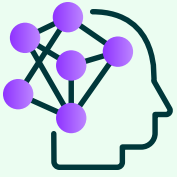


Generative AI and the Office of the CFO





The arrival of Generative AI represents a critical turning point for the finance sector, signaling the beginning of a new era characterized by unprecedented potential for innovation and efficiency.

This cutting-edge technology, capable of analyzing vast amounts of data to generate insights and automate complex processes, is reshaping how financial operations are conducted, strategies are formulated, and decisions are made.

To dig deeper into the transformative power that Generative AI has to offer, Billtrust commissioned a survey of 375 Chief Financial Officers (CFOs) across a variety of sectors. The following report delves deep into the adoption patterns, challenges, and the anticipated impact of Generative AI on financial management and the organizations they are guiding. By examining these findings, we aim to offer a detailed perspective on the profound ways Generative AI is impacting the office of the CFO today and how it will continue to transform the financial sector, in months and years ahead.



Adoption and understanding

A significant 65% of CFOs we surveyed are actively integrating Generative AI into their strategy – a notable jump from the 42% who told [Deloitte](#) in the third quarter of 2023 that they were experimenting with Generative AI and 15% were building it into their strategy.

Billtrust survey
Q1 2024



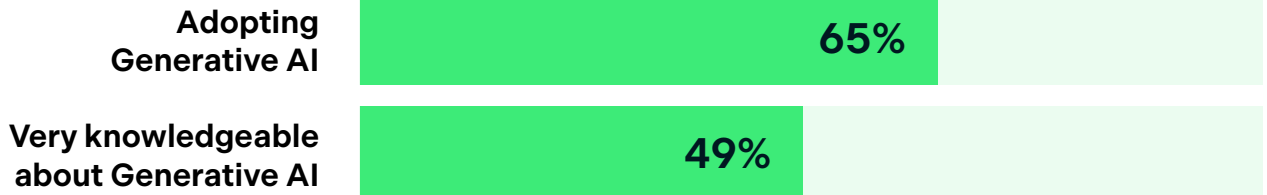
Deloitte survey
Q3 2023



 **Actively integrating or building Generative AI into strategy**

 **Experimenting with Generative AI**

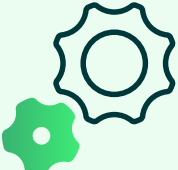
This suggests hype is turning into reality as teams seek out more strategic decision-making, operational efficiencies, and predictive analytics to bolster their operations. However, a closer examination reveals an interesting disparity: while a majority are adopting Generative AI, less than half (49%) of CFOs claim to be “very knowledgeable” about these technologies. This gap between adoption and deep understanding signals an urgent need for targeted educational efforts to fully unlock Generative AI’s potential.



In fact, more than a third – 34% – admitted to believing it will take the next generation of finance leaders to fully scale the implementation of Generative AI in finance. This gap highlights crucial concerns regarding the preparedness of finance teams to tackle Generative AI’s intricacies and its impact on strategic choices. The disparity between implementation and understanding could lead to the underutilization of Generative AI, causing businesses to miss out on opportunities, or worse, feel the negative impact of misusing the technology. ([McKinsey & Company](#) recently wrote about concerns that Generative AI systems could produce inaccurate or misleading information, a phenomenon known as “hallucination.”)

Addressing this gap becomes crucial, as deeper insights and familiarity with Generative AI are key to transforming financial strategies and operations effectively.

Where Generative AI is being used today to guide, recommend, or personalize actions or insights



