

## Hey! What's New? 2025-38

### Finance Chiefs Look to Digitalization to Cut Costs

Steph Brown says, in a new article in *FM Financial Management*, that “worsening economic conditions and geopolitical tensions are the biggest external challenges facing finance leaders this year, and some CFOs believe that more focus on digitalization could help to reduce cost-related risks.

She says that, according to a new report from SAP Concur, a US-based company that specializes in software services, “economic and geopolitical tensions are making forecasting and cost control even harder than in previous years.”

SAP Concur surveyed 350 CFOs and senior finance leaders in eight countries (Australia, Brazil, Canada, Germany, Japan, Mexico the UK, and the US) in December 2024 and January 2025.

In response, Brown says, “CFOs view digitalization as imperative to alleviate risks and drive growth in 2025, according to the report. Some finance leaders are looking to artificial intelligence and automation to prepare for an uncertain economic environment this year, with 38% of finance chiefs now treating manual processes as a top internal challenge, compared with 1% in 2023.”

The report notes that, “while economic concerns have fallen for CFOs in the last year (from 55% to 41%), concerns about geopolitical conflict have jumped sharply to 37% from 11% last year. According to respondents, those uncertainties have made [dealing with] inaccurate forecasting (61%), predicting future price rises (47%) and software capabilities (37%) more difficult.

Moreover, the report continues, “59% cite lack of data visibility, problems with ease-of-use and adoption (56%), and limited reporting and analytics (48%) as the biggest barriers to implementing cost-control software efficiently.”

To stay cost-efficient, the finance leaders surveyed say they are now looking to AI to improve their operations. “Ninety-four per cent of finance leaders say AI has already helped improve decision-making, 74% report positive impacts across cost and risk reduction, and 43% believe AI will likely improve forecasting accuracy.”

Organizations who have increased AI adoption have also accelerated innovation across their processes, Brown writes. “More than half of CFOs (57%) say everyday tasks like generating emails, transcription, and summarizing documents are highly automated by AI, compared to only 7% in 2024. Other areas of increased efficiency include fraud monitoring (45%) and creating new pricing models (22%).”

The report found that CFOs continue move into cybersecurity. “CFOs have taken on more cybersecurity oversight recently, and more finance leaders expect cybersecurity responsibilities to fall under their remit in 2025.

“The latest cybersecurity statistics show breaches continue to rise in volume and severity,” the report says. “This anxiety is prompting a significant number to assume control, with 27% of CFOs taking over responsibilities in cybersecurity over the last two years.”

The report also found that finance chiefs view cyberattacks as a top risk to their organizations this year, and 59% of finance leaders plan to increase cybersecurity budgets to respond to growing threats. “But only 16% of CFOs expect cybersecurity expenses to come at the expense of long-term initiatives for their organizations this year,” the report said. “Fifty per cent plan to adapt growth initiatives to align with cybersecurity, and 33% expect growth plans to proceed as planned.”

Read the article at [Finance chiefs look to digitalisation to cut costs](#) or download the report at [ww en rpt all cfo insights report action for growth im 0325 rc.pdf](#).