Building an AI in finance strategy

A business leader's guide to unlocking AI's potential in finance

(AND MAKING FINANCE THE CATALYST FOR CROSS-COMPANY AI INNOVATION)

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Contents

Why AI needs a strategy for finance

Every day seems to bring a new AI tool, each promising to make businesses sharper, more competitive, and endlessly innovative. With so many AI tools flooding the market, businesses are left wondering how they can cut through the noise and find AI solutions that offers more than just flashy tricks.

In Australia, the stakes are especially high. The Senate's recent AI adoption committee aims to clarify the opportunities and challenges ahead, while Google predicts AI could add nearly $300 billion to the Australian economy by 2030.

For companies that nail their AI strategy, the advantages could be huge.

And the department set to receive the most immediate benefits from this fast-evolving technology is finance. It can take on repetitive tasks, such as data reconciliation and invoice processing. Or automation can be put to work streamlining clunky processes. Real-time analytics can deliver actionable insights right into the hands on those who need it, with startling immediacy.

There is little doubt that AI will dramatically change the finance function – taking the team from simply recording numbers to guiding business decisions.

For business leaders, AI-led initiatives in finance can serve as a powerful example for the entire organisation. By embedding AI strategically within finance, you can demonstrate AI's practical, measurable and powerful impact - creating fertile ground for other departments to explore AI's potential and drive a cross-company culture of AI-driven innovation.

But capturing the real value for finance requires more than just simply adopting the latest tools. A well-planned AI strategy, aligned with specific business goals and adaptable to regulatory shifts, can help companies build a powerful AI foundation that scales and thrives.

And that's what this eBook sets out to help you do. You'll find real-world examples, key areas of impact, guidance on aligning AI initiatives with business goals, and strategies to build a flexible, resilient AI foundation for your organisation's finance function.

Let's unlock AI's full potential for your team!

What an AI strategy looks like

Creating an AI strategy might seem intimidating, but it doesn't have to be. AI strategies are not one-size-fits-all. The depth and complexity of your AI strategy will vary depending on your organisation's size, industry, and goals.

> For large enterprises, this might mean a detailed, multi-year document that spans everything from data governance to implementation roadmaps, often requiring external consultants for support.

> In contrast, small or mid-market organisations may benefit from a more streamlined, focused strategy that clearly outlines the essentials in an actionable format.

THE PURPOSE OF AN AI STRATEGY

Your AI strategy should provide clear, practical guidance tailored to your finance team's specific needs - and, in some cases, the broader organisation. Regardless of its length or level of detail, a well-crafted AI strategy serves as a roadmap for identifying opportunities, setting priorities, and making informed decisions about where and how to integrate AI in a way that aligns with your business goals.

Overhaul or enhance? Choosing your path to AI-ready finance tools

Many modern software solutions now come with embedded AI capabilities, and in some cases, the tools finance departments need may already be within their existing systems.

According to a Start Smart report, **56% of Australian companies** are primarily leveraging AI tools embedded within their current applications.

However, **34% of surveyed companies** expressed intentions to develop their own AI applications, aiming to further tailor AI's benefits to their specific business processes[1].

But, for AI to be truly effective, finance teams need high-quality, well-organised data to power it.

Without clean, secure, and structured data, even the most sophisticated AI tools will fall short. When data flows seamlessly and securely across the organisation, AI-powered assistants like bots and machine learning algorithms can operate reliably, while advisory tools such as financial planning systems can deliver far more meaningful insights.

For many businesses, ensuring they have the accurate, structured data needed to support advanced AI capabilities may require upgrading to a robust, AI-enabled financial tech stack that seamlessly integrates departments and systems. Skip ahead to *Solution options for your AI-powered finance strategy* on page 16 to dive deeper into how integrated cloud ERPs, BI tools and FP&A solutions can support a streamlined, insight-rich finance function.

EVALUATING YOUR NEED FOR AN AI-READY SOLUTION

As you develop your AI strategy, assess whether your existing tools can deliver the AI capabilities you need - or if it's time to invest in a more comprehensive, AI-ready solution that integrates seamlessly with your workflows.

