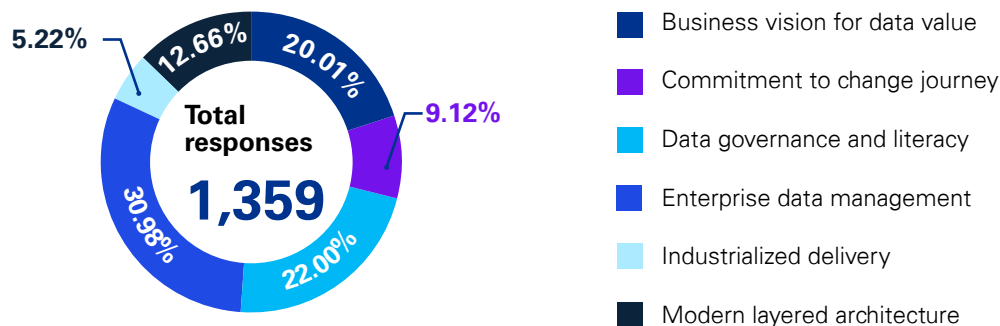
### Question 5

What "foundation" area of the Data and Insights Strategy is most impactful to your organization today?



### Question 4

Which success factor of data modernization would be most difficult to achieve for your organization today?



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