

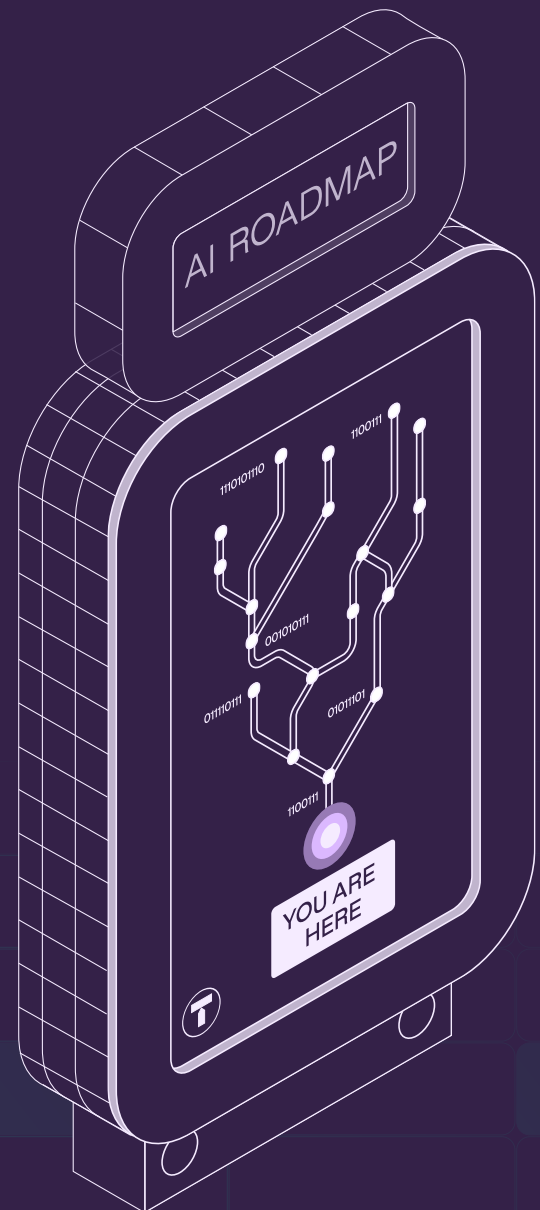
CFOs as **AI Champion:** Chart Your Organization's Ascent To GenAI Impact

For most finance leaders, the inevitability of AI adoption within their business is without question. How to do it safely and effectively is less clear.

Just because Generative AI is now broadly available doesn't mean business leaders fully understand it, nor are their organizations necessarily ready for it.

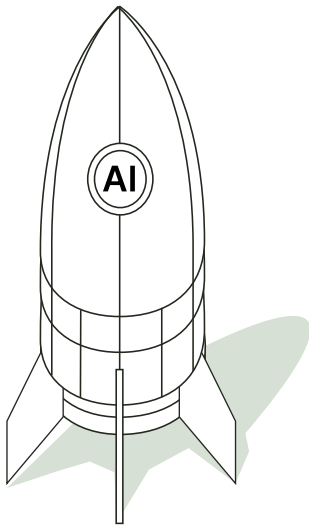
In this executive brief, you will learn some fundamentals about AI and how to determine your organization's readiness as you navigate the path to maximizing GenAI's impact while optimizing spend and minimizing risk.

Armed with Trullion's roadmap for GenAI adoption and maturity, enterprise finance leaders will learn how to approach GenAI adoption, how to ready their organization, and how to set an example for other business leaders as AI Champions.



AI Adoption: Not “If” But “When”

Rooted further back in history than the invention of the World Wide Web, Artificial Intelligence – a staple in computer science since the 1950s – has generated tremendous value for businesses across an expanse of applications. Who hasn't



been awestruck by the speed and accuracy of Google's search functionality or the Netflix recommendation engine? However, until about two years ago, only a few organizations (i.e. tech giants) captured that immense value at scale.

With the explosion of Generative AI (GenAI) applications and foundation models, the calculus of AI has since changed. Computer Science experts suggest, and business leaders broadly agree, that we are in the early months of a cycle that will transform our lives and economy at levels not seen since the microchip and the internet. In a few short months, companies across industries have begun testing GenAI, exploring new ways to make their workforces more productive, communicate with customers, and improve financial forecasting.

Many CFOs are bullish on AI's potential to transform their organizations. Ernst

“In the next 12 months, 43% of U.S. companies with at least \$1 billion in annual revenue expect to invest at least \$100 million in generative AI.”