77%

Financial transaction processing



65%

Risk assessment and management



59%

Financial reporting and analytics



44%

Accounts receivable and collections



39%

Expense and deductions management



37%

Invoicing and billing



37%

Payment reconciliation



36%

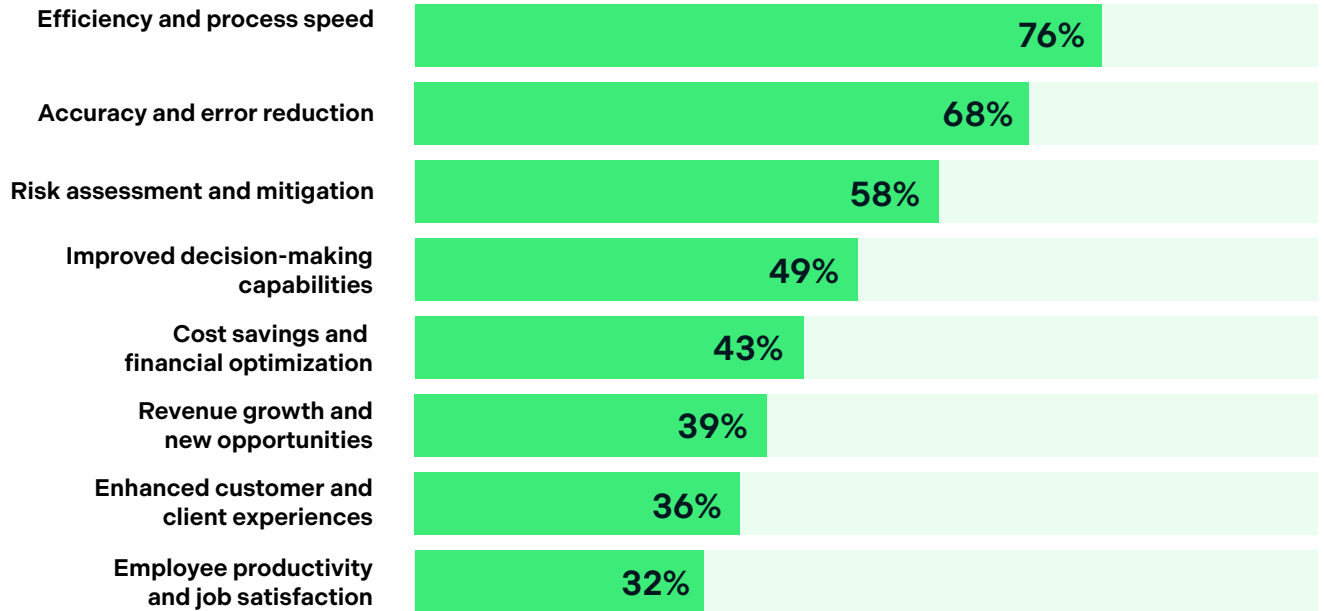
Cash flow management



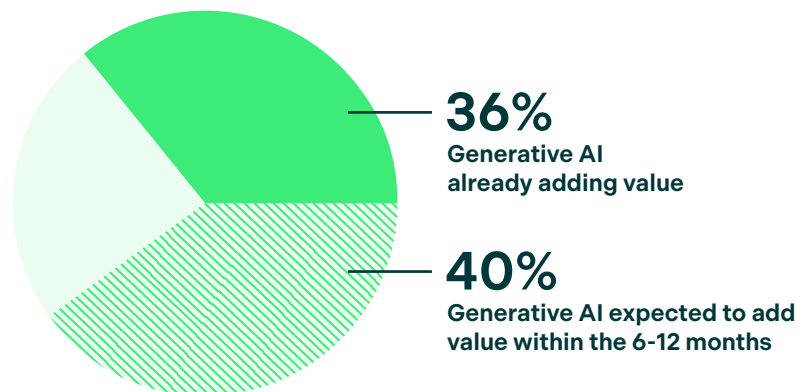
Strategic implementation and performance impact

So where exactly is Generative AI being implemented to guide, recommend, or personalize actions or insights? Currently, 77% of finance professionals indicate financial transaction processing, reinforcing its critical role in the pursuit of faster payments. Risk assessment and management is also seeing a high adoption rate at 65%, showcasing the technology's ability to enhance decision-making and mitigate risks. Financial reporting and analytics follow closely, with 59% of professionals leveraging AI to gain deeper insights and improve accuracy in their reports. Other areas witnessing the integration of Generative AI include accounts receivable and collections (44%), expense and deductions management (39%), invoicing and billing (37%), payment reconciliation (37%), and cash flow management (36%). This adoption across various financial operations highlights Generative AI's growing importance in enhancing efficiency, accuracy, and strategic insight within the finance sector.

Notably, 49% of users have experienced improvements in decision-making capabilities, while over three-quarters (76%) have noted significant gains in efficiency and process speed. These statistics not only spotlight the technology’s role in amplifying strategic insights but also its effectiveness in streamlining workflows and procedures.



The impact of Generative AI is also directly influencing revenue growth—a key area of focus for CFOs and finance teams. 36% of CFOs say Generative AI is already adding value and impacting their revenue streams with an additional 40% expecting it to do so within the next year. With this in mind, it’s not surprising to see a strategic commitment to increase investment in Generative AI technologies, with 77% of CEOs saying their organization is likely to invest more in it for financial operations in the next 6-12 months.



