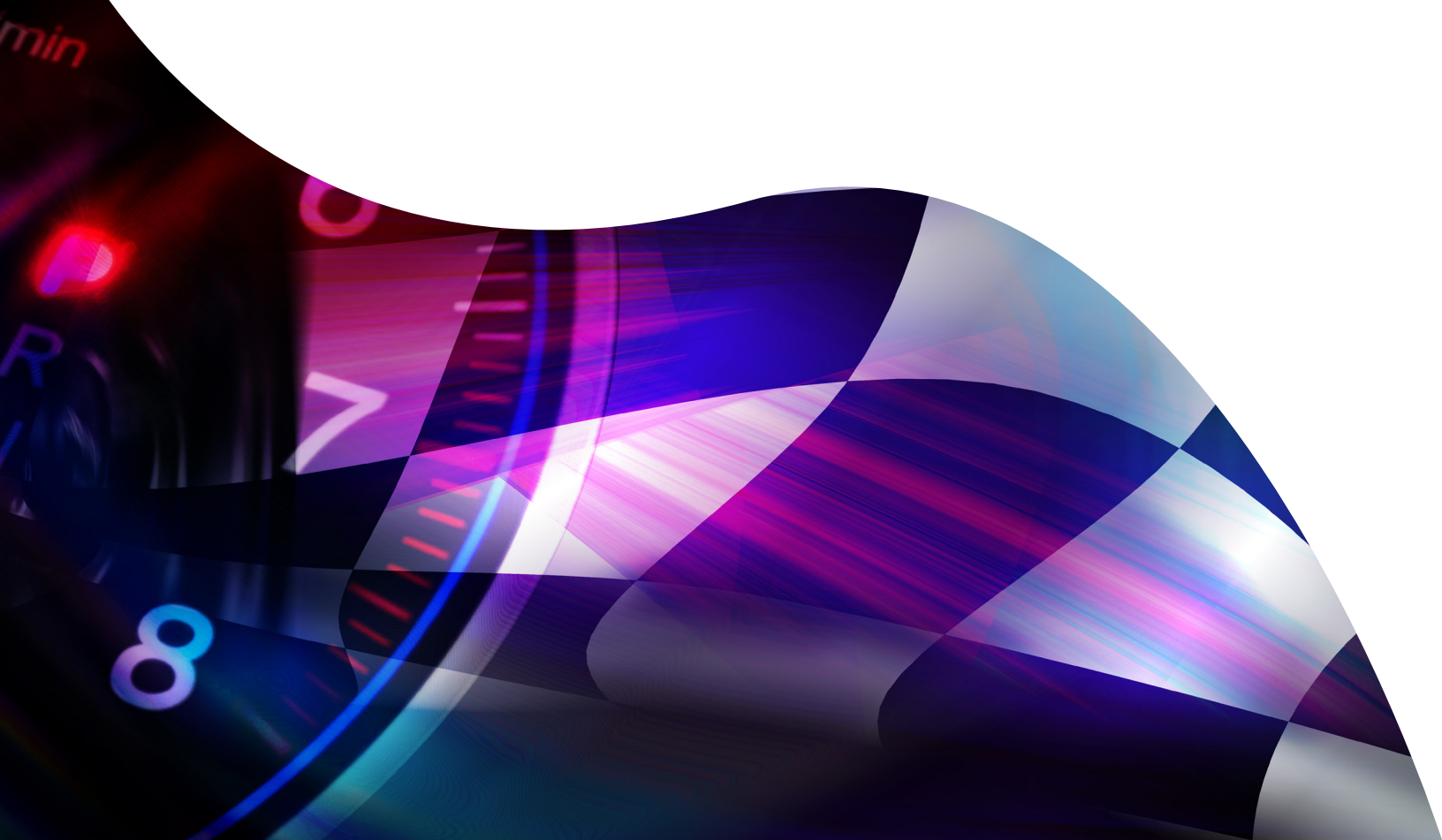# AUDITORIA®

FOURTH ANNUAL

2023 State of Automation in the Finance Office Report

Full Throttle for Finance Automation

INTRODUCTION

Rev up finance operations and leave manual processes in the dust.

The results of the fourth-annual *State of Automation in the Finance Office* survey are in. And it is clear – similar to a high-performance race car that needs the latest technological advancements to win, finance teams must embrace automation to accelerate efficiency and productivity to bring greater achievements for organizations.

From streamlining data management to optimizing communication, it is time to shift gears and navigate into the fast lane of automation. Our survey revealed that many finance professionals still need help with time-consuming manual tasks, overloaded shared inboxes, and delayed response times.

By adopting automation, teams cruise smoothly through their day-to-day activities, leaving behind the roadblocks that hinder productivity. So buckle up, embrace the power of automation, and drive finance operations toward greater success.

2023 KEY FINDINGS

1. **Finance is embracing AI.** With 40.4% of finance professionals emphasizing process enhancements and 32% highlighting AI and Machine Learning as the top technology trend, it's clear that automation is here to stay.

2. **AP and AR top the list of most manual work.** Accounts payable and receivable were ranked as having the most manual work for the fourth year in a row.

3. **Finance understands the need for advanced technology.** While robotic process automation (RPA) set the stage for AI, it's time for AI to be in the spotlight, as only 10.2% believing that RPA will make an impact.

4. **Time is running out.** Time spent checking and updating data is the biggest challenge in the finance office, followed closely by inaccurate, burdensome, or outdated processes.

5. **Finance must say goodbye to "per my last email."** A lack of responsiveness from employees, vendors, and customers is the most significant pain point in the finance office for the second year in a row.

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Pedal to the Metal with Automation

Chapter One: Pedal to the Metal with Automation

The time is now to put the pedal to the metal for finance and catch up to the other enterprise departments that have already embraced AI. Organizations must look to supercharge workforce engines and unlock the untapped potential of the finance office.

The days of relying solely on basic automation such as Robotic Process Automation (RPA) or legacy ERPs are gone, and it is time for finance to accelerate its adoption of Artificial Intelligence (AI) to drive success for the organization.
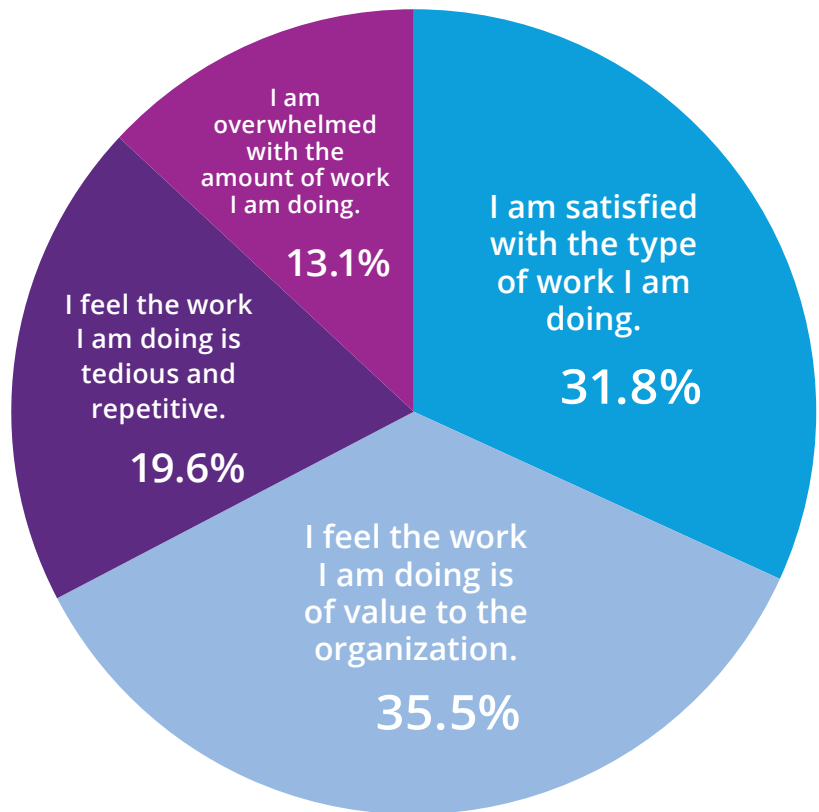
Process Improvement

According to our *2023 State of Automation Report*, one-third of respondents (35.5%) feel that their work is valuable to their organization. And yet one in six respondents reported feeling overwhelmed with the amount of work they were expected to perform, and one in five felt the work was tedious and repetitive. This notable proportion of respondents suggests potential dissatisfaction and burnout, which could be attributed to specific finance tasks involving large data volumes requiring meticulous attention to detail and arduous hours of data collection and review.

The tedious and overwhelmed responses also indicate areas still in need of improvement. It highlights the potential for task automation to free up employees for more complex and engaging work. Finance offices would increase their efficiency by automating data extraction processes, reducing manual effort, and leveraging technologies such as advanced optical character recognition (OCR) for document processing.

