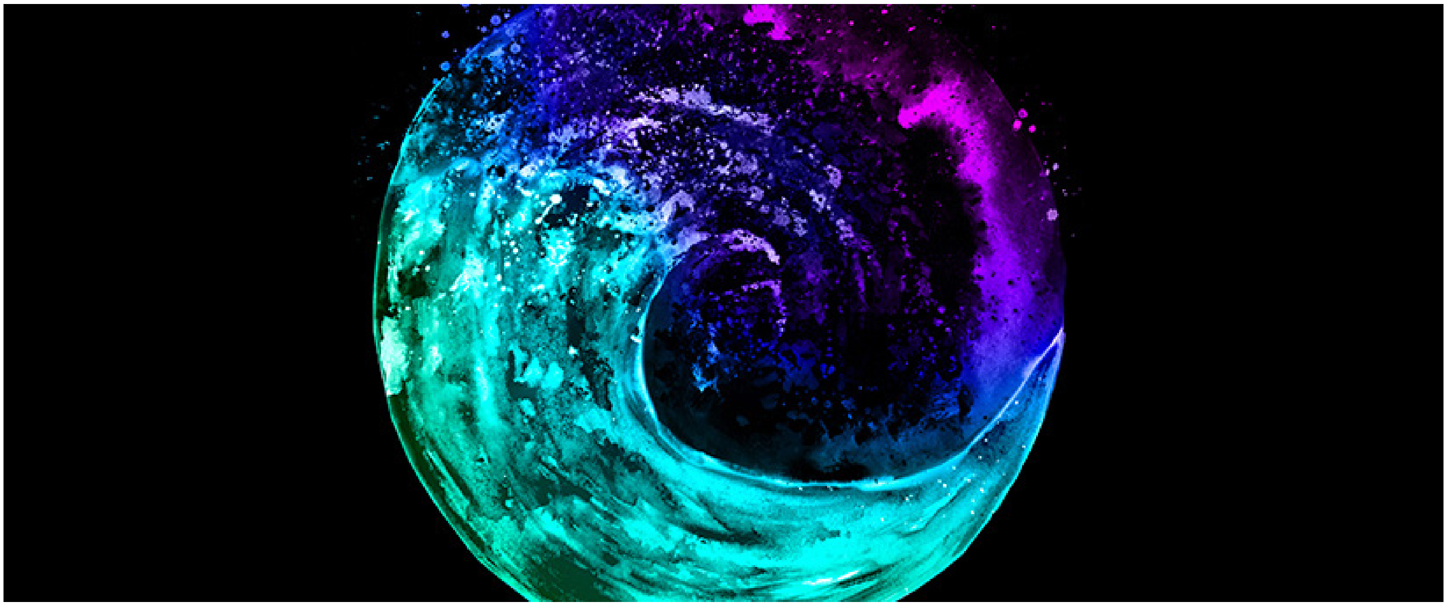

Resilient podcast series

The human in the loop: A controller's view of AI

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Guest:
Connie Coffey, Controller and Chief Accounting Officer, GM Financial

Katie Glynn: Hello, resilient leaders. I'm Katie Glynn, and I'm thrilled to welcome you to a special edition of The Resilient Controller podcast. Thank you for tuning in and being a part of this community. Today, we're coming to you from Deloitte University, where we're hosting our annual Deloitte's Controllership Summit, a gathering of some of the most talented finance and accounting leaders in the country.

In this special series, we're sitting down with five controllers and chief accounting officers from across industries to explore what resilience really looks like at the top of the accounting function. From navigating complex regulatory environments and major acquisitions to leading teams through technology transformation and an ever-evolving AI landscape, these leaders are doing it all.

And critically, we'll be asking each of them what is most top of mind and most relevant for them right now—the real challenges, priorities and opportunities that they are navigating today. We're on a quest, as always, to uncover the real candid stories behind resilient leadership, the kind that fuels inspiration and reminds us why this work matters. So let's dive in.

