

AI IN BUSINESS

Real-time Insights - Artificial Intelligence in the Finance Office

Detecting patterns and anomalies for strategic orientation and optimum decision making in Continuous Accounting

Use intelligent machines
“to carry out financial tasks”

Organizations determine financial goals through three steps; budgeting, planning and forecasting. These are intensive, time consuming and divert critical resources from strategic thinking. AI attempts to influence this cycle.

Observations

- Key driver data lies outside the “usual” systems;
- Touch points need to be in near real-time
- Innovation proves AI adoption increase accuracy
- Manual solutions can't timely capture complexities.

Understanding

- Today's world is driven by customer demand
- Patterns vary making accurate forecasts difficult
- Aim to reduce uncertainty and provide performance benchmarks

Why Artificial Intelligence

The objective of using Artificial intelligence (AI) is:

- To better streamline financial managerial tasks
- To increase the accuracy of forecasting with quantitative predictions
- To create self-improving systems to reduce errors
- To more effectively automate the process; targeting speed, flexibility and agility
 - Enhance accuracy and the bottom line
 - Deliver real-time insights, and inform decision making

As AI becomes mainstream, forecasts and models will become near real-time and accurately predictive. However forecasting is an estimation of future outcomes using data can be problematic due to compilation time and historic nature.

This often prevents data in “real time” when “speed critical” decisions are required



The idea of **Continuous Accounting**

"An approach to managing cycles, that is key to achieving a more strategic function. It is designed to be practical and address the tactical issues that prevent a strategic outlook."

Principles

- ~ Automation of repetitive processes in a continuous, end-to-end fashion
- ~ Optimizing the accounting calendar
- ~ Creating a culture of continuous improvement

Areas of Benefit from AI

AI better captures dynamic complexities in a timely fashion, effectively automating planning processes, increasing speed, flexibility and agility.

AI is better able to streamline managerial tasks.

AI increases prediction accuracy and reduces errors.

AI using ML algorithms self-improve over time.

- Streamline reconciliation
- Centralize intracompany and LOBs
- Controls and close orchestration
- Continuous accounting
- Continuous planning and forecasting
- Robotic process automation
- Retain, retrain and re-allocate talent
- Institute process benchmarking
- Improved Shared Service Center efficiency
- Cloud computing

Blueprint - Steps

- Analyze current state
- Design future state
- Automate and optimize processes
- Monitor metrics and results
- Review outcomes and controls
- Improve continuously

Lifecycles are time consuming and resource intensive. Leaders need to focus more of strategy and less on activity

Impact on Accounting Lifecycle

Outcomes

- A shift towards perpetual, scenario based models
- The elimination of ceaseless manual processes; thus increasing efficiency
- Automating routine decisions and reports
- Supplementing process with AI machine support
- Risk management a fraud detection through anomaly detection and adaptive learning
- Enhanced dashboards
- Improved forecasting and reporting
- Advanced scenario analysis

Program

We uncomplicate AI

We help leaders identify their AI opportunities and we bring them to life.

- ~ Change governance
- ~ Current state analysis
- ~ Future state design
- ~ Transition planning

Design

We assess and develop

We consider the business problem, and build awareness.

- ~ New services
- ~ Existing services
- ~ Automation
- ~ Predictive analytics

Create

We deploy tactically

We develop proof(s) of concept, and systems that bring ideas to life.

- ~ Understand
- ~ Diverge - sketch - decide
- ~ Prototype
- ~ Validate

Embed

We create lasting value

Embed new working methods, and develop better analytics.

- ~ Operational transition
- ~ Center of Excellence
- ~ Long term viability
- ~ Knowledge & education

How can FirstAlign help?

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