The overall results indicate that finance teams still face significant challenges in data management and process efficiency.

How do you feel about the type of finance work you are doing?

I am overwhelmed with the amount of work I am doing. **13.1%**

I feel the work I am doing is tedious and repetitive. **19.6%**

I am satisfied with the type of work I am doing. **31.8%**

I feel the work I am doing is of value to the organization. **35.5%**

Technology Trends

When asked about the top technology trends impacting the finance office this year, our survey found that 32% of respondents identified Artificial Intelligence (AI) and Machine Learning (ML) as the most influential trend. This revelation highlights the growing recognition of AI's potential for transforming finance operations.
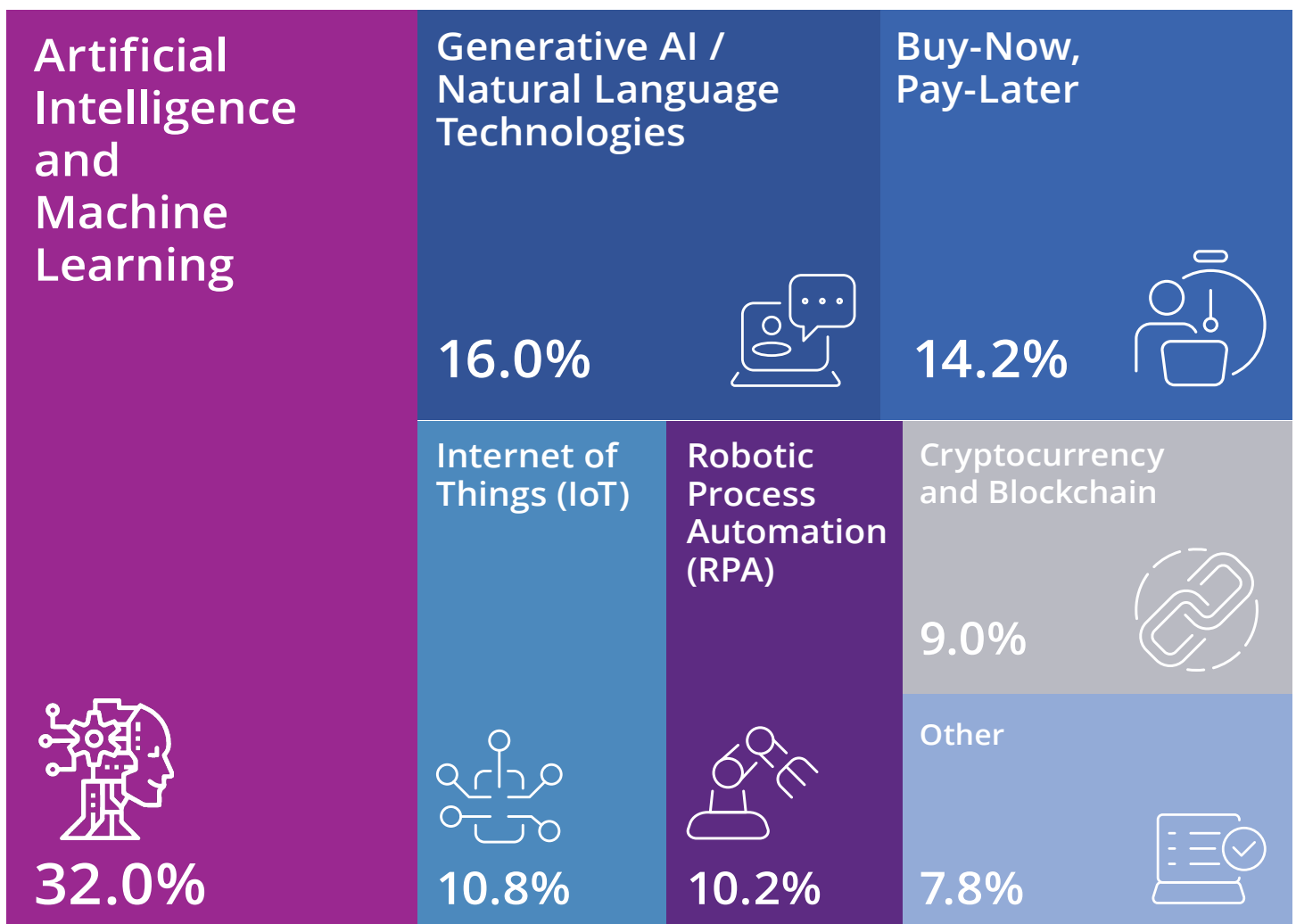
Additionally, 16% of respondents acknowledged generative AI as the second most impactful trend. This comes as no surprise as advances in generative AI make the headlines daily. It is especially encouraging to see that finance professionals recognize the power of advanced technologies to revolutionize their area of the enterprise. It indicates a recognition that AI could impact their daily lives, such as AI's ability to

understand sentiment and intent from email context or the increased accuracy of data extraction as machine learning algorithms improve over time.

Only 9% of respondents believed that cryptocurrency would substantially impact the finance back office. Similarly, just 10.2% of respondents thought that RPA would significantly influence their day-to-day work.

These findings may reveal that finance professionals prioritize more advanced technologies over RPA but are not necessarily as quick to embrace unvetted technology such as crypto. This could indicate an inclination towards cutting-edge solutions such as AI that address the specific challenges faced by finance. It could also indicate a set of professionals who are

What technology trends will impact the finance office the most this year?

Artificial Intelligence and Machine Learning	Generative AI / Natural Language Technologies		Buy-Now, Pay-Later
32.0%	**16.0%**		**14.2%**
	Internet of Things (IoT)	Robotic Process Automation (RPA)	Cryptocurrency and Blockchain
			9.0%
			Other
	10.8%	**10.2%**	**7.8%**

naturally more risk averse, who are watching trends and advancements to see where the most successful solutions have a relatable impact.

Corporate finance has always been data-driven, and the latest technological advancements present an incredible opportunity to leverage information more effectively. AI and machine learning automate tedious manual tasks, provide accurate insights, and improve decision-making processes. Generative AI enhances creativity and innovation within finance operations.

By embracing these technologies, finance professionals elevate their roles from manual data processors to strategic partners within their organizations. They move from people and transaction oversight to data and application management and development.

It is essential, however, to approach this transition to a digitized and autonomous workplace thoughtfully. Conservative by nature, there is no doubt finance teams will thoroughly investigate and strategically invest in the right AI tools and platforms, ensure data security and privacy, and provide training and upskilling opportunities for their workforce.

This shift towards advanced technology will require a cultural change, fostering an environment that encourages experimentation, continuous learning, and a willingness to adapt.

The finance back office has the potential to become a powerhouse of efficiency and innovation through the integration of AI and other advanced technologies.

By automating processes, reducing manual effort, and embracing cutting-edge solutions, finance professionals will revolutionize their contributions, advance in their roles, and significantly impact their organizations.

Mark McDonald
VP Analyst AI in Finance

Gartner®

"Ten years from now, finance and accounting professionals will have a totally different set of skills than the experienced professional of today and will largely look more like data scientists and systems engineers."

Maurer, M. (2023, June 30). Businesses Aim to Harness Generative AI to Shake Up Accounting, Finance. *Wall Street Journal.*

Link to article

The Current Road Bumps

Chapter Two:
The Current Road Bumps

Finance professionals have always had a lengthy to-do list, often facing unexpected hurdles and delays throughout their day-to-day activities. While standard ERP systems used to be the reliable choice, outdated or inadequate technology infrastructure could impede the efficiency of data-related processes. Legacy systems often lack automation capabilities or integration with other systems, requiring manual workarounds. Limited technological support could hinder data collection, organization, and verification efforts, resulting in inefficiencies and delays.