Wall Street Journal, March 2024

Teunissen, former CFO of Tripadvisor, recently told us, “AI presents a significant opportunity to automate large parts of financial functions, reducing costs, minimizing error rates, and enhancing quality. Who doesn't appreciate lower costs and improved quality?”

It sounds simple, but, of course, the answer is more complex.

Key AI Terms & Definitions

Introductory

Generative AI (GenAI)

Algorithms (such as ChatGPT) that can be used to create new content, including audio, code, images, text, simulations, and videos.

Foundation Models

Pre-trained AI models serve as starting points for specialized models. Trained on diverse data, they learn patterns and can be fine-tuned. In finance, they expedite AI solution development, enhancing efficiency and decision-making in tasks like risk analysis and portfolio optimization.

Natural Language Processing (NLP)

The area of AI tasked with understanding, interpreting and generating human language. In finance, NLP aids in sentiment analysis of financial news, powers document intelligence and develops chatbots for enhanced customer service.

Optical Character Recognition (OCR)

Tech extracting text from images or scanned docs. In finance, automates data extraction from invoices, receipts, and financial docs, streamlining processes.

Advanced

Retrieval Augmented Generation (RAG)

RAG integrates semantic retrieval with text generation, improving content accuracy and richness by accessing relevant documents like Wikipedia for context. It's adaptable to dynamic environments, benefiting finance professionals with efficient access to up-to-date information.

Generative Pre-trained Transformer (GPT)

GPT predicts text sequences, mimicking human writing. Trained on extensive data, it generates content, translates languages, and summarizes documents, offering versatility for finance tasks like summarization and report generation.



Amir Boldo

Co-founder & CPO, Trullion

Why Now?

Business functions like software development, customer service, or marketing may have embraced AI with less reluctance than finance professionals, but now is their time.

Currently, two significant macro events are driving the need for AI implementation in finance. First, traditional roles like CPAs are facing a decline in interest due to the arduous and highly concentrated nature of audit work, coupled with relatively modest compensation. Consequently, there's a noticeable scarcity of talent in this field.

The second macro event at play is a growing demand for enhanced efficiency and accelerated processes, propelled by the expectation of leveraging advanced technologies to achieve superior outcomes within shorter time frames. When you have both of these variables, CFOs and finance leaders need to embrace AI to automate manual processes with a smaller labor pool and become more efficient with their existing teams.

The State of AI in Finance: High Interest, Slow Investment

According to a 2024 report by KPMG, AI is transforming financial reporting worldwide, with nearly three-quarters of businesses already using it and expected to reach 99% adoption in the next three years. GenAI is expected to revolutionize finance by automating tedious tasks, improving productivity with better information organization, and speeding up processes to shorten reporting cycles, and drive innovation.

CFOs expected the biggest opportunities to be found in cash flow forecasting (23.7%), scenario planning (21.1%), expense reporting (18.1%), and financial controls

6.6%

of enterprises have implemented GenAI within finance and accounting functions

Deloitte, May 2024

management (14.1%), according to a 2024 Deloitte poll.

Teunissen anticipates seeing AI bring the most value through streamlining reporting, facilitating analysis, and enhancing control and fraud detection. However, he also recognizes Finance hasn't been an early adopter of AI within most organizations.

Slow and Steady?

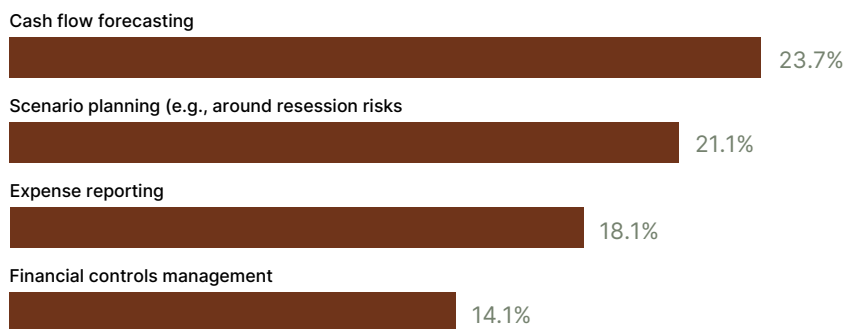
The numbers confirm finance executives are still wading in slowly. Only 6.6% of organizations are currently implementing GenAI for finance and accounting purposes, and less than a third (27.8%) have immediate plans to adopt the technology.