Key considerations for CEOs and business leaders

Involving CEOs and business leaders in AI initiatives within finance is critical for driving organisation-wide impact. By actively supporting finance's AI-driven transformations, leaders can ensure these innovations align with broader business goals, fostering a culture of data-driven, strategic growth.

Following are some key considerations for CEOs and business leaders to ensure finance-led AI initiatives deliver strategic value across the organisation.

ORGANISATIONAL CULTURE AND COMPETENCY

- **Promote AI literacy and collaboration:** Foster AI training across teams to encourage confident, AI-literate professionals who contribute to agile decision-making and inter-departmental innovation.

- **Cultivate a proactive, insight-driven mindset:** Encourage a forward-looking approach where AI enables strategic foresight rather than just historical analysis.

- **Encourage skill diversification:** Advocate for ongoing upskilling within finance, ensuring teams can leverage AI's full potential and provide valuable insights across functions.

STRATEGIC VALUE AND PRIORITISATION

- **Showcase finance as an AI leader:** Use finance's exploration of AI to set an example, inspiring other departments to adopt similar high-impact AI applications.

- **Focus on high-impact areas:** Guide finance to prioritise AI in strategic areas like revenue forecasting and risk management, aligning AI with organisational growth goals.

- **Target measurable outcomes:** Encourage finance to select AI initiatives with clear, quantifiable results, demonstrating AI's tangible value in areas like efficiency gains and cost reductions.

ADAPTABILITY AND FUTURE-PROOFING

> **Select adaptable, scalable AI tools:** Choose AI solutions that address finance's needs today and can scale for future cross-functional use.

> **Equip finance with scenario planning tools:** Support AI-driven scenario planning to prepare finance for market shifts and disruptions.

> **Promote cross-functional integration:** Ensure AI aligns across departments, enabling collaborative, data-driven decisions.

SKILL DEVELOPMENT AND WORKFORCE READINESS

> **Encourage AI as a collaborative tool:** Position AI as an enhancement to human insights, to foster balanced adoption and alleviate concerns.

> **Emphasise diverse skill sets:** Support the development of coding and data skills within finance, keeping teams adaptable to AI advancements.

> **Champion ethical transparency:** Advocate for transparent AI practices, especially in sensitive areas, to build trust and acceptance organisation-wide.

ETHICAL STANDARDS, COMPLIANCE, AND SECURITY

> **Prioritise security and compliance:** Ensure finance and IT collaborate to select AI tools that protect data and meet regulatory standards.

> **Advocate for responsible AI use:** Promote transparent, explainable AI models and robust data governance, enhancing trust in AI.

PERFORMANCE EVALUATION AND ROI

> **Assess existing tool ROI:** Collaborate with finance to determine if enhancing current tools or adopting new AI platforms provides greater strategic value.

> **Focus on quantifiable outcomes:** Emphasise results like efficiency gains or cost savings to showcase AI's organisational value.

> **Reinforce AI's role in achieving goals:** Position AI as a key player in reaching the company's strategic objectives, ensuring alignment with broader ambitions.

Understanding the AI landscape

AI has evolved into a diverse field, with each technique suited to different business needs.

GENERATIVE AI (GENAI)

Generative AI (GenAI), for instance, creates new content based on input data, making it valuable for tasks like content creation, chatbots, and simulations. However, GenAI is most effective for tasks requiring creativity rather than data-heavy applications like predictive analytics or optimisation.

> Think content generation, customer service chatbots, and interactive simulations.

MACHINE LEARNING (ML)

Machine Learning (ML), on the other hand, excels at identifying patterns, making predictions, and improving over time. It's particularly useful in structured environments with large datasets, such as predicting customer behaviour or detecting fraud, though it doesn't replace nuanced human judgment in complex situations.

> Most commonly used for predictive analytics, customer segmentation, and fraud detection.

OPTIMISATION MODELS

Optimisation models are powerful tools for solving complex decision-making problems in logistics, supply chain management, and finance. This technique, often overlooked, is essential for operational efficiency, where even small improvements in areas like transport costs or inventory management can lead to substantial gains.