It is time for finance to heed the caution flag. Refusing to embrace automation raises a yellow flag, a cautionary period that could lead to a crash or other issues ahead for those in the finance industry unwilling to invest in a technological future.
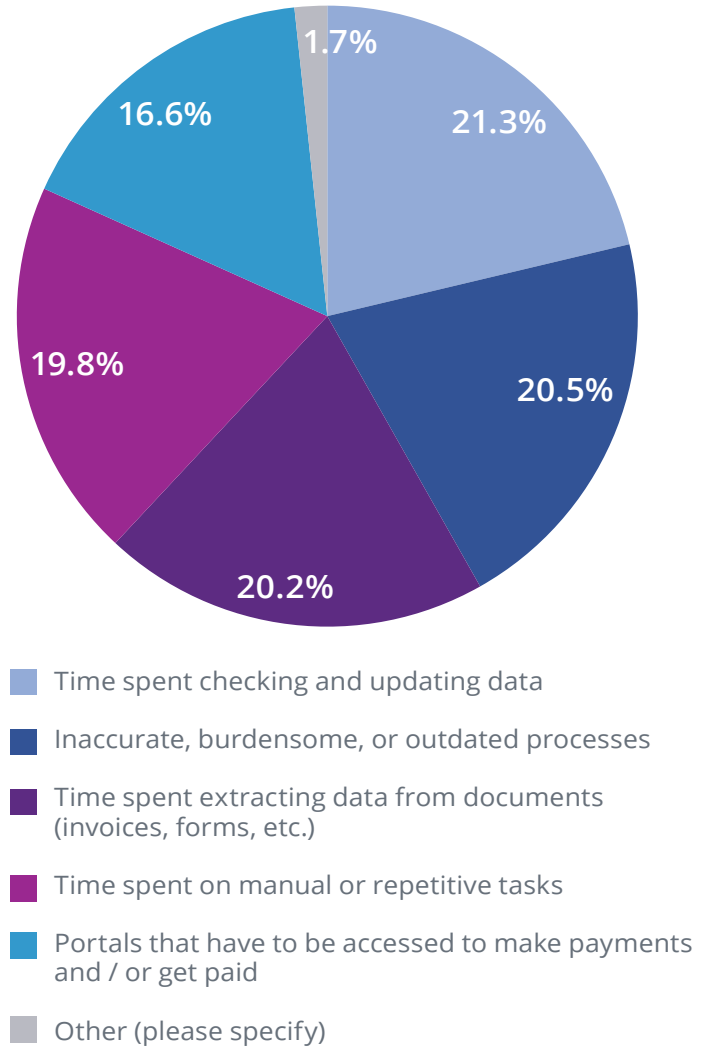
Top Challenges

According to the *2023 State of Automation Report*, the top four challenges across the finance office are:

- Time spent checking and updating data (21.3%)

- Inaccurate, burdensome, or outdated processes (20.5%)

- Time spent extracting data from documents (20.2%)

- Time spent on manual or repetitive tasks (19.8%)

These findings suggest significant efficiency issues related to data management within finance offices. Inaccurate, burdensome, or outdated processes indicate a need for improvement or digitization to streamline workflows.

While there is a positive trend in reducing the time spent on manual tasks and checking / updating data, challenges related to processes, data extraction, and accessing portals persist require evasive maneuvers.

Overall, what are the challenges across the finance office?

- Time spent checking and updating data
- Inaccurate, burdensome, or outdated processes
- Time spent extracting data from documents (invoices, forms, etc.)
- Time spent on manual or repetitive tasks
- Portals that have to be accessed to make payments and / or get paid
- Other (please specify)

This highlights the continued importance of addressing process improvement, automation, and technology adoption to enhance efficiency and effectiveness in finance operations.
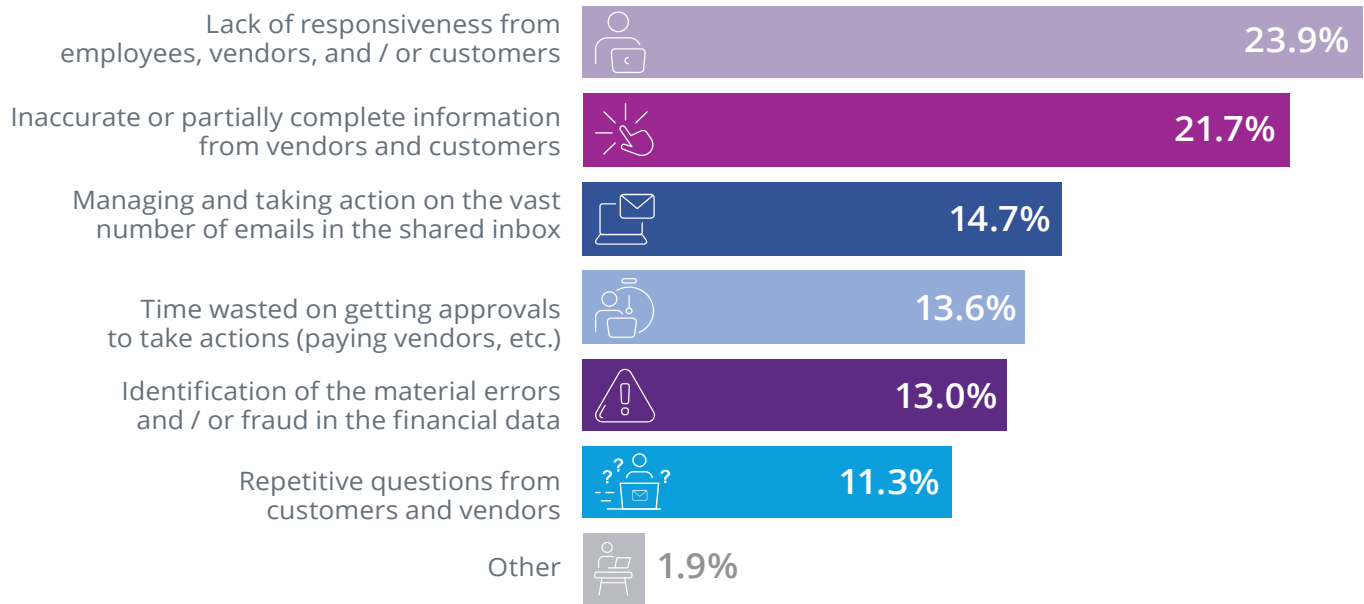
Current Pain Points

Finance professionals face three significant pain points on a daily basis:

- Lack of responsiveness from employees, vendors, and / or customers (23.9%)

- Inaccurate or partially complete information from vendors and customers (21.7%)

- Managing and taking action on the vast number of emails in the shared inbox (14.7%)

On a daily basis, what are your pain points?

Pain Point	Percentage
Lack of responsiveness from employees, vendors, and / or customers	23.9%
Inaccurate or partially complete information from vendors and customers	21.7%
Managing and taking action on the vast number of emails in the shared inbox	14.7%
Time wasted on getting approvals to take actions (paying vendors, etc.)	13.6%
Identification of the material errors and / or fraud in the financial data	13.0%
Repetitive questions from customers and vendors	11.3%
Other	1.9%

These pain points indicate the persistent communication and information management challenges within the finance office. A lack of responsiveness and incomplete information from stakeholders hinders the smooth functioning of finance tasks and delays the completion of projects.

Additionally, managing a high volume of emails consumes valuable time that could be better utilized for other tasks. Addressing these pain points requires effective communication strategies, streamlined information flow, and implementing email monitoring and automation systems that tackle these tasks and take action on behalf of the finance team.

Manual Work

According to our survey, 34.6% of respondents state that accounts payable involves the most manual work, followed closely by accounts receivable with 22.2%. Furthermore, 14.4% of respondents believe that internal audit was also 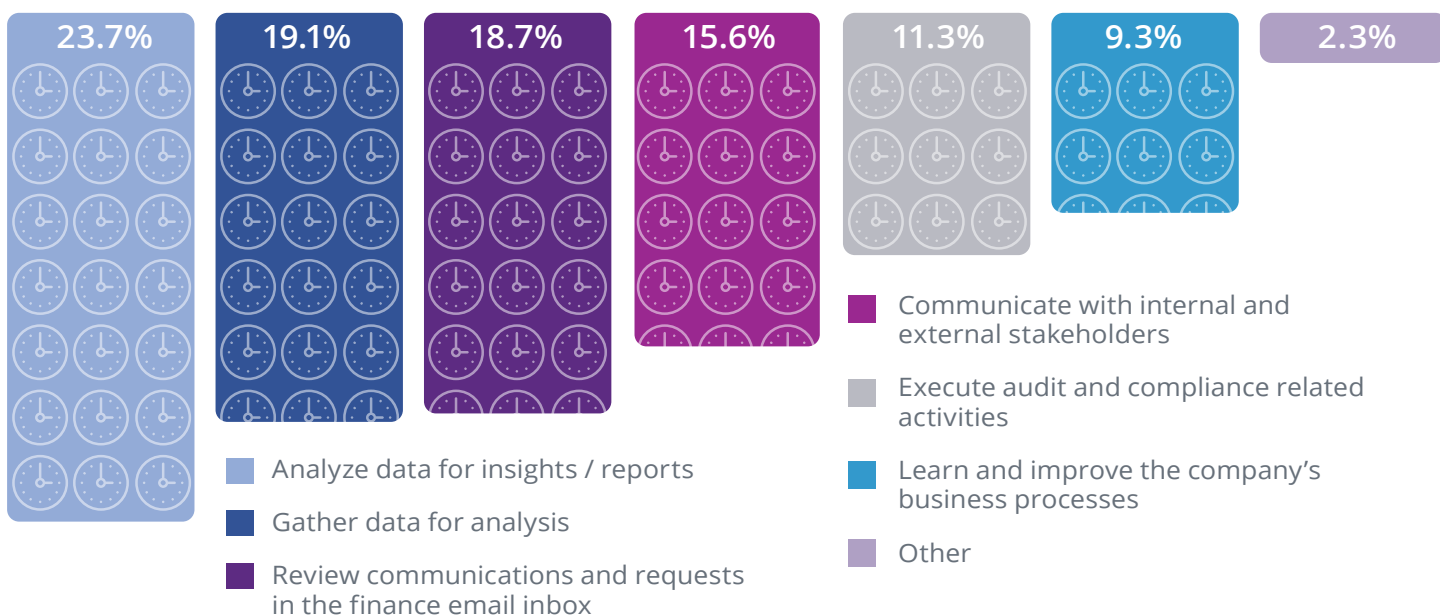highly manual work. Manual work often revolves around repetitive tasks that require significant time and effort. This leads to slow turnaround times for completing financial processes and transactions. Delays hinder decision-making and overall operational efficiency causing further strain in today's fast-paced business environment.

