



Corporate Controller & CAO Hot Topics

AI Adoption



As AI adoption accelerates across all companies and industries, finance leaders are working to ensure their functions aren't left behind.

While maturity varies widely even within organizations, the technology continues to prove valuable even in small pilot environments. With new insights into how best to use the technology, leaders are finding areas and applications that could have profound impacts in the finance field.

Finance leaders are keenly focused on keeping pace with developments in Gen AI. While the technology has shown immediate promise in other business areas, Finance has been a late adopter at some companies, largely due to an emphasis on front office applications and questions about applicability, capabilities, and concerns around security. As new use cases emerge, the potential of Gen AI in the finance field is more and more evident, convincing leaders to explore uses and invest in further development. Security concerns remain top of mind, but companies are working to mitigate these risks through a secure instance of a large language model. There is also a cultural

component to AI adoption—fears among workers about being replaced persist, as do doubts about AI's capabilities and accuracy. Leaders must upskill talent and drive a cultural shift to overcome these hurdles if they hope to have Gen AI take hold at all levels of their organizations.

Given how closely KPMG works with many of the world's leading organizations, we have unique insights into how finance leaders are approaching these topics. Below are four areas that Corporate Controllers and CAOs are focused on as they approach AI adoption.



Maturity and adoption rates

Companies are in various stages of maturity in terms of their adoption of new Gen AI tools. While most companies in the US have begun contemplating and investigating how they might incorporate Gen AI into their work, the majority are in the conceptual and developmental stages of their adoption. In these phases, companies are discussing the potential for Gen AI with key stakeholders and leaders, and some have moved into developing and piloting use cases within their organizations. No matter where companies are in their adoption, the end goal is almost universally the same—**KPMG surveys** show that 97% of financial leaders expect to be using Gen AI within three years.

Some organizations are starting with front-end operations, such as marketing and customer service, while others are leveraging AI for their business enterprise operations and then throughout the back office administration, such as finance, compliance and audit. While some have instituted prohibitions on use of Gen AI tools such as ChatGPT at their companies, many are working to inform and train their employees on the proper and safe use of the new technology in a secure instance, rather than banning its use altogether.

Companies with more mature AI programs have put together policies regarding who can use the technology, and how it should be used at the company.

As they work with the new technology, some companies are developing prompt libraries, to discover what kinds of prompts yield the best results. Instead of having each user try to come up with their own prompts, companies are tracking and codifying the best prompts so that each user, or generation of users at the company, doesn't need to "reinvent the wheel." KPMG even leveraged a "Promptapalooza" campaign, which encourages employees to submit their prompts to the prompt library and recognizes entries that yield consistent, repeatable results. Leaders in this area understand that "it all starts with good prompts."

Companies that have high adoption rates have taken the following steps: They encourage employees to learn about the new tools and how to use them, they offer trainings in Gen AI, they give clear policy guidance, and they encourage and reward its use. Further, KPMG has found four key success factors for the AI journey:

Success Factors for the Generative AI Journey

01

Business model disruption

Be prepared and have an appetite for the significant impact that Gen AI can have to the business model. Have structures in place to manage significant operating model changes to processes, roles, systems, and culture to encourage AI adoption and engagement.

02

Responsible use

Identify portfolio of potential risks from scaling Gen AI across the company. Leverage a "Trusted AI" framework to ensure appropriate governance and launch portfolio of actions to monitor and mitigate.

03

Data investments

Accelerate foundational investments in data platforms and data cloud migration that are critical to unlock the full potential of Gen AI. Explore third party sources for complementary data and ways to harvest internal business process for even more.

04

Behavioral change

Explore new target operating models and scenarios for future structure, skills, staffing levels and culture. Ensure sufficient adoption and tools to drive behavioral alignment. Ensure freed up time and resources are productively deployed. Anticipate and pre-empt cultural challenges.