CFOs still figuring out their take on AI should keep in mind that the continuing market downturn is pushing companies to cut costs and protect margins, making AI a go-to for doing more with less.

Plus, the competition for data scientists is tough, making hiring a challenge, especially in hard-to-fill areas like accounting.

Where do you think is the biggest opportunity for Generative AI use within your organization's finance and accounting function in the next 12 months?

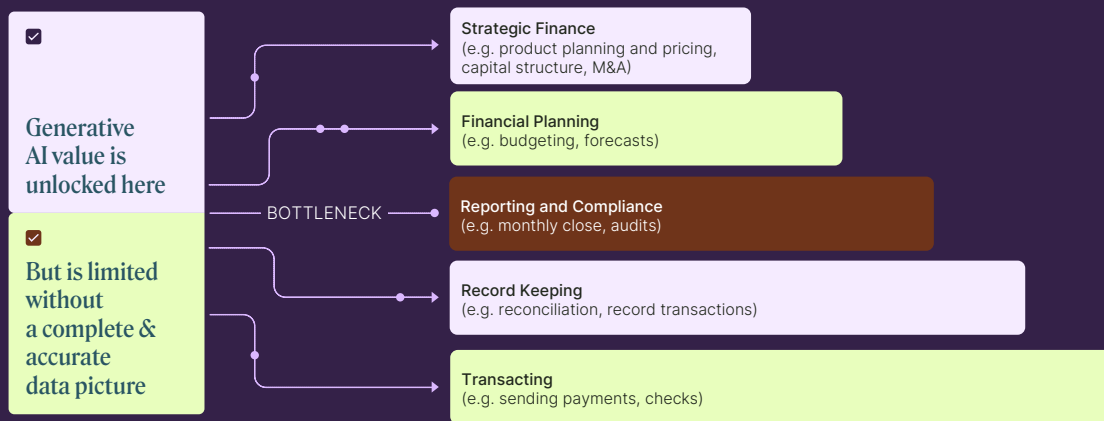
Votes received: 2,192 C-suite and other executives



Don't know / not applicable = 23%

Source: Deloitte

Investments in OCR today, will pay off through GenAI tomorrow



With as much as 60% of data sitting outside of an organization's ERP, Reporting & Compliance can create a bottleneck for CFOs trying to unlock the value of GenAI. This offers a significant opportunity to drive efficiency and cost savings through Data Extraction.

From Lagging to AI Champion

The role of CFO has been evolving during this transformational time and while other business functions have been early adopters of AI, CFOs have a unique opportunity to lean in right now.

"Finance executives have become more tech-aware," said Shlomo Agishtein, Head of AI at Trullion. "With AI, as their teams transition from an execution role to a validation role in their current workflows, greater strategic initiatives will become feasible. This will drive long-term team value, accentuating the performance gap for those who are nimble AI adopters."

There are three critical reasons in addition to the macroeconomic factors providing opportunities for CFOs to play a bigger role in their organizations' AI adoption efforts.

First, early adopters will help to gain a competitive advantage for their

organizations. Those who develop an AI strategy and begin to not just explore, but pilot, implement, and test projects, are very likely to see those early bets pay off sooner, even in the form of lessons learned and iterative improvements. Early investments today, build a path to the GenAI of tomorrow.

Second, CFOs are expected to be not only stewards of the finance department but also strategic catalysts of company growth. By setting a strong example for AI adoption, CFOs will be responsible for driving gains as well as optimizing efficiencies across the company.

Finally, CFOs at the forefront of calculating AI's return on investment (ROI) set an impressive example. As companies struggle to define and track AI's value in these early days, who better than the CFO to develop the high standards for this critical formula?

Jason Pikoos, Managing Partner & AI Leader at the Connor Group, a leading professional services firm specializing in accounting and finance, confirms that there is no better time than now. "Early adopters who begin integrating AI now will have a significant advantage. Those hesitant risk getting left behind," he says.

Unlocking Value

The two main AI applications driving value for finance and accounting include Natural Language Processing (NLP) / Data Extraction and GenAI – with dozens of use cases across the financial services value chain.