Humans are prone to errors, especially when performing repetitive tasks. Manual data entry, calculations, and analysis introduce mistakes, whether due to human oversight or fatigue, or even other factors. These errors could have serious consequences, such as inaccurate financial reporting, misallocations, and compliance issues.

These findings shed light on the areas where finance professionals seem to spend the most time and effort, usually with a minimal impact on actual finance work.
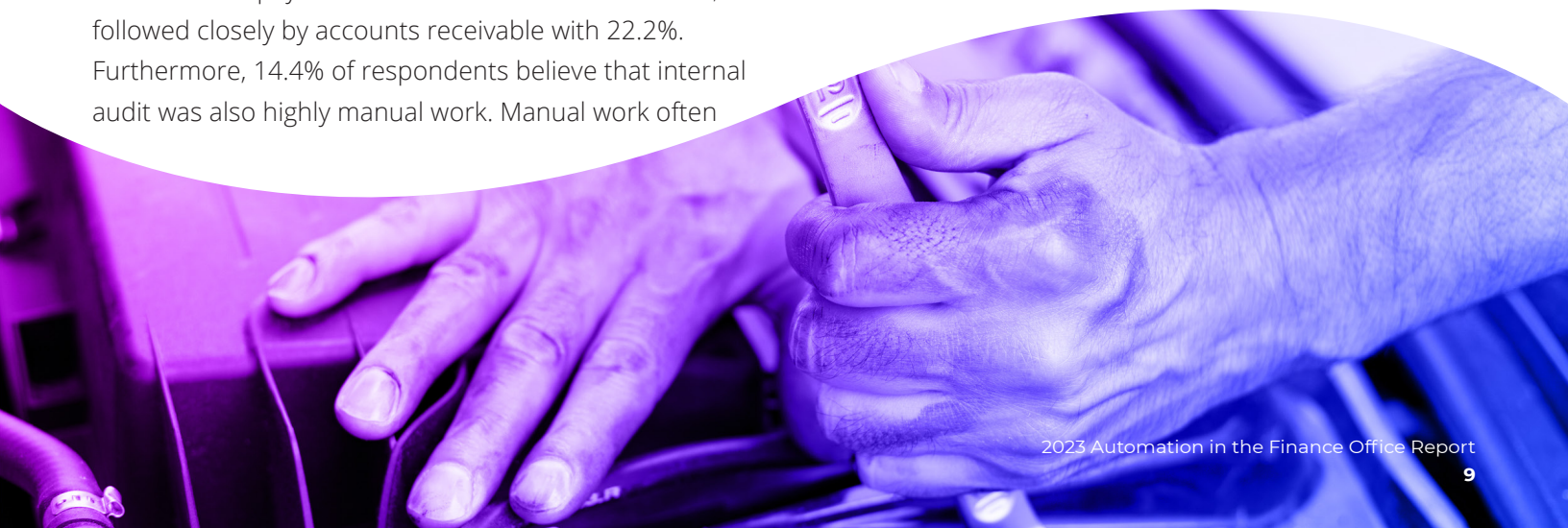
Overall, which of the following activities take up most of your team's time?

| 23.7% | 19.1% | 18.7% | 15.6% | 11.3% | 9.3% | 2.3% |

- Analyze data for insights / reports
- Gather data for analysis
- Review communications and requests in the finance email inbox
- Communicate with internal and external stakeholders
- Execute audit and compliance related activities
- Learn and improve the company's business processes
- Other

Time-Consuming Work

The survey reveals the most time-consuming activities reported by respondents, including:

- Analyzing data for insights/reports (23.7%)
- Gathering data for analysis (19.1%)
- Reviewing communications and requests in the finance email inbox (18.7%)

Andrew Kershaw
General Manager Workday Financial Management

workday®

"At Workday, we recognize the increased need for AI and ML innovation in the office of the CFO to accelerate and automate finance and accounting processes. We're proud to be an investor and partner with Auditoria.AI, as they set a new standard for the intelligent enterprise with large language models, GPT, and related natural language technologies."

These findings suggest a high volume of internal and external communications that require attention and response, potentially impacting the team's ability to focus on other essential tasks. Additionally, analyzing and gathering data for reporting purposes could be time-intensive. Finance professionals often need to gather data from various sources, including multiple systems, spreadsheets, databases, and external sources. This data fragmentation makes consolidating and reconciling information challenging, resulting in time-consuming manual efforts to collect and organize data from disparate sources. This highlights the importance of streamlining data management, implementing automated data analysis tools, and improving communication processes to maximize productivity and efficiency.

Organizations need to rev up finance operations by embracing automation and leaving legacy technology in the rear-view mirror. Similar to a caution flag on the track, refusing to adopt automation could lead to delays and roadblocks in day-to-day activities. As the volume of data and transactions increases, relying

solely on manual processes becomes impractical and unsustainable. Streamline the finance engine by addressing challenges such as data management inefficiencies, burdensome processes, and time-consuming manual tasks.

Drive towards success by shifting gears and implementing automation solutions that will accelerate finance teams from the slow lane to the fast lane, leaving personnel free to focus on strategic analysis and building strong relationships with stakeholders.

What function in your finance office involves the most manual work?

- 5.1%
- 9.7%
- 8.2%
- 14.4%
- 5.8%
- 34.6%
- 22.2%
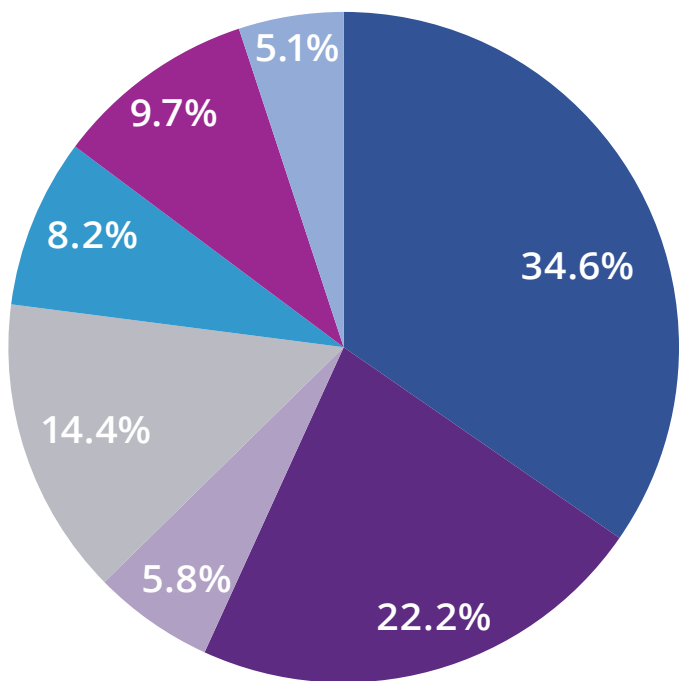
- ■ Accounts Payable
- ■ Accounts Receivable
- ■ Financial Planning & Analysis
- ■ Internal Audit
- ■ Procurement and Vendor Management
- ■ Tax and Treasury
- ■ Other

FINANCE TO LEVERAGE THE POWER OF AI

According to Gartner, as the complexity of data grows and business volatility remains constant, finance departments look to leverage the power of AI to keep up and get ahead. A new breed of software vendors is introducing compelling AI-driven financial applications that solve the common problems finance organizations face. Buying these platforms allows finance to spend more time on business support and frees up their limited in-house AI resources to build business-specific AI-driven solutions.

Intelligent applications serve three tiers of the finance organization:

- **Front-office** *applications assist with forecasting and analysis, uncovering hidden trends that provide early warning.*

- **Middle-office** *platforms focus on data quality and connectivity. This focus includes processes like anomaly detection and data pipeline automation.*

- **Back-office** *systems (primarily AR and AP) automate processes and use decision-making algorithms to route, categorize and schedule actions.*

Gartner®

Shared Inboxes Are Slowing Us Down

Chapter Three: Shared Inboxes Are Slowing Us Down

Finance teams should not have to pump the brakes on getting other work done when managing their shared inboxes instead. Yet many back office teams are hindered by traffic jams and blockades caused by volumes of communications and data coming through email. It is time to overhaul an outdated approach to email and embrace a smoother communication process, allowing for effortless interactions with key stakeholders, vendors, and customers.