Navigating challenges

CFOs aiming to harness the extensive capabilities of Generative AI must navigate the challenges of integrating it into finance operations. The survey underscores three primary hurdles that finance leaders encounter as they adopt AI.

A top challenge is addressing data privacy and security concerns, with a significant portion of finance leaders recognizing the critical need to safeguard sensitive financial data. In the AI-driven environment, prioritizing the implementation of robust security measures is essential to safeguard this information. This challenge underscores the necessity of striking a delicate balance between innovation and maintaining data integrity, while adhering to regulatory standards.

Another is integrating Generative AI into finance teams' existing systems, another complex hurdle cited by CFOs. This isn't only an issue for CFOs. It's something that's stumped executives across a myriad of departments. Indeed, it's a daunting task that requires businesses to start small, i.e. not to try too much at once.

In many ways, it's akin to the proliferation of B2B portals in finance. Just as integrating generative AI requires strategic planning and technical agility, adapting to the growing presence of B2B portals demands similar considerations to optimize interoperability and maximize efficiency. Furthermore, both initiatives underscore the importance of embracing innovation while ensuring seamless integration to unlock their full potential in enhancing financial operations.

Lastly, CFOs cited a lack of understanding/knowledge about Generative AI as another critical barrier. This is wholly unsurprising, given what our report uncovered about CFOs counting on the next generation to fully implement it. Deloitte's [2023 Q3 Signals Survey](#) unveiled similar concerns, with nearly two-thirds (63%) of all respondents saying talent resources and capabilities were their biggest barrier in this area.

But this challenge extends beyond CFOs to their broader finance teams, emphasizing the need for a deeper understanding of Generative AI's capabilities and its application in enhancing financial operations. Addressing this issue is paramount for creating an environment where finance professionals are not merely aware of AI's potential but are adeptly equipped to harness its benefits effectively.

Key Generative AI challenges for CFOs



Data privacy
and security concerns



Integrating into
existing systems

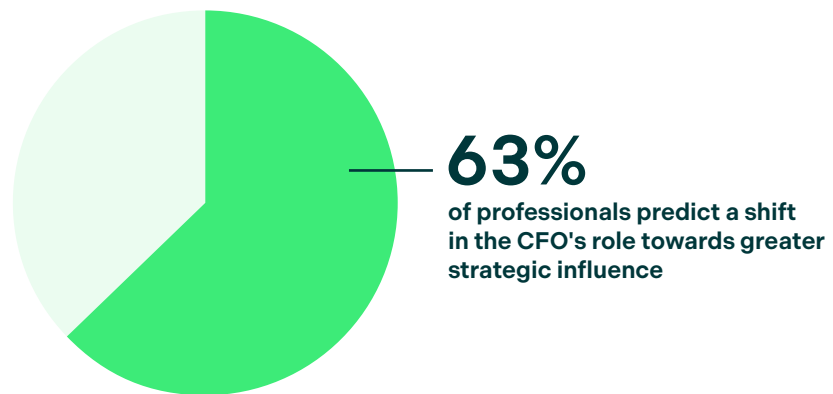


Lack of understanding
or knowledge

Implications for CFOs, finance teams, and businesses

The impact of Generative AI on strategic financial decision-making is undeniable, with 29% of surveyed CFOs and finance teams reporting a significant influence, and an additional 43% observing a moderate impact.

With 63% of professionals predicting a shift in the CFO's role towards greater strategic influence, it's evident that Generative AI is the catalyst for this evolution. This technology's capacity to automate complex analyses and model financial scenarios with unprecedented precision is beginning to free CFOs and their teams from the confines of manual tasks. Instead, it's empowering them to focus on strategic planning and forward-thinking initiatives—areas where human insight and creativity are irreplaceable.



The message is clear: Generative AI is beginning to redefine roles, expectations, and the very nature of strategic financial decision-making. This shift is a clarion call for finance professionals to embrace AI, not just as a technological tool, but as a strategic partner in navigating the complexities of the modern financial world.



Conclusion: the strategic imperative of Generative AI

While its transformative impact is already being felt, the report findings underscore the fact that organizations and their leaders have a learning curve ahead of them when it comes to truly understanding how to implement this technology and the implications of doing so.

But for those that take a strategic approach, it appears that Generative AI will become a key ally in helping organizations navigate through periods of economic uncertainty, as well as a crucial component of overall financial health.



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