For highly transactional tasks, like sending payments, record keeping or even reporting and compliance, data extraction drives our ability to automate repetitive tasks, saving time, reducing cost, and ensuring accuracy, at scale. Reporting and compliance result in particularly high amounts of unstructured data, from sub-ledger to compliance processes, offering notable savings opportunities. For more strategic or predictive functions, like financial planning, product pricing, or M&A, GenAI gives CFOs the ability to conduct complex scenario planning, deep research, and analysis.

The ability to make queries across a company's vast amounts of data, combined with third-party sources can drive immediate transparency and access to an immensely powerful knowledge base. Because Google has codified the internet, we have answers to any question we can imagine. Similarly, GenAI turns a company's data into a goldmine.

"Early adopters who begin integrating AI now will have a significant advantage. Those hesitant risk getting left behind."

Jason Pikoos
Managing Partner & AI Leader
Connor Group

Mastering Four Dimensions

The path to value with GenAI isn't a simple one and there isn't yet a proven playbook. However, the belief is that investments made in data, strategy, systems, and teams will set a strong foundation for the future.

Organizations must build capabilities across those four dimensions in order to successfully reap the benefits of their GenAI investments.

Dimension #1: Data

As much as 60% of an organization's financial data lives outside of their ERP (from invoices to budgets, to tax records, and more). Significant internal transformation must be done to achieve the value GenAI promises.

According to Deloitte, data, which is the main input for GenAI models, is the single greatest pain point for respondents. Nearly one-quarter (24.4%) of polled executives say that enhancements to data quality would improve their trust levels in GenAI tools.

"With AI, there's concern among business leaders about security and other people getting access to their company's data," says Isaac Heller, CEO of Trullion. "But, the truth is, companies don't even have consolidated access to their own data. Without that, GenAI doesn't work." CFOs and their teams will need to build

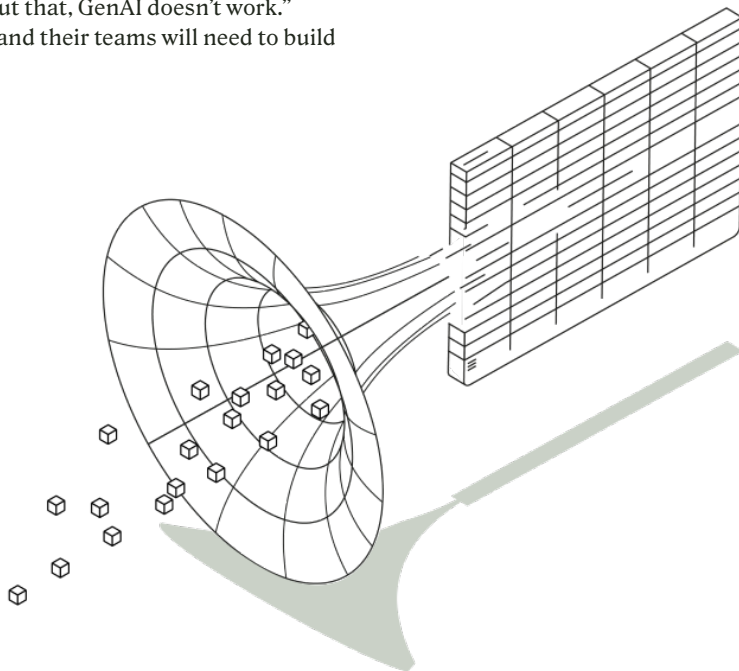
a data strategy, ensuring data integrity, availability, and quality. For instance, Optical Character Recognition (OCR) is a technology that extracts text from images or scanned documents. This allows a finance team to automate data extraction from invoices, receipts, or other financial documents to streamline processes. By digitizing this data, it can then be added to an organization's codified data set.

"Investing in data extraction within reporting and compliance, helps CFOs digitize and build data accessibility for a critical bottleneck," says Heller. "Enterprise leaders can start their journey with focused AI use cases that drive cost savings and compliance while getting a head start on the GenAI future."

Dimension #2: Strategy

CFOs can (and probably should) begin to experiment with AI before setting a robust strategy to test, learn, and iterate, but early efforts may not bear much fruit.

These early learnings, however, will inform finance executives' thinking. The Deloitte poll showed that although the majority of finance and accounting functions do not yet have a GenAI strategy today (63.2%)



TRULLION'S TAKE



Shlomo Agishtein
Head of AI,
Trullion

Diving In

Many SaaS solutions exist today that allow for quick adoption of AI to jump-start your journey. When considering what to implement, I recommend leaders optimize across three criteria. Ask yourself the following questions and weigh the criteria that best meet your organization's priorities:

- 1. Operational efficiency:** which pain point can you remove to best optimize efficiency?
- 2. Margin for error:** where can you start safely while the tech is maturing to minimize the chance of catastrophic errors?
- 3. Ease of implementation:** where can you deploy quickly to test and see how well it's doing and iterate with speed?