Inbox Overload

According to the *2023 State of Automation Report*, 35.6% of respondents receive anywhere from 100-500 weekly emails in their shared finance inboxes. Almost one in five respondents receive 500-1000 weekly emails. This high volume of incoming messages creates a crowded inbox, slowing response times and hindering productivity.

On a weekly basis, how many emails are received in shared finance inboxes?

Range	Percentage
5000+	4.6%
1000 – 5000	7.3%
500 – 1000	19.2%
100 – 500	35.6%
Up to 100	33.3%

With a shared inbox, maintaining proper organization and categorization of the incoming data becomes challenging. Without a systematic approach, it becomes harder to locate specific documents, track the status of requests, or identify the priority of tasks. This lack of organization leads to inefficiencies and potential errors in managing financial processes.

Visibility could also be a problem, as team members may struggle to track the progress of specific items, leading to delays and potential miscommunication. Maintaining accountability and ensuring that tasks are completed within the required timelines becomes harder when mailboxes are managed manually.

Response Time Challenges

Our findings reveal that 43.4% of survey respondents state that it could take their team up to 24 hours to respond to emails in the shared inboxes.

Furthermore, 20.7% of respondents indicated that it could take their team up to 48 hours to respond. In a shared inbox filled with emails, prioritizing tasks and determining which requests require immediate attention could be difficult. Without a clear system in place to identify and prioritize urgent or high-priority items, it becomes

Hridika Biswas
Senior Analyst

HFS Research

"Technologies, such as Auditoria. AI, help CFOs uncover greater cash position visibility by gathering data and insights using analytical algorithms and delivering cash flow performance reports, over and above the speed and efficiency benefits of automation."

challenging to allocate resources effectively and ensure timely responses. These delayed response times could lead to missed opportunities, frustrated stakeholders, and a less efficient workflow.
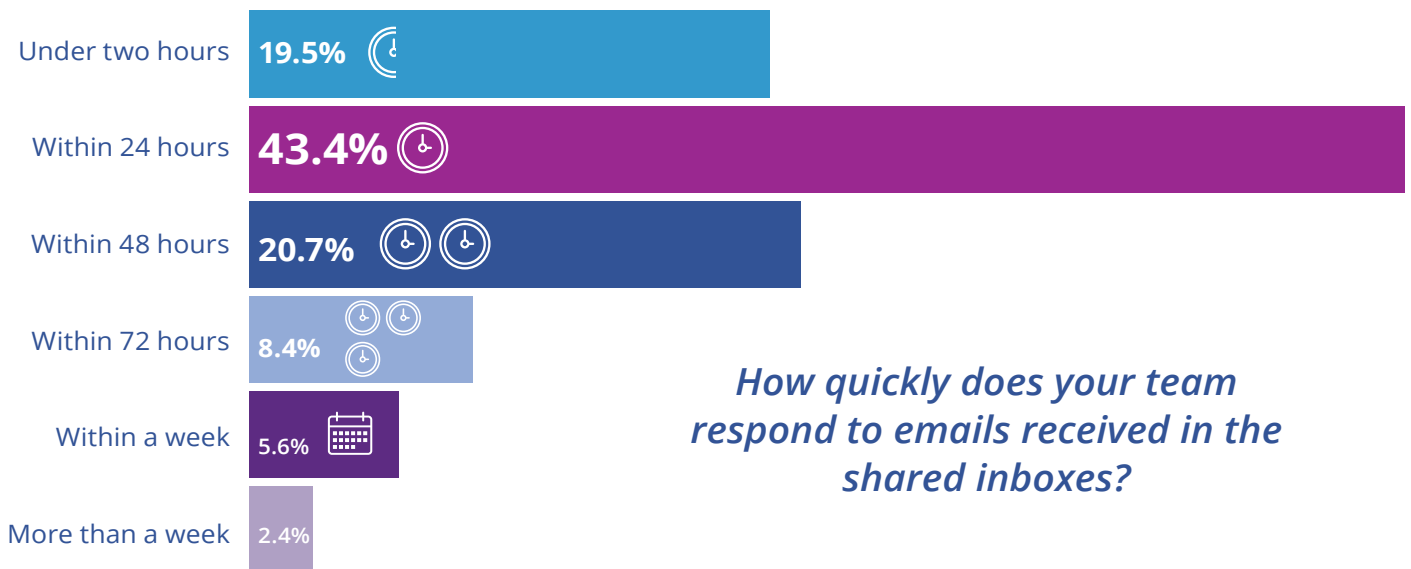
With multiple team members accessing a shared inbox, there may be ambiguity regarding who is responsible for handling specific requests or inquiries. This lack of ownership and accountability could also lead to response delays as team members may assume someone else will handle the task.

Additionally, without clear ownership, there may be confusion about the status or progress of requests, further impacting response times, or a duplication of effort that wastes time and money, and leads to greater frustration for the team. It could also leave the potential impression to other key stakeholders of disorganization or lack of professionalism.
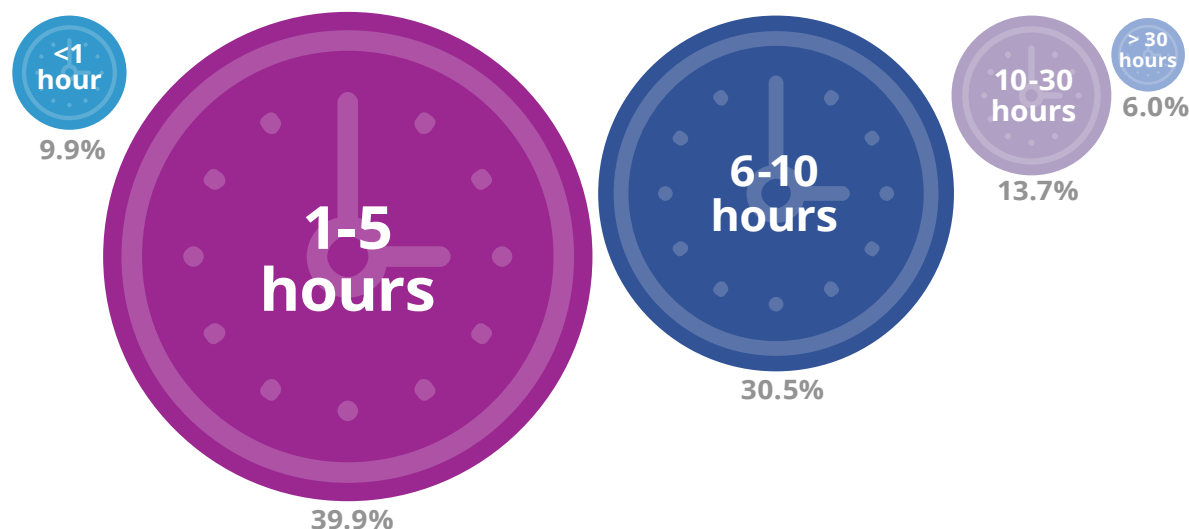
Time-Consuming Requests

The survey also asked about the average time it takes team members to handle a request from the shared inbox. According to respondents, 27.2% say it takes approximately 6-15 minutes on average, while 18.3% state it could take between 16-30 minutes. These time-consuming interactions consume valuable resources and divert attention from other critical tasks.

Shared finance inboxes often require coordination and collaboration among team members and various solution platforms to provide accurate and comprehensive responses. When there are disparate systems where the data resides, and ultimately the

Under two hours	19.5%
Within 24 hours	43.4%
Within 48 hours	20.7%
Within 72 hours	8.4%
Within a week	5.6%
More than a week	2.4%

How quickly does your team respond to emails received in the shared inboxes?

On a weekly basis, how much time does your team spend sending follow-up emails to vendors, customers, and internal stakeholders?

<1 hour
9.9%

1-5 hours
39.9%

6-10 hours
30.5%

10-30 hours
13.7%

> 30 hours
6.0%

answers to incoming requests or questions, extended time is spent finding and collecting the needed data. This results in further delays in responding to inquiries or providing accurate information. In corporate finance, where every second counts, it is crucial to streamline communication processes and keep the gears shifting smoothly. Just as a well-oiled engine ensures optimal performance, a well-managed shared inbox and connected systems leads to improved efficiency and productivity.

To navigate the communication highway effectively, finance teams should consider implementing email management systems that handle high volumes of incoming messages. Automation solutions help triage and prioritize emails, ensuring that urgent matters are addressed promptly. By reducing the response time and streamlining request handling, finance professionals accelerate their productivity and keep their operations running in the fast lane.