> Optimisation models are used for supply chain optimisation, resource allocation, and scheduling.

SIMULATION

Finally, simulation allows organisations to model real-world scenarios, testing potential outcomes and assessing impacts without real-world risks. Simulation is crucial in high-uncertainty environments, enabling organisations to explore "what-if" scenarios - especially valuable in industries where decisions carry significant risk.

> You might find simulations put to work in scenario testing in finance, logistics, and strategic planning.

A DIVERSE APPROACH MATTERS!

> Relying on a single approach can limit what AI can do for your business. By combining various techniques - such as using machine learning (ML) for predictions and GenAI for customer interactions - businesses can create a more adaptable and resilient AI strategy.

Not all generative AI tools are created equal

Free or consumer-grade options might not have the security or capabilities that a business needs, especially when dealing with sensitive information. But not every company has to build a super-custom AI system either - whether you need that level of investment depends on what your industry requires and how competitive you want to be.

The goal is to get the right kind of AI into employees' hands, with safeguards in place and some training so they can actually make the most of it. Even using AI for small, everyday tasks - like drafting documents faster, analysing data, or writing tricky formulas in a spreadsheet - can add up to big time savings across the company.

AI-driven use cases in finance

No department stands to gain as much from AI as finance.

From predictive analytics that anticipate revenue shifts to intelligent automation that streamlines routine tasks, AI is enabling finance teams to handle complexities with unprecedented precision.

PREDICTIVE AND STRATEGIC PLANNING

AI is transforming how finance teams approach forecasting and risk.

- **Predictive analytics** for financial forecasting can anticipate revenue, cash flow, and market trends, helping finance teams better prepare for seasonal changes and optimise resources. This allows them to better plan for seasonal fluctuations and optimise inventory and resources.

- In **intelligent risk management**, AI identifies potential risks and conducts "what-if" scenarios, allowing finance teams to proactively plan for uncertainties like credit defaults or market volatility.

- **Dynamic cash flow optimisation** reallocates resources in real time based on financial data and changing conditions, helping businesses manage cash reserves more effectively. This enables finance to maintain stability by directing surplus funds to high-interest accounts or securing short-term financing when needed.

- In **supplier financing and risk assessment**, predictive models assess the stability of suppliers, alerting companies to potential risks within their supply chains. Finance teams can then be ready to make contingency plans if a key supplier's financial health declines.

DATA-DRIVEN INSIGHTS

AI provides finance teams with powerful insights drawn from data analysis.

- **Narrative reporting and automated commentary** allows AI to generate summaries and insights from financial data, freeing finance teams from the need for manual report writing and giving them more time to focus on strategic analysis.

- **Sentiment analysis** for market predictions tracks public and market sentiment across social media and news sources, helping finance teams adjust forecasts and manage risk based on changing perceptions.

- **Behavioural finance insights** monitor employee spending patterns to refine expense policies and improve budget accuracy. By identifying high-expense categories or excessive spending patterns, finance teams can make informed adjustments to expense policies.

- **Portfolio rebalancing** is also becoming AI-driven, dynamically adjusting investments to align with market trends, risk tolerance, and organisational goals. This helps ensure that portfolios remain balanced and in line with the company's financial objectives, even as market conditions shift.

PROCESS EFFICIENCY

AI is streamlining finance operations to drive efficiency and accuracy.

- Real-time **fraud detection and prevention** enables continuous monitoring of transactions, flagging unusual patterns that could indicate fraud.

- In **resource allocation, budgeting, and scenario planning**, AI can optimise budget allocation and test various scenarios, allowing finance teams to adapt quickly to economic shifts and evolving business needs.

- **Intelligent process automation** further enhances efficiency by handling routine tasks like invoicing and expense management, reducing errors and accelerating workflows. For example, AI can automatically match invoices to purchase orders, simplifying accounts payable processes freeing finance to focus on more strategic tasks.

There's no doubt AI is equipping finance teams with the tools needed to meet today's challenges and drive strategic growth. By embracing these AI-driven tools, finance departments can move from reactive to proactive strategies, taking a data-centric approach to support long-term resilience and innovation.

