

## Hey! What's New? 2025-78

### Benchmarking the AI Advantage in Finance: CFO Report

A sponsored article by IBM in *F. A. R.*'s July 2025 edition affirms that "AI has emerged as a stabilizing force for the finance function. Increasingly, real-world AI applications are enabling CFOs to more easily and accurately plan for future disruption."

To explore how AI is transforming finance, the [IBM Institute for Business Value interviewed](#) 25 finance and AI leaders, surveyed 601 senior finance professionals and polled 300 CFOs. The ensuing report highlights how leading organizations are leveraging AI to unlock real-time insights, streamline operations and improve decision making." The report also reveals that "mature AI adopters are improving finance performance by optimizing four key processes: financial planning and analysis, order-to-cash, procure-to-pay and record-to-report.

The IBM research reveals how the most successful finance organizations are tapping AI to transform operations – and seeing where their efforts will deliver the greatest value. For example, says the report:

- **AI improves operational metrics.** "The adoption of AI has a significant positive impact on finance KPIs. For example, mature AI adopters complete the annual budget cycle 33% faster and cut annual accounts payable costs per invoice by 25%.
- **Mature AI adopters do more with their money.** "They have lowered the total cost of finance as a percent of revenue by 16% and redeployed 30% of their FTEs to more value-added activities, such as scenario planning and strategic budgeting.

It notes, however, that the need for a robust data infrastructure – and the alignment of new AI solutions with existing systems – can slow adoption. "As a result, the portion of organizations that are operating or optimizing traditional AI across finance function ranges from 20% to 30% – and that figure is even lower for generative AI."

Furthermore, the report says, "concerns around regulatory compliance, cybersecurity and the privacy and security of financial data give CFOs pause. They are also worried about the accuracy and reliability of AI applications, especially in regard to high-stakes financial decision-making processes. It's a lot to navigate."

Looking ahead, "more than four in five CFOs say it's important to adopt traditional AI in financial planning and analysis (84%) and procure-to-pay (83%). Similarly, 81% and 78% say it's important to adopt gen AI in procure-to-pay and order-to-cash, respectively. This widespread intent to broaden AI adoption underscores CFOs' growing recognition that AI tools can revolutionize finance operations – and that urgent action is needed to stay ahead of the curve."

According to the report, "as artificial intelligence reshapes the financial landscape, CFOs are being called to move beyond automation and take a leading role in enterprise-wide transformation. The survey results highlighted three key strategies financial leaders can implement now to unlock greater impact from AI investments."

1. **Build a strategic blueprint for AI-driven finance.** "CFOs should take a holistic approach to AI by embedding it within a broader transformation strategy. That means aligning AI initiatives with cloud infrastructure, application modernization and enterprise data strategies. Rather

than focusing solely on automating routine processes, finance leaders are encouraged to identify high-value opportunities that improve forecasting, decision making, and real-time insights. Emphasizing predictive modeling and integrated data will be essential for generating lasting value.”

2. **Accelerate innovation through agile experimentation.** “To stay competitive, finance leaders must foster a culture of rapid AI experimentation. This involves working closely with data scientists and AI experts to test and refine tools quickly. Deploying user-friendly, shared platforms can help democratize access to AI across finance teams. By piloting solutions in targeted areas and assessing both value and scalability, CFOs can ensure smarter investments and smoother rollouts. Collaboration across departments is key to eliminating operational silos and driving innovation at speed.”
3. **Deploy AI with precision and purpose.** “Effective AI deployment requires more than implementation – it demands adaptability. CFOs are advised to focus on self-learning, adaptive AI systems that can evolve with market and business conditions. Embedding feedback loops and automated optimization into the implementation process will help ensure long-term relevance. Equally critical is investment in strong AI governance, ethics frameworks, and a culture that embraces data-driven decision making across the finance function.”

As AI transforms and streamlines the finance landscape, says the report, “a data-centric culture is fast becoming a necessity. With the right approach, CFOs can move AI from a supporting tool to a strategic asset – driving performance, resilience and growth in a rapidly evolving financial landscape.”

Get the report at [Industries in the AI era](#).