How Finance Can Get Started with Gen AI

Sarah Ovaska writes, in an article in the *Journal of Accountancy*, that according to the AICPA & CIMA-led Future of Finance Leadership Advisory Group (FFLAG), "CFOs and finance teams must address several concerns to integrate generative AI into the finance function responsibly and unlock the value of generative AI tools. Robust governance, controls and processes must address data quality, manage risks and ensure the ethical deployment of generative AI tools." Organizations can begin by taking the following steps.

Get Acquainted with Gen AI: Ovaska quotes Val Orekhov, chief technology officer and partner at accounting and advisory firm Withum, as saying that "AI technologies such as machine learning and predictive analysis have been around for decades. …But the introduction of generative AI now allows people up and down the corporate ladder to use tools that improve their day-to-day efficiency while also unleashing new insights and analysis to inform strategic decisions. CPAs can use generative AI to create presentations and craft staff memorandums, and also for more complex work, such as analyzing years of invoices and purchases to make strategic recommendations."

Generative AI "is different from anything people have experienced before, says Ovaska. "While any form of AI analyzes data to detect patterns, generative AI can create entirely new content by synthesizing patterns learned from large sets of data, rather than being programmed to do specific tasks, as with traditional computer programs."

Start Small with Gen AI Integration: Many finance departments may be reluctant to realize the full spectrum of generative AI because of their instinctive focus on risk. According to Carsten Poulsen, global finance technology lead at professional services company Accenture, "finance by and large is using traditional AI, like machine learning for their predictive capabilities and their deep quantitative work. They have yet to fundamentally reinvent the way their people do their jobs and to leverage the full potential of AI in general and generative AI in particular." He suggested starting out small with pilot projects. "Smaller projects provide insights into costs and benefits, making it easier to project ROI on full-scale projects. Knowledge gained through using the technology leads to more ideas and innovation on future projects."

Establish A Gen AI Vision and Road Map: The article advises that "a road map should outline the steps leading to the adoption and use of generative AI. It should include a strategy aligned with business goals and cover establishing project governance, updating data governance policies, providing employee training programs, creating or updating acceptable use policies, selecting tools and platforms and developing a generative AI adoption policy."

Promote A Collaboration Mindset: It's important that finance executives work closely with their counterparts in technology and operations when launching strategic initiatives around AI, Orekhov said. Upfront collaboration creates buyin across business functions and can generate insight from different stakeholders to maximize the efficiencies that AI, including generative AI, can deliver while ensuring investments align with genuine business needs.

"Leverage your ecosystem of vendors and advisers and create a dedicated team in your organization," Poulsen advised. "In order to scale gen AI, you need the right digital core, a

willingness to change your processes and ways of working, reskill and upskill your people, and build new capabilities around responsible AI."

Set Realistic Expectations for Gen AI: Don't expect generative AI to work flawlessly, Orekhov cautioned. "Doing so can result in writing off generative AI prematurely as an inadequate tool or failing to maintain reviews and audits to ensure the analysis is in line with business objectives." He strongly suggested verifying results and being on the lookout for possible errors or deviations in the output, just as you do when humans are doing the work.

Address Data Quality and Quantity: One of the biggest hurdles to adopting generative AI in the finance function is making sure the right data is fed into the application to realize value in business settings, Poulsen said. "Many [finance executives] are challenged with finding and shaping use cases that drive value at scale" because of continued issues with data," he added.

Generative AI works well when it has vast amounts of data to analyze and learn from. But because many companies don't have easy access to their data — it may be spread out across many sources in disparate locations or of poor quality with a lack of detail — the generative AI can't perfect its analysis." Poulsen suggests making it a strategic priority to ensure finance data is accessible and usable, so that it can also be deployed to train generative AI products and create more efficiencies in the future.

Learn more at [How finance can get started with gen AI](#).