How ANZ companies are leveraging AI in finance right now

Many Australian and New Zealand companies are exploring AI strategies and investing in the technology to improve efficiency, innovate, and enhance customer experiences.

FINANCIAL SECURITY AND RISK MANAGEMENT

Commonwealth Bank (CBA) uses AI for real-time fraud detection, document analysis, and faster loan verification, helping improve customer service and operational efficiency. By leveraging AI in these ways, CBA enhances financial security, reduces manual processes, and enables faster access to capital[2].

Likewise, Qantas uses AI to enhance fraud detection and financial risk management across its finance operations. Leveraging real-time data analysis, AI monitors payment flows and flags anomalies, enabling the finance team to address potential fraud and maintain operational security[3].

COMPLIANCE AND PRODUCTIVITY

PwC's Global AI Factory focuses on data analysis and responsible AI use, especially in data privacy and compliance. This helps PwC drive productivity while ensuring that AI applications meet regulatory standards - a critical concern in finance[4].

Telstra leverages AI for collections and cash flow management, as well as real-time compliance monitoring through anomaly detection. By automating receivables and ensuring adherence to financial regulations, Telstra showcases how AI can improve cash flow and reduce manual compliance efforts[5].

OPERATIONAL OPTIMISATION

BHP uses AI for predictive maintenance to reduce equipment downtime and maintenance costs in mining operations. From a financial perspective, this application of AI helps optimise asset management, lowering operational costs and contributing to financial sustainability in resource-intensive industries[6].

Building your AI strategy

Most companies understand the potential for AI to significantly improve business processes. But, understanding that potential isn't the issue. The real challenge lies in deciding where to start. To build a meaningful AI strategy, companies need a clear roadmap that aligns AI applications with both immediate needs and long-term business goals.

1 START WITH FINANCE-DRIVEN OBJECTIVES

Identify the high-impact areas within finance where AI can make a measurable difference. For example, are you aiming to?

- **Improve financial forecasting accuracy** to enhance strategic planning

- **Streamline compliance monitoring** to meet evolving regulatory demands

- **Automate routine tasks** like reconciliations to free up time for analysis

By clearly defining these objectives, you'll ensure that AI projects are aligned with core financial goals, maximising both efficiency and strategic value.

2 PRIORITISE KEY FINANCE FUNCTIONS FOR AI

Consider where AI can add the most value across finance functions. A strong AI strategy targets:

- **Predictive analytics** for forecasting trends, revenues, and cash flows, which can inform proactive resource allocation.

- **Real-time risk management** and fraud detection to protect against financial threats, such as unusual transactions or credit defaults.

- **Compliance and anomaly detection** to continuously monitor for regulatory adherence, helping finance teams avoid costly fines and reputational risks.

3   EVALUATE FEASIBILITY OF EACH AI USE CASE

AI in finance depends heavily on data availability, infrastructure, and skill sets. Assess these foundational aspects for each use case:

- **Unified data access:** Ensure data from all relevant departments - such as sales, operations, and supply chain - is centralised and accessible. AI in finance thrives on a comprehensive view of the business, drawing insights from connected data streams to make more informed predictions.

- **Data availability and quality:** Confirm that your historical and real-time data is complete, accurate, and accessible. Predictive AI, for example, requires clean data to avoid skewed results.

- **System compatibility:** AI tools should integrate smoothly with existing ERP and financial systems to streamline workflows without additional complexity.

- **Resource skill alignment:** Determine whether your team has the expertise for AI implementation and operation. If not, consider upskilling or bringing in specialised roles like data scientists or machine learning engineers.

These elements will allow you to realistically gauge which AI projects are achievable within your current setup.

4   ESTABLISH STANDARDS FOR RESPONSIBLE AI

Financial data is sensitive, and implementing AI in finance requires careful consideration of ethical and responsible practices. For finance teams, this means:

- **Transparency in AI decision-making:** Use explainable AI tools that clarify how models arrive at decisions – this is essential for compliance and stakeholder trust.

- **Data privacy and security:** AI applications must meet regulatory requirements around data protection, especially when handling sensitive financial data.

