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A background image showing a man and a woman in a business meeting. The man, wearing a blue shirt, is pointing at a laptop screen displaying financial charts and graphs. The woman, wearing a brown top, is looking at the screen and holding a pair of glasses. Other people are blurred in the background.

AI and Financial Excellence: 3 Practical Ways to Drive Value Now



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Introduction

Given their responsibilities, finance professionals can't be faulted if they approach the use of AI in their work with a measure of caution. But some finance-focused AI technology has hit a point of maturity where a wait-and-watch approach may become riskier than a test-and-adopt strategy. To see why, you can consider at least the following three ways that AI can help change what finance professionals do and how finance supports the organization.

The first is that finance can become significantly more automated using AI. Think of tasks such as processing and paying supplier invoices as examples. Second, finance will have easier access to far more predictive and data-driven insights using AI. Finance professionals will still be making the critical judgments, but AI can give them new tools, such as daily or weekly predictive cash flow forecasts, to help them make those judgments. Third, because AI lets them access and help analyze more data from many more sources, CFOs and their finance teams will be better able to guide and inform strategy and decision-making across the organization. With these timesaving and insight-fueling capabilities, artificial intelligence will help transform the finance function in the next few years.

Finance professionals rightly bring a high standard for accuracy and transparency when it comes to adopting generative AI. They'll be wary of black box models and demanding about data security. By focusing on a few targeted, practical AI use cases, finance can start slow, setting modest goals and expectations. Finance leaders can consider reassuring teams that this finance transformation won't eliminate the need for human instinct and judgment but rather augment their ability to make decisions with more data-driven insights and give teams more time for work that makes them more valuable to the organization.



AI agents: AI purpose-built for finance tasks

The AI technology landscape is moving fast. So before diving into the three use cases, it's important to highlight an emerging force in how finance organizations will increasingly put AI to use—AI agents. Agents are powerful digital assistants that can give users generative AI-powered services that can simplify or automate finance processes or tasks.

For example, an accounting team member investigating a revenue forecast variance could ask a [ledger AI agent](#) to identify the source of the variance, and then ask the agent to do true-up accruals for unshipped orders causing the variance. The agent eliminates a lot of hunting for data and creating manual journal entries, giving financial planners the information they need to assess their forecasts and budgets.

AI agents specialize in tasks that typically require cognitive reasoning.

In another example, a marketing team member could send a photo of a quote for video services to a [document AI agent](#), and the agent could find the relevant information in the image and create a purchase requisition, adding the department cost codes based on the type of service and the person making the request. The team member can confirm and submit.

As these examples suggest, AI agents specialize in tasks that typically require cognitive reasoning, such as answering questions, offering recommendations, and then completing tasks on behalf of employees. Look for more of these AI agents to be built into financial systems to take over routine tasks and help people be more effective in their decision-making.

The three AI use cases described here offer ways to implement this strategy by getting started and showing value.

1. Automate invoice processing for touchless payments

The scenario: A high-volume business services company wants a more efficient and accurate way to take in supplier invoices and process and pay them.

The challenge: Managing supplier invoices is a routine process loaded with complexity. Vendors send an endless variety of invoice formats, so somebody—or some technology—must figure out what amount is owed, who is being paid, whether the payment matches an approved purchase order, and much more. Every new vendor that sends in its first invoice presents a new challenge of learning where the critical details are on the invoice. For many businesses, invoices come in any number of formats, such as PDF or paper, requiring scanning into the payment system. All this manual work consumes costly staff time, leaving accounts payable team members with less time to spend on vendor analysis and payment problem-solving.

The AI use case: The use case involves labor-saving automation, but with AI capabilities, the system can do much more than scan in invoices. The AI agent helps support an entire workflow for accepting invoices, making sense of them and making payments. The AI model can pull data from a variety of invoice formats, including PDFs, spreadsheets, XML files, and document files—even a photo. Generative AI can understand the business context of the invoices and pull out the information it needs to process it. AI uses the data to trigger a workflow in the accounts payable system, recommending a payment that is either automatically paid or sent to an AP team member to review and either pay or clarify.