Today, we welcome Connie Coffey, a controller and chief accounting officer with nearly 30 years of experience in accounting and auto finance. She sits at a fascinating moment, serving as the accounting backbone for the finance company of one of the world's largest automakers as it navigates an evolving landscape with both technology and AI.

Connie Coffey: You don't want to just put AI over the top of your existing process. We've talked about data a lot, but I think it's also process. If you were going to design that process for brand new, like you never had done it before, because that's really what you're doing, you're building it in technology, so you want it to be as simple as you can do it. So, I think that's a really important function as well, is process.

Katie Glynn: Connie, it is great to have you. How are you today?

Connie Coffey: I'm good. Thanks, Katie. I'm really excited to be here. I appreciate the invite and the discussion today. I'm excited to see where we go.

Katie Glynn: Absolutely. And we have a lot of topics that I have on my list to talk about. And it's interesting as I think about the role of controller, chief accounting officer, there are foundational components of the role. If I think about close acceleration, always top of mind, looking at risk, economic and policy disruption, some of the things that I would call foundational.

But then what I'm also seeing as we look at what we call the modern controller, the shifting role and responsibilities, controllers, chief accounting officers being asked to look more into AI-enabled finance. Looking at ways that we're addressing hybrid workforces and new, having agents on your workforce, right? And that's where we talk about these changing landscapes. So, I'm really interested to get into this conversation with you.

I know you have a lot going on and I think where I want to start is talking to you a little bit about AI-enabled finance. Tell us a little bit about what you've had going on, because I know you've had some big tech transformations happening. Maybe give us a little background on what you've had going on.

Connie Coffey: Sure, sure. Thanks, Katie. So, I would say for GM Financial, we're at kind of the beginning of our AI-and- technology journey. But what this did is it moved us to the cloud, it made things more streamlined, and it is allowing us to move again today more to be more AI-driven.

I would also say as a company we embarked on something we call DE360, which is our data. One of the first things I think for anybody to do as they embark on AI and how they want to move their technology forward is you have to look at data. Data is just foundational to everything that we do. So, you need it to be, for lack of better term, cleaner. You need it to be accessible. You need it to be correct.

As the controller, we have the traditional things we need to continue to think about, right. The numbers have to be right. The numbers have to be delivered quickly. Those aren't changing. We have to have the right controls. Where we're changing is that we're moving more from a "where is the data going to have to be right." It's less of a checker and more at the entry point. So, that's why we clean the data so that when the data enters into the system, it's right and can be utilized by agents.

Katie Glynn: It is an interesting shift. And I've seen this with some of my clients as well, where we're being more proactive on the front end and, like you're saying, getting the foundations set up for data. I want to think about reconciliations and all of the tie-outs and, right, across systems. But yeah, if we're centralizing and creating that common data source that's now feeding, but maybe less energy spent on the back end if we're addressing it up front.

Connie Coffey: Right. So, as controllers we've been talking for years like we want to have a seat at the table. We want to be helping with strategic decisions. But sometimes we're so stuck or we're trying to get the data right, and as you said, like we're working on recons or cleaning up the data or booking manual entries to fix things in the business. This enables us to be more strategic. Have a seat at the table. Be able to provide those insights real time.

Katie Glynn: Right, absolutely.

Connie Coffey: As we think about acceleration of close, we've been talking about that for years. How can we get faster at close? I was talking to somebody not too long ago, he had a very interesting turn on it. He said, why don't we close at all? Why don't we, if you get the data right coming into the system and you have the agents that can talk to that, then you're basically, you know, continuous close. What we've all been striving for.

Katie Glynn: Something that we've been talking about continuous close for 15 years. But it might be here, I think, you're right. Talk to me a little bit about, because I know that a lot of our audience members are thinking about data, struggling with data, and I think finance data has traditionally been tied to individual systems, thinking ERP, subledgers. You mentioned that you've moved your data into the cloud. Talk to me about what challenges did you come across as you did that? I would imagine that there were some hurdles that you had to overcome to get there.