- **Bias monitoring:** If developing your own AI tool, regularly audit AI systems to avoid unintentional biases, particularly in areas like credit risk assessments or investment recommendations.

Establishing these principles at the outset builds a solid foundation for AI-driven finance that upholds integrity. See *Considerations around data and responsible AI* on page 18 for more information.

5   EVALUATE VENDOR SYSTEMS AGAINST YOUR USE

Choosing the right AI tools for finance means selecting solutions that align with your specific objectives and constraints. Having already identified priority areas and use cases, it's time to evaluate potential vendors based on how well their solutions meet your needs. Look for vendors who:

- **Specialise in finance-focused AI** applications and demonstrate success in areas like compliance, risk management, or forecasting.

- **Offer seamless integration** with financial and ERP systems, ensuring the AI tools work within your existing technology stack.

- **Provide scalability** to accommodate your organisation's growth and changing data requirements over time.

6   BEGIN WITH TARGETED PILOT PROJECTS

Pilot projects offer a controlled environment to test AI's impact. Start with focused initiatives like cash flow optimisation, invoice automation, or fraud detection. Track performance metrics such as time savings, error reduction, and ROI. Piloting AI in one function allows your team to gain familiarity with the technology, measure its impact, and refine the approach. Successful pilots can serve as models for scaling AI across other finance functions.

7   SHARE THE AI VISION ACROSS FINANCE & BEYOND

Finance professionals play a critical role in driving AI adoption. Begin by aligning the finance team with the AI vision, then engage other departments - such as operations and compliance - to build support and collaboration. This organisation-wide alignment ensures AI initiatives in finance are widely understood and supported, increasing the momentum for successful adoption.

8   INVEST IN FINANCE-SPECIFIC AI SKILLS & TRAINING

The effectiveness of AI in finance relies on a team that understands how to use it effectively. Invest in training to help finance professionals interpret AI-generated insights and integrate AI into their workflows. Key areas of focus include:

- **Data analysis and machine learning basics:** These skills enable team members to understand AI outputs and identify actionable insights.

- **Algorithmic understanding:** Finance professionals who grasp how AI models work can make better decisions around risk and compliance.

- **Ethics and compliance in AI:** Educate your team on responsible AI practices to maintain ethical standards, especially in areas like customer data and credit assessments.

Solution options for your AI-powered finance strategy

CLOUD ERP SOLUTIONS FOR AI-DRIVEN DATA AND FINANCIAL MANAGEMENT

In a data-powered finance function, structured, connected data is paramount. Cloud ERP solutions provide this foundation, serving as centralised platforms that unify data across departments and systems, enabling finance teams to leverage AI seamlessly.

With cloud ERP platforms, finance teams can harness AI for predictive analytics, cash flow optimisation, and automated compliance monitoring, all from a single, connected source. Machine learning capabilities enhance accuracy in forecasting, support proactive cash management, and automate anomaly detection for fraud prevention. This structured approach not only streamlines core tasks - like invoicing, reconciliations, and reporting - but also empowers finance professionals to focus on high-level strategy.