AI creates a prime opportunity for domain experts and IT leaders to collaborate. Implementing AI is typically driven by the business but there needs to be a technical, data, and systems expert involved as well. We recommend a dual accountability model.

GenAI Maturity Dimensions

	Data Strategy, availability, quality	Strategy Roadmap, alignment, buy-in	Systems Infrastructure, architecture, QC, testing	Team Skills, leadership, support
LEVEL 1	Fragmented data strategy; no data catalog; siloed filing systems; low data shareability; poor data quality	No GenAI roadmap; ad hoc projects or experiments kicking off; little executive buy-in / awareness	Elementary or outdated legacy IT infrastructure, architecture & protocols; no cloud strategy	Early AI exploration; risk-averse / FOMO; few technical skills; no training plans established; no AI leader or external GenAI consulting support
LEVEL 2	Data strategy & catalog built; understanding of data formats by task; clean, shareable data sets; data digitized for GenAI use cases	Key needs and pain points mapped; GenAI roadmap taking shape; executive sponsors IDed; benchmarks defined	Limited IT infrastructure; intermediate cloud strategy (some on-prem); sandboxing	Cross-functional alignment b/t business and IT (dual accountability); training plan developed; temp consultants engaged; dedicated AI leader IDed
LEVEL 3	Unified view; mature data strategy & processes for portability, security and shareability; knowledge graph (bonus)	Initial round of GenAI project deployed & tested; 12-month GenAI roadmap w/ contingency; dedicated executive sponsors; expert partners	SOTA IT infrastructure; API-first architecture; full cloud integration; interactive testing framework; flexible security framework	Advanced technical & GenAI specific skills; leadership commitment to people development; tested deployment process

there are those that are ahead of the curve about 14.5% do have a strategy in place and almost a quarter (24.2%) are in the process of building one within the next 12 months.

Wondering where to start? Deeply understanding your organization’s pain and needs will serve as the foundation of your GenAI roadmap.

Initially, consider simply identifying your team’s pain points and mapping your current processes. It’s important to know where your team spends a lot of time today. What takes up the most time or causes the most frustration? What questions do you wish you could answer, but can’t today? Why not?

Trullion recommends considering the following and optimizing the most important dimensions – efficiency, margin

of error, and ease of implementation (see sidebar on page 4).

Dimension #3: Systems

Charting a path to effectively implementing GenAI is a good time to consider upgrades and investments in an advanced tech stack.

“You don’t have to have super computers or the most cutting edge technology, but you do want to think about a modernization plan and ensuring that everything from your operating systems to data storage solutions to networking and security are all primed to support a GenAI environment,” says Agishtein. “Outdated, legacy tech is such a barrier to innovation. Upgrading to support GenAI requirements should be part of any AI strategy.”

When investing in AI, testing is a critical component that would be a mistake to

overlook. A testing process will help CFOs understand the ROI of their AI solutions – human vs AI speed and error rates on given data sets.

For example, invoice abstraction is a task humans have been doing. Test performance by giving them a large dataset and tracking things like time and error rates. Then, when you implement an AI solution you can immediately see if there were gains or not. “There can be a lot of emotion involved with AI, because of FOMO or fear of failure,” Agishtein says. “Testing takes the emotion out of it.”

Dimension #4: Team

Education is critical for internal teams looking to get up to speed on AI. CFOs and enterprise leaders need to play a role in AI adoption as well as education and skill development for their teams.

TRULLION'S TAKE



Isaac Heller
Co-founder & CEO,
Trullion

Finding ROI

Determining an ROI on AI's value can be difficult, and upfront investments can seem massive without a guaranteed payoff. A good entry point is OCR and document abstraction because there is typically a significant cost-savings use case. Rather than having five people extracting data, automation can allow them to reallocate that time to higher-value tasks.

Trullion clients have seen ROI by using AI in their ledger and closing processes. This cuts down the time it takes to wrap things up, meaning our team gets more room to focus on the big-picture tasks. Plus, when using OCR and document extraction alongside reconciliation, we uncover all sorts of savings. We catch maverick payments, those wild ones that don't fit the norm, and shadow payments, which are just plain wrong. Finding and fixing these errors not only keeps finances in check but also saves some serious cash.