Connie Coffey: So, when we moved into the cloud, the source system data wasn't as challenging, right? So, we have a servicing system, we moved that data to the cloud. Where it got challenging and still is a little challenging is we had systems that then pulled systems together, or environments that pulled systems together. So, for instance, we needed origination data and we needed servicing data, so we had a system that sat over the top of that. And that's where the challenge was, is because everybody built their own combination system. And so now we're standardizing that and again moving that to the cloud with more modern technology. And so that's where the challenges were. It was less clean data, but more lots of data. So, we had a lot of the same data located in different places. And so, kind of bringing all that together.

Katie Glynn: A single source of truth. The North Star.

Connie Coffey: Yes.

Katie Glynn: So, it's interesting. So, you're saying then some of the systems where we're packaging data, and maybe packaging it in different ways, we had to unpack that in order to bring it into the cloud. And I think that's important. Some of those steps are probably underestimated, the level of effort, the complexity to unwind. Probably some of these systems have been in place for years … to unwind. Hey, how did we group that before, and why did we group it that way? How do you get back to the raw? So, in that case then are we looking, if I think about the combination layer, maybe, did you then say, hey, we're not going to focus on that, we're going to go one click down and get into those sources instead?

Connie Coffey: Um, so maybe yes that we did click down into the system but we wanted to give the users the ability to combine their data.

Katie Glynn: I see.

Connie Coffey: As opposed to having it pre-built.

Katie Glynn: Pre-built for that, I see. It is really interesting and I think it takes a lot of orchestration. You talk about some of your front-end processes, talk to me a little bit about the partnership I would imagine with FP&A and some of your other data folks, you being the recipient of some of the actuals. I know you some of the systems you mentioned being more front end, how have you navigated that business partnership to kind of achieve this common data goal?

Connie Coffey: Right, so we're all part of the same project team. So, we all sit on as a project sponsor, there's an FP&A project sponsor and then I'm a project sponsor and then we have others.

I would also say one of the challenges is that when you move data to the cloud it doesn't just go poof to the cloud. So it's that sequencing. So, you might have some of the data in the cloud and you don't have the rest of the data in the cloud yet. So that would be another challenge that we've had because you need both, all of that data in the cloud to get to your end state. And so it takes a very long time. Because it's so foundational you can't get it wrong.

Back to your FP&A question. So yeah, we're partners every day. And our systems are connected, and even more so now that we've upgraded the general ledger system. They had already upgraded their system. So now they talk even better and we were able to give them more granular data with our upgrade. We were able to get them more product-level data through our account string and be more detailed. That's been really helpful to them to drive product line profitability. So, we talk all the time and so I would say, open communication, what do you need, and then the project teams helped.

Katie Glynn: I love that. In a world where I feel historically it's been a little bit of FP&A over here, accounting and finance with the actuals over here, and we are seeing this, the integration of the data, the systems, the teams and to get better information, more timely information, sounds like that's exactly where you've landed.

Connie Coffey: Right, exactly. And we've been the beneficiary that years ago we always said like you have to start in the same system. This has just allowed us to go even deeper and get to talk about what we need.

Katie Glynn: I think that's fantastic. I'm excited about it. Okay, so let's keep talking about this. I think AI and the introduction of AI. So you've mentioned these steps that you've been taking being foundational, getting your data house in order to be able to open some of the doors to AI in the future. I have heard from a number of clients still a little hesitancy to jump into AI as it relates to finance and accounting. What's your temperature here? How are you approaching AI and I think balancing the risk concerns with also the expectations of the efficiencies and the changes that it will bring for your organization?