In many cases, a well-integrated cloud ERP can address most finance AI needs, delivering an agile, insight-rich, and resilient data-driven approach that keeps pace with organisational growth through robust predictive insights, automation, and real-time reporting.
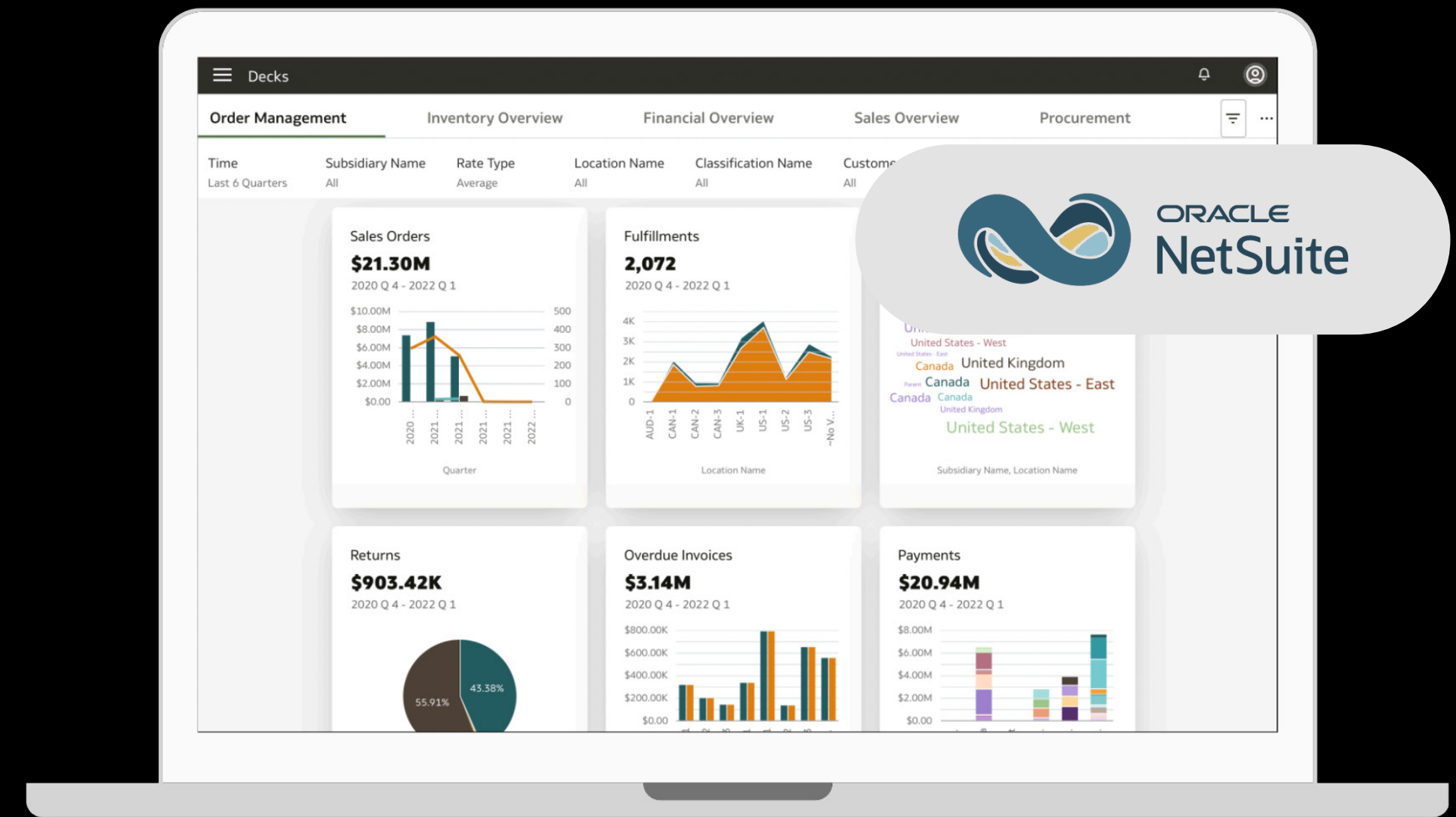
Transform finance with AI-driven tools in a unified cloud business suite

Looking for an AI-driven finance solution that covers it all? Learn how NetSuite, the world's most deployed cloud-based ERP system, delivers integrated AI capabilities that give you new ways to simplify tasks, speed up processes, and unearth richer, more accessible business insights.

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BUSINESS INTELLIGENCE (BI) TOOLS FOR ENHANCED INSIGHTS

BI tools like Power BI, Tableau, and Qlik use AI to enhance analytics and visualisation, helping finance teams identify patterns, forecast trends, and generate narratives. These tools allow for real-time insights that support strategic decision-making and long-term planning.

For organisations focused on integrated solutions, many cloud ERPs offer built-in BI capabilities. This provides a unified view by combining financial and operational data within one platform, eliminating the need for separate BI systems and enhancing security.