AI use cases

As they become more aware of the possibilities around Gen AI, financial leaders are enthusiastic about a growing number of use cases. In its close interactions with leaders, KPMG has identified a number of use cases for Gen AI in accounting:

Top 5 Gen AI Use Cases for Accounting

- 1 Interactive accounting policy repository
- 2 Technical accounting memorandum research and documentation
- 3 Regulatory compliance analysis
- 4 Advanced data element extraction and reconciliation
- 5 Complex forecasting and budgeting

Finance leaders are finding Gen AI potential beyond these top use case as well. For example, anticipating auditor questions, drafting investor relations content, facilitating business communication, or generating Excel formulas.

Leaders are focused on finding areas where Gen AI can bring greater efficiencies to tasks. On one hand, the new tools are replacing a lot of administrative work that has been done by

employees and doing it in much less time. In most cases, rather than being replaced, those employees are freed up to do higher level work, often overseeing and putting “human eyes” on the work of Gen AI.



Risks and concerns

While finance leaders are excited about the possibilities that Gen AI may hold for their profession, they are also concerned about risks around privacy, security, bias, and accuracy. Model assurance is an emerging area of interest, and several vendors have products to support evaluation of model drift and bias. A secure, enterprise instance of a large language model is also crucial to protect inputs and outputs of data and control the use of data for further training.

Given the risk of errors and inaccuracies in AI outputs, leaders are working to establish adequate policy and guardrails around the use of Gen AI, including human-in-the-loop intervention, citing sources, and attributing confidence scores.



Culture shift and the human side of AI

Alongside security and more technical concerns, there are also cultural considerations around Gen AI adoption. A culture shift is required to get employees at all levels to adopt the new technology, and in many cases, accounting leaders are helping to lead this change management effort. The proliferation of Gen AI options offers opportunities for finance and accounting professionals at every level—from the new hires to seasoned C-Suite executives. The advantage with a large language model, is that the technology comes “pre-trained” so that it’s readily usable and accessible out of the box.

Overcoming cultural barriers is critical to a company's ability to take full advantage of AI across the enterprise. In driving a cultural shift around AI usage, KPMG has identified eight steps:

Driving a Cultural Shift Towards Gen AI

01

Inform and prepare

Build awareness and understanding around your AI vision and journey including: What you're doing with Gen AI, why you're implementing it and how you will be deploying it.

02

Remove fear

Address the common fears around trust, autonomy, connectedness and community. Debunk the myths.

03

Create role clarity

Clearly define the “from-to” for each role, highlighting benefits from revised methods and processes while outlining expectations to ensure quality.

04

Develop desire

Be explicit about the benefits that adopting AI will have for employees as well as the company, partners and customers. Leverage emotions to inspire and motivate.

05

Inspire growth

Design an AI reskilling program and plan that quickly develops while also inspiring future-focused, long-term growth.

06

Recognize and reward

Shine a light on employees trying, using, succeeding (and even failing) utilizing the new ways of working while embedding AI in performance management.

07

Empower employees to lead

Put employees in the AI driver's seat by encouraging them to find, test and determine how AI can improve their work experience and results. Build a culture of autonomy, learning and innovation.

08

Continuously iterate advancements

Encourage future adoption of new AI technologies to deliver better outcomes through crowdsourcing ideas and driving employee-led innovation.

Finance functions are at different stages in their AI journeys depending on their needs, tech capabilities and culture. Regardless of where a company is with AI, finance leaders are identifying impactful use cases and key factors that can determine the success of adoption. Through governance and targeted investment, leaders can mitigate risks while positioning their functions both technically and culturally for success in the future.

Additional resources

[AI in financial reporting and audit: Navigating the new era \(kpmg.com\)](#)

[Ledger Check: How Finance Teams Can Transform Using AI \(kpmg.com\)](#)

[Board oversight of GenAI \(kpmg.com\)](#)

[KPMG Announces AI Integration into Global Smart Audit Platform, KPMG Clara](#)

Contact us



Dana Foote
Audit Head of Markets
+1 816-802-5229
dfoote@kpmg.com



Ed Moran
Managing Director,
Audit Innovation
+1 917-882-4207
edwardmoran@kpmg.com



David Fisher
Associate Director,
Audit Innovation
+1 202-533-3105
davidfisher@kpmg.com

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