As AI agent capabilities advance, they can increasingly take on more of the procure-to-pay workflow, with finance teams providing the oversight. So, the manager of a company's delivery vehicle fleet could submit a vendor's quote for maintenance services to the AI agent, and the agent could pull details from the quote, draw on internal documentation to find charge account codes and similar requirements, and draft a purchase order, which the team member can review and submit.

With AI-based intelligent document recognition, the company in our example can move from a manual invoice data entry process to an automated process for scanning. While the AI-assisted process won't be fully automated on day one, its performance should improve over time. Within 90 days, one-third to half of invoices might be automatically scanned and ingested into ERP. The share of invoices processed automatically keeps rising, as the AI model learns on its own to handle a wider range of invoices. Automation lowers the labor cost of manual scanning, but the benefits go beyond that, including improved data accuracy. Perhaps most importantly, the accounts payable function can become more analytical, so team members spend less time on data entry and more time asking questions such as, looking at the buying and payment trends with our top 10 suppliers, is there potential to negotiate new discounts or other more favorable terms?

Oracle Applications

☑ [Oracle Fusion Cloud Financials](#)

Built-in AI agents

☑ [Oracle's document I/O agent](#)

2. Generate continuous predictive cash flow forecasts

The scenario: A manufacturer wants to get a better grip on its cash flow with weekly predictive cash forecasts. But the finance team relies on a manual, spreadsheet-based forecasting process that makes it hard to update continuously and to use advanced forecasting techniques.

The challenge: It's no surprise that the finance team isn't satisfied with its cash flow understanding. Visibility into global operations, cash, and financial risk exposures is the top challenge for corporate treasury departments, cited by 58% of participants in the 2024 Deloitte Global Treasury Report¹. 46% of treasurers indicated that improving cash flow forecasting capabilities is among their top three priorities, and 38% feel their forecasting capabilities are below average or require development.

46% say improving cash flow forecasting is among corporate treasurers' top three priorities²

Generating actionable cash forecasts remains a challenge for companies that have crucial data scattered across the organization. Many finance and treasury teams first use spreadsheets to collect the required data, resulting in lost hours spent trying to gather and aggregate data. If organizations lack confidence in their cash flow forecasts, they risk missing growth opportunities due to overly conservative capital allocation. Or they could risk a cash shortfall by not taking steps sooner to head off a problem such as excessive inventory or customer late payments.

38% say their corporate treasurers' forecasting capabilities are below average or require development²

The AI use case: A predictive cash forecasting system with AI capabilities can help transform cash forecasting by automating data aggregation, so that companies can predict cash positions, detect hidden patterns, and gain insight into the factors driving a company's cash flow. Predictive cash forecasting capabilities within ERP software help teams source and utilize data from all finance and operational areas affecting an organization's cash, pulling together cash balances, accounts receivables and payable, external bank data, investing and financial cash flows, and similar information needed to create data-driven forecasts.

Most importantly, finance teams can take action based on predictive cash flow forecasts. With AI models continuously updating the forecast, a predictive cash forecasting system can automatically alert the finance team to anomalies or unexpected material variances from budget and flag possible causes. So if the team's forecast predicts a cash shortfall in three weeks, they can investigate what transactions drove that prediction and find ways to address it. GenAI can even suggest possible remedies, such as offering dynamic discounting to encourage early payment if the culprit is a large, chronically late-paying customer.

AI models can apply predictive algorithms to help forecast more accurately with continuous daily, weekly, or monthly cash forecasts across operating, finance, and investing cash flows. AI using automated data collection can let finance teams analyze vast amounts of data to uncover hidden patterns or trends analysts might miss. Predictive cash forecasting can also blend multiple forecast methods—such as driver-based, trend-based, and predictive modeling—across different cash lines or time periods for improved accuracy. Analysts will still need to use their industry and company knowledge and experience to adjust and interpret forecasts and decide on the best action to take. But AI-supported predictive cash forecasting gives them more time, insight, and options for how to address a cash shortfall or spike.

Oracle solutions

[!\[\]\(6605b201d6f14d9b3bcb8ab5f274d107_img.jpg\) Oracle Fusion Cloud EPM predictive cash forecasting](#)

3. Analyze data from across and outside the business to spot trends

The scenario: A company that supplies medical consumables to healthcare providers wants to know where the quarter's sales are headed, tapping data from all parts of the business and beyond.