Connie Coffey: I would say we're right there with the other clients that you've talked with. Still a little nervous on that true finance and accounting side. We've been very clear that this doesn't take the human out of this and that you're still responsible for your—especially your internal accounting and controls, financial reporting controls. We've done some communication around that.

I am supportive, and we're pushing forward, and kind of how can we use it and where can we use it? Because we have the mandate to be whether it's more efficient, if it's just allowing us to get insights faster, close faster, as we talked about a little bit ago, you're always under the pressure to close faster and get data faster. So supportive, still a little bit nervous.

The way we've organized AI at the company, we have an AI transformation group. That's their job, right, is to come up with, okay, what kind of tools do we want to offer? How do we train the workforce? So, we're doing a lot of that. And then any AI that comes into the company has to come in through an AI subcommittee. And so that subcommittee evaluates it, the governance around it and then approves or asks for additional information or what before anything gets implemented. So, in some ways that makes us a little bit slower but it gives me comfort that we do have that governance around it.

And then I do think in accounting, I think there's areas that you can move with AI and be a little bit maybe less nervous, for lack of a better term. So for instance, like around payables, which is core to accounting, but maybe for, especially for a finance company, maybe a little bit less risky is looking at how can we use AI to process manual invoices that come in and entry around that, that kind of stuff.

Katie Glynn: It will be interesting I think in the next year or two, three years to see how finance accounting leaders adopt and what processes for adopting AI to, I think, build some confidence.

It's interesting too when you mention the training of the workforce. Are you, when you're training your workforce or upskilling your workforce is it traditional types of training, or how are you approaching that to get folks to, to really adopt some of the tools you're getting access to?

Connie Coffey: So, that's interesting. There's a little bit of both, I would say. We do some traditional currently across the workforce and so there is a lot of webinars that come through, or lunch and learns, and we have some technology champions in the areas that can help kind of roll that out.

We need to have small classes with people bring use cases, and that then they have hands on keyboards actually creating agents. And so, starting with the people that are really interested in it and then evolving that into maybe people that are a little bit more hesitant to show them. So I think it's a lot of show also right now to get people excited about it. And then as we turn people, and you know one of the things I've asked HR is to—we need to make sure that we've got a technology, digital type of component in our job descriptions so that we can bring in more digitally inclined, to the best we can, talent.

And the one thing we haven't talked about AI in enabling, I think is process. So, you don't want to just put AI over the top of your existing process. We've talked about data a lot, but I think it's also process. If you were going to design that process for brand new, like you never had done it before, because that's really what you're doing you're building it in technology, so you want it to be as simple as you can do it. So, I think that's a really important function as well is process.

We do, we talk a lot about that because you have people in my company that want to move really fast and they don't want to slow down. They just want to basically slot the technology on top of the existing process. And I think without kind of looking at that process and simplifying it I think you get a much better answer.

Katie Glynn: Right. I was thinking when you mentioned process, are you experiencing any of the, "We've always done it this way" resistance to change, right? Or maybe that's more of the "show me how this works," having people visualize how the process they've been doing for maybe a decade, right, no longer exists in that way with the introduction of AI. So, is that a little bit more of a show to get folks to release the grip on the process?

Connie Coffey: Yes, and I saw it a lot in our implementation, and it was like well, why are you doing it that way? And so it's a lot of questioning and, and really trying to turn people.

I share a lot. I say, I know everybody here wants to do things differently, but we really have to challenge ourselves all the time. That's why sometimes if you map the process. We have an internal, external for finance, but internal team that will come in and look at the process and kind of map it out and sometimes that can help visualize where maybe we don't need to do things.

Katie Glynn: So a good piece of advice in adopting AI for a process: the stepping back, mapping out the process, first probably starting with our data source. Do we have the right data in the right makeup that we need to automate this process? Process mapping. And then working on some way of adoption, training adoption, launching.

Connie Coffey: If that data comes in right then you have a lot less to deal with.