These AI tools don't just make things run smoother—they also keep our finances healthy and our eyes on the prize.

As programs mature, they will define an AI-focused training path. We recommend selecting training programs focusing on building AI intuition and technical know-how rather than learning how to use a specific toolset. The technology and tools will change, but the broad skills needed to understand them will be more applicable over time.

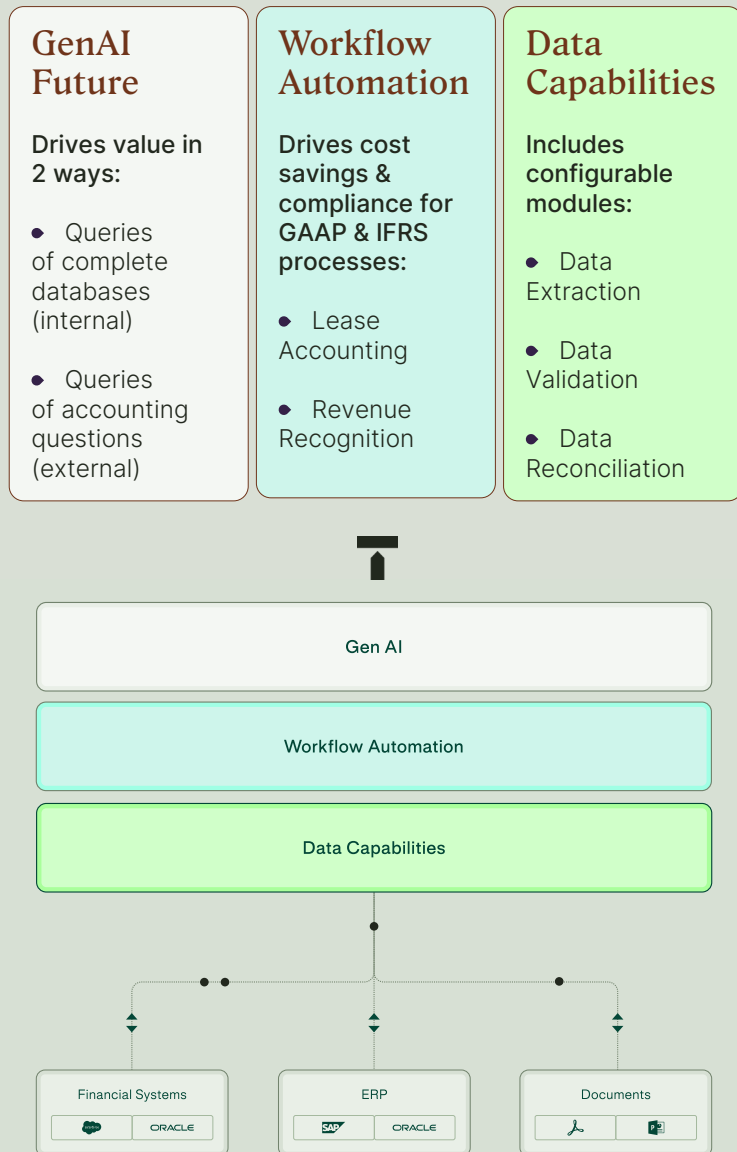
Finally, as organizations mature they will bring on dedicated professionals with deep technical and AI expertise to lead their GenAI roadmap deployment and to help scale successfully. Ideally, this person would have the skillset to build a

solution themselves, which will make them extremely valuable when choosing tech partners and vendors.

Conclusion

CFOs still have an exciting opportunity to lead from the front when it comes to this technological revolution, finding enormous efficiencies and growth opportunities while they do it. If driving game-changing value from GenAI is the goal, the path to the win-win is clear. The time is now to turn your pain point into a cost-saving opportunity through data extraction while building your GenAI digital dataset.

Invest Today for the GenAI of Tomorrow





AI Meets Accounting

AI has catalyzed a shift in the accounting paradigm. Workflows reinvented, priorities realigned, time reallocated. With Trullion's AI-powered platform, finance, accounting, and audit teams find unprecedented time savings, unparalleled growth opportunities, and flawless financial oversight. Trullion's platform enables enterprises to start their journey with focused AI use cases that drive cost savings & compliance, while getting a head start on the GenAI future.

For more information



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