The challenge: Companies look to their finance teams to anticipate sales and production trends and ultimately cash flows and profit. Without these predictive insights, companies can't adjust to changing conditions, such as shifts in customer demand or production and supply chain glitches. However, many financial leaders lack the complete and accurate data needed to produce reliable forecasts. Financial and operating data is held in too many disconnected sources, so it takes manual data collection to pull all the relevant data points together for analysis, making it difficult to consider all the factors that can affect forecasts and to continually make and monitor predictive insights.

The AI use case: With the help of AI-powered predictions, finance and operation teams can have more confidence in their forecasts and can work together to take corrective action based on problems the insights reveal. AI can apply pattern detection models to discover trends and anomalies across a wide range of data, helping spot and address potential shortfalls or growth spikes sooner. Predictive insights can display the trends, anomalies, and correlations it detects in a dashboard where finance and ops team members can collaborate.



The ability of a predictive insights model to gather and examine both internal data, such as transaction and production history, and external data, such as industry sales and economic trends, helps it to take more variables into account when generating forecasts and providing insights.

For example, using AI-driven predictive insights, the company can get a forecast of likely future business performance. The prediction models are driven by clean, continuously updated data from transaction and operational systems and external data sources and, continuing this example, they predict a revenue shortfall in the next quarter. Generative AI capabilities in the technology could help prepare a graph showing the predicted trend, plus a narrative detailing some possible causes.

By asking GenAI for analysis of product-level predictions, an analyst at this company could see the problem comes from a subset of product categories—PCR consumables, reagents, and personal protective equipment. The forecast produced with the help of GenAI reveals that sales of PCR consumables have been slowing over the past two months and that the trend is predicted to continue into the next quarter. Digging deeper, financial and supply chain analysts identify two factors fueling the AI prediction. One is based on internal data, showing that supply problems are slowing product output, and the second, based on external public health data, predicts lower demand due to a drop in COVID-related hospitalizations. These predictive insights help finance and operations teams get the full picture and decide what actions they need to take and how they should adjust their budgets and forecasts.

Oracle solutions

[!\[\]\(8b57f0e15e7dda24cf9977561475f640_img.jpg\) Oracle Fusion Cloud Enterprise Performance Management \(EPM\)](#)

Built-in AI

- Oracle Fusion Cloud EPM advanced predictions (coming soon)

Embrace AI in finance with Oracle Fusion Cloud ERP and EPM

Oracle Fusion Cloud Enterprise Resource Planning (ERP) and Enterprise Performance Management (EPM) provide a suite of applications that help companies automate manual processes that slow them down and gain the insights to react to market shifts in real time. With embedded AI capabilities and AI agents for ERP and EPM, Oracle is helping empower organizations to improve financial operations, decision-making processes, and overall business performance.

Oracle is embedding AI and generative AI across its Fusion Applications Suite to help deliver immediate value to customers. Oracle also delivers high-speed AI infrastructure via Oracle Cloud Infrastructure (OCI). Oracle has announced the development of more than 50 AI agents to assist users with GenAI-powered services that are embedded into specific business processes and transactions. By using data found in Oracle Fusion Cloud Applications, customer-specific documentation, and various connected sources, these AI agents provide up-to-date, contextually relevant information and assistance. They specialize in functions that typically require cognitive reasoning, such as answering complex questions, offering personalized recommendations and completing tasks on behalf of employees. The dynamic and secure use of data lets Oracle AI agents offer accurate, timely, and relevant support, helping enhance decision-making and improve operational efficiency across the organization.



How Oracle can help

Now it's easy to get started using AI in finance operations. AI agents and generative AI are embedded in Oracle Fusion Cloud ERP and EPM, come at no added cost, and are delivered as part of the quarterly application update cycle. Discover more about how Oracle AI can support the office of the CFO or request a demo today.

Learn more

Request a demo

Connect with us

Contact us at oracle.com/apac/contact

¹ "2024 Global Corporate Treasury Survey: Trends in digital treasury solutions and technology," Deloitte.

² "2024 Deloitte Global Treasury Report," Deloitte.