Security and Privacy Protection

A shared finance inbox may contain sensitive financial information, such as payroll details, vendor contracts, or customer data. Without proper access controls and security measures, there is an increased risk of unauthorized access, data breaches, or accidental sharing of confidential information.

Manual processes need more controls and checks to comply with regulations and internal policies. The risk of data breaches, fraud, and unauthorized access to sensitive financial information is higher when manual approaches are in place. Automated systems enhance security by providing better audit trails, access controls, and data encryption.

Protecting the privacy and security of financial data is augmented by advanced technology built to safeguard this type of data. By automating repetitive tasks and implementing intelligent routing systems and security measures, finance teams ensure messages reach the correct recipients promptly and safely, eliminating bottlenecks and reducing manual effort. In the race to success, seamless communication and heightened security are critical.

Finance teams must shift gears and embrace streamlined processes that enable effortless stakeholder interactions. By implementing innovative solutions for efficiency, optimizing response times, and automating routine tasks with advanced security, finance professionals rev up their productivity, leave congestion and gridlock behind, and drive towards a more agile, secure, and effective corporate finance department.

Acceleration of Automation in the Finance Office - YoY Trends

Chapter Four: Acceleration of Automation in the Finance Office

In the fast-paced world of finance, where change is constant, a quick pitstop is in order to look back at the trends over the last few years that have shaped the finance landscape and have the potential to impact the direction and strategy of the finance departments moving forward.

Understanding how the finance department is changing, and analyzing the data as it unfolded over the last few years provides a glimpse into the potential future direction of corporate finance.
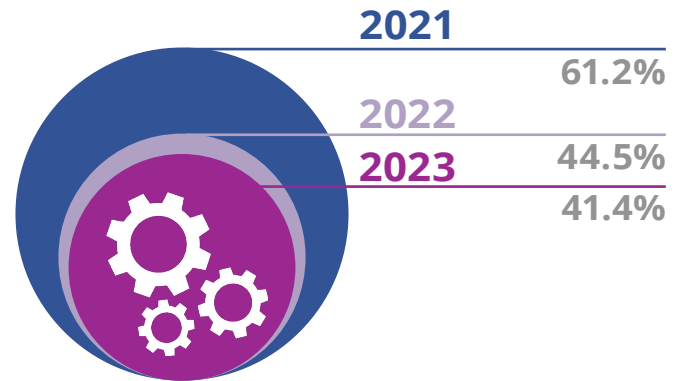
Key Priorities: Drive Progress

Year after year, the priorities of finance professionals have evolved, reflecting their relentless pursuit of efficiency and effectiveness. Understanding these priorities is crucial in gauging the direction of automation in the finance office.

In 2021, 38% of professionals intended to invest in new technologies to improve their processes. This inclination toward leveraging innovation highlights the finance industry's recognition of technology's potential in driving efficiency and staying ahead in a rapidly evolving business landscape.

What is the top priority for your finance office in the next year?

Focus on Process Improvements 34.6%
2022

Focus on Process Improvements 40.4%
2023
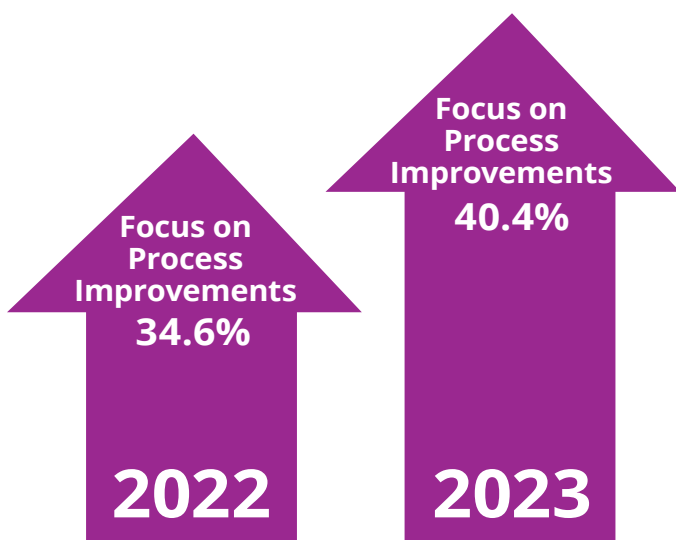
Basic levels of automation have decreased year-over-year

2021
61.2%
2022
2023 44.5%
41.4%

In 2022, a notable 34.6% of finance professionals expressed their desire to focus on process improvements in the upcoming year, illustrating the continued desire of finance professionals to increase efficiency. These finance professionals are clearly dedicated to streamlining operations, eliminating bottlenecks, and optimizing workflows. Additionally, 21.2% of respondents had plans to implement analytics and reporting tools to enhance decision-making capabilities.

The Levels of Automation Are Fluctuating

The data shows that levels of basic automation have been steadily decreasing over the last three years. In 2021, 61.2% of respondents had "basic levels of automation, where some workflows are automated but I still handle the majority of the work." In 2022, that dropped to 44.5%, and in 2023 it declined again, down to 41.4%. Taken alone, this statistic seems to suggest that finance is moving backwards, with digitization falling off for the finance team.

But when this statistic is viewed with the overall response percentages of respondents who has some automation or fairly advanced automation, the numbers increased. This shows that as a whole, more of the finance departments workflows and business processes are getting the much needed benefits of automation and are moving from basic levels to more advanced technology.

Use of Automation: Striving for Efficiency

Despite the growing recognition of the benefits of automation, there still seems to be a sense of unfulfilled potential and lag time in the finance back office. In 2022, a staggering 61.8% of respondents felt that their finance back office lacked sufficient automation, indicating a considerable gap between aspirations and reality. However, there was a silver lining, with 22.9% primarily utilizing automation in accounts payable processes, demonstrating progress in specific finance back office areas.

In 2021, the shortfall of automation situation was similar, as 58% of respondents shared that their finance back office needed more automation. Moreover, 42.2% - almost half of the respondents - revealed that they were yet to harness the power of artificial intelligence in their financial processes.

Zooming back to 2020, only a meager 14% of finance professionals believed they had successfully implemented automation in their back office operations, highlighting the vast untapped potential for utilizing technology to enhance efficiency and effectiveness.

This data trend suggests that while automation has made some inroads, there is still ample room for growth and adoption of AI technologies. As AI continues to advance and deliver tangible benefits, its acceptance is expected to accelerate further, leading to widespread adoption and integration in enterprise finance.

Navigating the Data Maze

Finance professionals face numerous challenges daily, but none seem to consume more time than collecting data. In 2022, as in previous years, the top time-consuming activity was gathering data for analysis. This challenge remains a significant pain point in the finance office year after year.

Data fragmentation makes consolidating and reconciling information challenging, resulting in time-consuming manual efforts to collect and organize data from disparate sources. This laborious process of collecting, organizing, and verifying data is a persistent issue for finance professionals, diverting their attention from more strategic and value-added tasks.

Top Challenges: Seeking Improvement

While many finance professionals find their work valuable and satisfying, there are common pain points year over year that hinder their productivity and job satisfaction. Repetitive and manual tasks continue to be a serious challenge faced by professionals across finance.

In 2022, respondents identified a lack of responsiveness as the most significant pain point in their finance work. This lack of agility and timeliness in receiving needed information or documentation impedes productivity and hinders decision-making processes. Moreover, manual or repetitive tasks represented the most prominent challenge, further reinforcing the need for process optimization and automation.

Using insights gathered from automation, the finance team could create strategies to enhance employee satisfaction and efficiency in the finance office, such as process optimization, workload distribution, or additional staffing allocation.

Stay tuned to see what trends are around the next turn!

GENERATIVE AI FOR THE FINANCE FUNCTION

Generative AI is a subset of artificial intelligence (AI) techniques and models that are designed to generate new content, such as images, text, or music. Unlike other AI approaches that focus on recognizing or classifying existing data, generative AI creates new data that resembles the patterns and characteristics of the training data.

At its core, generative AI uses algorithms and models to learn patterns and relationships within a given dataset. These models then generate new instances or outputs that exhibit similar characteristics as the original data. Generative AI models are typically trained on large datasets and learn to capture the statistical properties of the data, enabling them to generate novel and realistic outputs. Generative AI has gained mounting attention in recent years, fueled by the availability of large datasets, computational power, and algorithmic innovations.

Generative AI holds significant importance for the finance office due to its potential to revolutionize and streamline various processes. Here are key reasons why generative AI will revolutionize corporate finance.

- **Improved data analysis and decision-making:** The finance office handles large volumes of data. Generative AI algorithms analyze and interpret this data at scale, uncovering patterns, trends, and insights not easily identifiable through traditional methods. This advanced data analysis helps finance professionals gain a deeper understanding of the company's financial health, create more accurate forecasts, and make more informed decisions.