FINANCIAL PLANNING AND ANALYSIS (FP&A) TOOLS FOR SMARTER BUDGETING

FP&A tools such as Adaptive Insights, Anaplan, and Oracle EPM leverage AI for budgeting, forecasting, and scenario analysis. These platforms help finance teams model financial scenarios to make informed decisions aligned with business goals.

For those opting for a cloud ERP, many platforms now integrate FP&A capabilities, giving finance teams access to both transactional and high-level data in a single ecosystem. This unified approach simplifies data access, improves consistency, and enhances visibility across the business.

COMPLIANCE AND RISK MANAGEMENT SOFTWARE FOR FINANCIAL OVERSIGHT

AI-powered compliance and risk management platforms help organisations navigate complex regulations and proactively manage financial risks. Using AI, these tools monitor transactions, assess financial data, and flag potential issues in real time. By combining machine learning, data analytics, and anomaly detection, they ensure compliance with evolving standards and reduce exposure to risks like fraud and credit defaults.

These platforms scan continuously for unusual patterns, assess creditworthiness based on historical data, and provide insights that support proactive risk management and strategic decision-making.

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Considerations around data and responsible AI

Bringing AI into finance opens new possibilities but also requires careful attention to data management and ethical practices. To fully harness AI's potential while mitigating risks, finance leaders must emphasise data quality, ethical standards, and secure AI implementation.

DATA MANAGEMENT AS A FOUNDATION

AI-driven insights are only as good as the data they rely on. Poor data quality can lead to flawed outputs, jeopardising forecasts, compliance, and decision-making. Establishing a foundation of robust data management is essential. This includes enforcing policies for data handling, accuracy checks, and alignment with regulatory standards.

ANONYMISING DATA POINTS

Anonymising data before it's processed by any external AI model is an essential step in protecting sensitive information. Additionally, finance leaders must be vigilant about shadow IT - unapproved tools or applications that may be used by team members without proper oversight. Establishing clear policies around AI and data access, and setting guidelines on approved AI tools, helps prevent security risks and maintains control over sensitive data.

THE IMPORTANCE OF SECURE AI MODELS

While AI systems like ChatGPT have gained popularity, using them for finance comes with risks. Sensitive financial data shouldn't be uploaded to open systems without sufficient control over data privacy. In the finance sector, where data privacy and security are central, using AI models that are securely embedded within your organisation's infrastructure can reduce these risks. Ring-fencing AI models from the internet, and ensuring they remain within a secure, closed system, provides a safer way to integrate AI without exposing sensitive information to the open web.

EVALUATING EXTERNAL SYSTEMS FOR ALIGNMENT

When selecting external AI vendors or third-party platforms, it's essential to evaluate their commitment to data and ethical standards. Assess whether their AI models align with your data governance policies and compliance requirements. Vendors should demonstrate transparency in data usage, model fairness, and bias prevention. Collaborating with vendors that prioritise responsible AI strengthens your own practices and builds a safer AI ecosystem around your finance function.

Annexa

Ready to bring AI into your finance strategy?

Finding a partner with both expertise and imagination - who knows the finance landscape and full spectrum of AI tools - is essential to building a future-focused AI strategy that will achieve transformative impact on your financial operations.

Bring scalable, impactful AI to your finance function with Annexa

As ANZ's leading NetSuite and systems integration partner, Annexa leverages the flexibility of NetSuite's cloud ERP, providing the integrated, connected ecosystem you need to fully unlock the power of AI in finance.

Speak to an Annexa expert and explore how we can help you build a future-focused, AI-powered finance strategy that's rooted in a robust, connected ERP ecosystem.

SERVICES TO CREATE A UNIFIED AI-POWERED BUSINESS MANAGEMENT PLATFORM:

- **Implementation:** A holistic approach to every NetSuite deployment, from design to full user adoption.

- **Development:** Customisations, integrations, and applications tailored to your unique needs.

- **Integrations:** Flexible solutions to connect your systems and automate workflows seamlessly.

- **Enterprise architecture:** Strategic infrastructure design that aligns data flow with core processes.

- **Support:** Ongoing, adaptive support services to optimise system capabilities across the lifecycle.

- **Training:** Comprehensive skill-building programs to maximise NetSuite adoption and ROI.

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