Katie Glynn: Right. So, Connie, I want to shift a little bit. The last few years we've seen this shift to everyone working from home to coming back to being hybrid and now the introduction of some agents seems to be shaking things up. I'm curious, what shifts are you seeing with your team and your workforce recently?

Connie Coffey: Right, so we are hybrid. So, we're in the office two to three days a week and the teams are challenged to be in the office with their team on those two to three days. So, heavy in the office Tuesday, Wednesday, Thursday.

Katie Glynn: Yeah, I would think that's what I'd pick too.

Connie Coffey: So, some good things about that, right, is that for instance, we had, here in Texas we've had some bad storms lately. So, some of our credit centers didn't have power. And so, I heard some feedback yesterday. I was like, well, how nice now that we can just tell people just work from home. So that's a really nice add. We do during our close process, which if we get faster we won't do, but right now during our close process we let people work from home because sometimes just late nights and those type of things.

Now as far as teams and being able to think differently, like we were talking about on process and all that, we're seeing a lot of people that are adjusting. We've seen some that just are really scared of change. And so, it's bringing those people along, convincing them, showing them why this is the way to go, and then you know repurposing. If you have a financial accountant that's booking manual journal entries today and maybe has some of those digital skills and intellectual curiosity and questioning, we could transform that function to be build agents around manual journal entries.

So it's not, again, not eliminating jobs, it's allowing the job to be different and to be quite honestly more exciting and provide …

Katie Glynn: Innovative …

Connie Coffey: Yeah, innovative and provide just more information faster and better information. Basically showing people how those jobs could be repurposed as opposed to people being nervous about well AI's going to eliminate, we're not going to have any financial accountants. We're certainly going to have some—

Katie Glynn: We still need them, absolutely, yeah.

Connie Coffey: So, I do think the challenge, I think for everybody, including the firms, is that I came up in the industry and I learned it. And so, if you don't have some of that how do you learn? It's having that curiosity when you get an answer that doesn't make sense and making sure you have the right people.

Katie Glynn: Still that critical thinking, right?

Connie Coffey: Mm, hmm.

Katie Glynn: Well, Connie, this has been fantastic. I do have one closing question for you. Now, you've spent your entire career in auto finance through economic cycles, industry upheaval and now a major technology transformation. What's the most important lesson that experience has given you and what would you pass on to the next generation of controllership leaders?

Connie Coffey: Sure. So great question. And we have been through lots of economic challenges and just lots of change through the career. I do talk a lot about how controllership is a fun place to be because we are never doing the same thing. Whether it be an economic cycle and we're having to figure out different allowance estimates, those type things, or whether it be during the good times and we're growing new products and how they account for them. So, we're always learning.

So, I would say the biggest piece of advice I would have is always asking the questions—why is this happening or what can I do—and learning, learning the process. We talk a lot about in our close meetings on I want to know the story of the account and if you don't know the business, the process, then you can't give that story around, you know, this account went up because of on the origination side, we did XYZ.

So, it's really important. So, I would always say just that intellectual curiosity. Making sure you're asking those questions and don't be afraid to ask—call up somebody, and if you're not comfortable, ask your manager, you're like can I talk to, you know, just learning the business. That's the most exciting part for me.

Katie Glynn: I love that. I love that. Well, Connie, thank you again. Thank you for being here and take care.

Connie Coffey: Thank you.

Katie Glynn: That's a wrap on today's episode of our special Controllership Summit series here at Deloitte University. Conversations like this one remind us that great controllership is as much about leadership and judgment as it is about technical rigor, and that the best finance leaders are constantly pushing the function forward from navigating complex regulatory environments and major strategic shifts to reimagining what AI and technology mean for the close process and those teams behind it.

Thank you for joining us on this journey of discovery and resilience. If today's conversation resonated with you, we'd love for you to subscribe to The Resilient Controller podcast wherever you listen. And share it with a colleague who needs to hear it. Until next time, the best controllers never stop asking what's next, and neither should you.

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