- **Enhanced efficiency and cost savings:** By automating processes and optimizing workflows with generative AI, finance professionals streamline processes, eliminate redundancies, and allocate resources more effectively. This leads to improved operational efficiency and financial performance. It would reduce errors, increase accuracy, and eliminate bottlenecks, resulting in cost savings for organizations.

- **Advanced risk analysis and fraud detection:** Generative AI models detect anomalies and patterns in financial data, helping to identify potential risks and instances of fraud. By continuously monitoring transactions and data points, generative AI provides early warnings and alerts and adapts to new risk patterns enabling proactive risk management and mitigation.

- **Improved customer and vendor experiences:** The finance office plays a crucial role in customer service and vendor support. Generative AI would improve customer and vendor experiences by addressing inbound inquiries and generating responses automatically. With immediate confirmation and dedicated outreach, Generative AI responds more quickly and accurately than a human could, and boosts customer and vendor satisfaction which leads to greater loyalty.

- **Compliance and regulatory requirements:** Since the finance office is responsible for ensuring compliance with various regulations and reporting requirements, teams could use generative AI to automate compliance checks, verify the accuracy and completeness of financial data, and generate regulatory reports. This reduces instances with errors and non-compliance, and reduces the likelihood of non-compliance penalties and reputation risks.

- **Scalability and adaptability:** Generative AI systems handle extremely large volumes of data and adapt to evolving business needs. As the finance office continuously works with dynamic transactions and fluctuating market conditions, generative AI provides the agility to handle complex and changing requirements. The scalability also allows finance teams to handle growing transaction volumes, expanding business operations, and increased complexity without the need for significant resource additions.

Generative AI offers immense potential for the finance office, enabling automation, improving efficiency, enhancing data analysis, managing risks, and delivering personalized experiences.

By harnessing the power of generative AI, the finance function becomes more agile, strategic, and value-driven.

First Patent Granted to Auditoria.AI for Groundbreaking Natural Language and AI Applications

The landmark patent paves the way for intelligent finance using generative AI to streamline finance and accounting workflows.

AUDITORIA.

Link to press release

Putting AI in the Drivers' Seat

Chapter Five: Putting AI in the Drivers' Seat

Finance wants AI to be in the drivers' seat, but there is still work to be done to reach the podium.

When it comes to automation in the finance office, there is a clear gap between aspiration and reality. According to our *2023 State of Automation Report*, only 3.9% of finance professionals claim to have advanced automation where technology plays a vital role in decision-making, while a mere 1.6% say they have achieved a completely autonomous finance office. A majority of 41.4% describe their current level of automation as basic, with some workflows automated, but the majority of work still being handled manually.

Despite these numbers, there are certain finance functions where automation has made notable progress. Creating reports and performing analysis tops the list, with 20.2% of respondents having implemented automation in this area. Invoice processing follows closely behind at 19.7%. However, there are still crucial finance functions that remain largely untouched by automation. Validating deductions and disputes,

"CFOs must have digital skills. They don't have to have become coders but must understand the basics of information technology systems. Increasingly, the skill with which a Finance department utilizes technology determines its effectiveness."
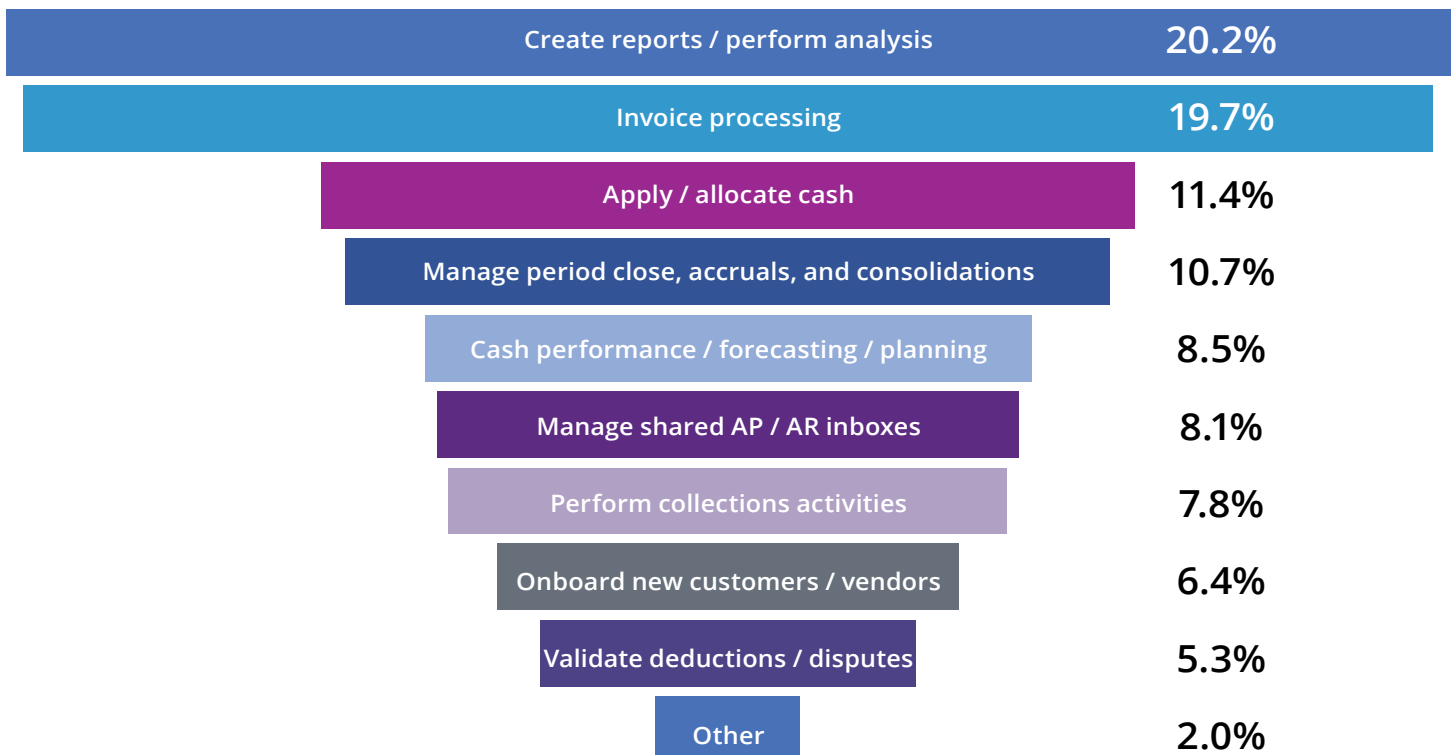
Robert Kugel
Senior Vice President &
Research Director

VENTANA RESEARCH

onboarding new customers and vendors, and performing collection activities are among the least automated tasks, with only 5.3%, 6.4%, and 7.8% of respondents, respectively, reporting automation in these areas.

In which finance functions do you have automation in place?

| Finance function	
Create reports / perform analysis	20.2%
Invoice processing	19.7%
Apply / allocate cash	11.4%
Manage period close, accruals, and consolidations	10.7%
Cash performance / forecasting / planning	8.5%
Manage shared AP / AR inboxes	8.1%
Perform collections activities	7.8%
Onboard new customers / vendors	6.4%
Validate deductions / disputes	5.3%
Other	2.0%

Looking ahead, the *2023 State of Automation Report* reveals that process improvements will be the top priority for 40.4% of respondents in the coming year. This emphasis on enhancing workflows recognizes that automation is replacing manual tasks and optimizing processes to achieve greater efficiency and accuracy. A substantial majority of respondents (85%) expressed a positive outlook on the transformative potential of AI in their organizations, indicating a growing acceptance and recognition of its benefits. This acceptance stems from the understanding that AI can automate tasks, enhance decision-making processes, and unlock new opportunities for efficiency and productivity.
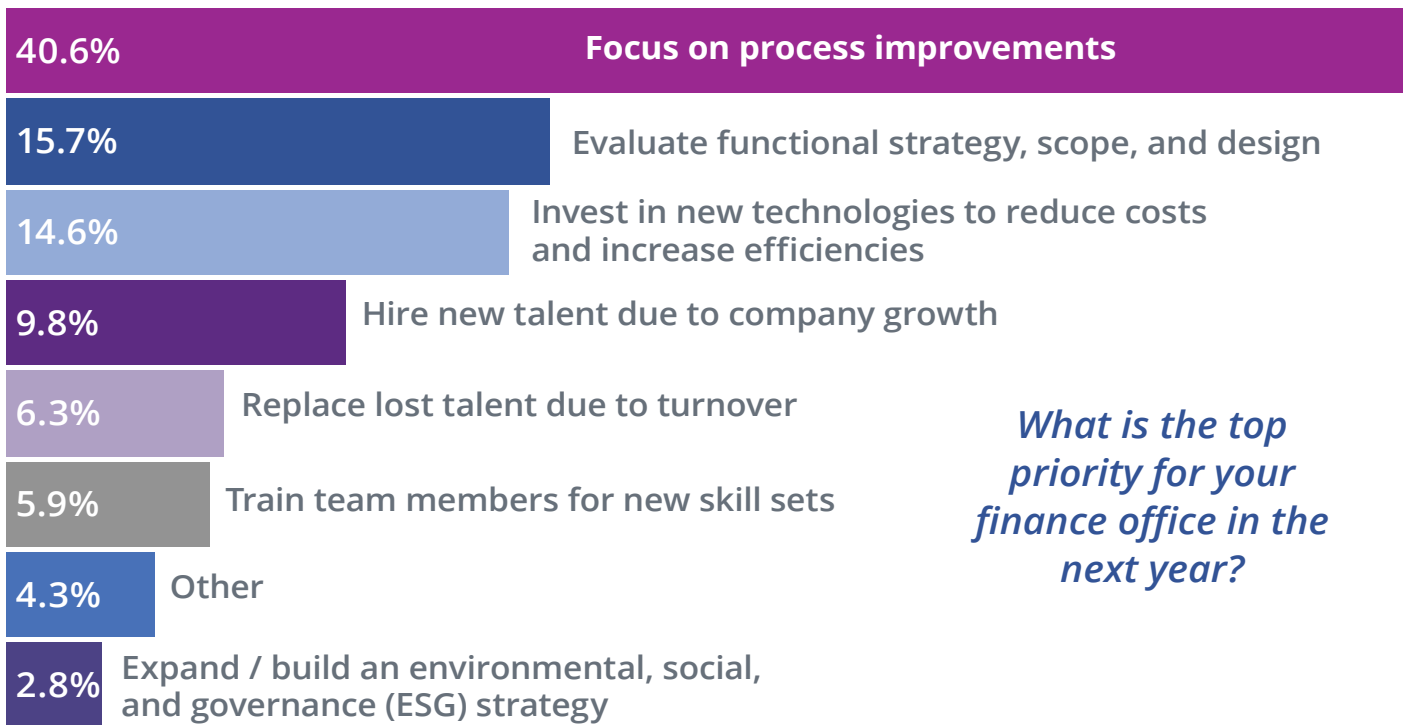
Interestingly, when asked which tasks they would most like to see automated in the back office, respondents did not have a clear winner. The overwhelming sentiment was a desire to automate all tedious tasks, with "extracting data from invoices and entering it into systems of record" emerging as the top choice. This reflects a collective yearning for relief from repetitive and time-consuming activities, signaling a readiness for AI to take the wheel to automate mundane tasks.

While various technology trends are poised to influence finance offices, AI and machine learning stand out as the most impactful. The recognition of

Which of the following best describes the level of automation in your finance office?

Pie chart segments:
- 1.6%
- 3.9%
- 14.5%
- 19.1%
- 19.5%
- 41.4%
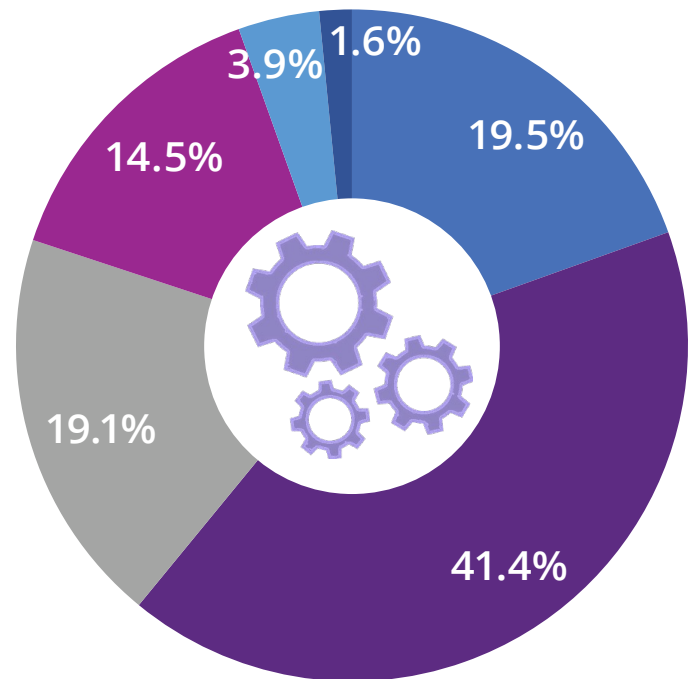
Legend:
- ■ We have no automation in the finance back office
- ■ We have basic levels of automation, where some workflows are automated but I still handle the majority of the work
- ■ We use some automation, where the technology takes care of the work and I oversee it
- ■ We have fairly advanced levels of automation, but I still review the results to make sure it is accurate
- ■ We have advanced automation, where I rely on technology to help me make decisions
- ■ We have a completely autonomous finance office

What is the top priority for your finance office in the next year?

- **40.6%** Focus on process improvements
- **15.7%** Evaluate functional strategy, scope, and design
- **14.6%** Invest in new technologies to reduce costs and increase efficiencies
- **9.8%** Hire new talent due to company growth
- **6.3%** Replace lost talent due to turnover
- **5.9%** Train team members for new skill sets
- **4.3%** Other
- **2.8%** Expand / build an environmental, social, and governance (ESG) strategy

their transformative potential underscores a widespread understanding of the power of these technologies in the finance sector. However, it is important to note that other trends, such as generative AI and buy-now, pay-later solutions, also hold significance, highlighting a complex technology landscape that will shape the future of finance operations.

As AI continues to advance and deliver tangible benefits, its acceptance is expected to accelerate

further, paving the way for widespread adoption and integration across the finance back office.

As finance professionals strive to put AI in the driver's seat, it is crucial to recognize the work ahead. By focusing on process improvements, embracing automation, and leveraging AI capabilities, the finance function can accelerate its journey toward a more efficient, accurate, and intelligent future.

If you could incorporate artificial intelligence in areas of finance, they would be?

Anomaly and Error Detection	Demand / Revenue Forecasting	Percentage of Completion Revenue Forecasting	Customer Credit Management	Natural Language Query / Digital Assistants
		14.0%	**10.2%**	**9.1%**
		Cashflow Forecasting	Scenario Planning	Customer Behavior Prediction
16.5%	**15.6%**	**13.8%**	**9.9%**	**9.1%**
				1.8% Other

CONCLUSION

Go Full Throttle
with Auditoria.AI

Rohit Gupta
CEO and Co-Founder

AUDITORIA.

Conclusion: Go Full Throttle with Auditoria

"Lights out and away we go!"

These words from the renowned racing commentator David Croft perfectly capture the spirit of progress and the thrill of pushing boundaries to achieve extraordinary results. In finance, the race toward automation has already begun, and now is the time for the finance office to join the competition and capture the pole position before being left in the dust.

Automation has revolutionized numerous industries, and the finance office is no exception. By leveraging the power of artificial intelligence and machine learning, Auditoria's software solutions empower finance professionals to streamline their processes, increase efficiency, and achieve unprecedented accuracy.

Purpose-built for finance, with advanced generative AI technology, Auditoria SmartBots integrate with systems of record and shared inboxes to act as a system of engagement to streamline collections and communications, add controls to procurement spend, optimize vendor management, and handle helpdesk inquiries and requests using automation.

Integrate Auditoria into workflows to future-proofing operations and position the finance team as industry leaders. It is time to leave manual, time-consuming tasks behind and embrace a new era of productivity.

Let Auditoria be the engine that accelerates finance forward and drives increased success for employees, departments, and organizations in the quest to win the race with automation.

Auditoria is a Workday Ventures Partner, with access to Workday's extensive experience, market know-how, and global reach in the enterprise space. Together, we are helping finance teams work more effectively as companies move toward digital transformation and automation, allowing the office of the CFO to focus on strategy and business initiatives rather than on error-prone manual tasks.

workday. | Ventures Partner

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About Auditoria.AI

Auditoria is the leader in intelligent applications for corporate finance, helping finance teams automate business processes in AP, AR, GL, and Vendor Management to accelerate cash performance. By leveraging natural language technologies, artificial intelligence, machine learning, OCR, and advanced RPA, Auditoria removes friction and repetition from mundane tasks while automating complex functions, and providing real-time visibility into cash performance. Corporate finance and accounting teams at leading companies use Auditoria to accelerate business value while minimizing heavy IT involvement, improving business resilience, lowering attrition, and accelerating business insights.

Auditoria integrates with industry-leading ERP and Financial applications, including Workday, Oracle ERP Cloud, Oracle NetSuite, Sage Intacct, Salesforce, SAP, Coupa, Microsoft Dynamics 365, Bill, Conga, collaboration tools such as Microsoft 365 and Google Workspace, and RPA platforms such as Microsoft Power Automate.

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