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Lights Out Finance™ realized: Achieving autonomous finance operations

Technology advancements in artificial intelligence (AI), including machine learning (ML) are supercharging the reality of autonomous finance operations. For many organizations, the goal is achieving "lights out" processes: touchless, end-to-end finance operations enabled by automated technologies operating with minimal human intervention. Due in great part to these advances, Lights Out Finance™ is increasingly becoming a reality now.

Order to Cash (O2C), Source to Pay (S2P) and Record to Report (R2R) finance operations are often high-touch, resource-intensive process areas for many organizations. These finance teams are burdened with the completion of manual and redundant daily, monthly and quarterly tasks, drawing time and attention away from higher value strategic and analytical work.

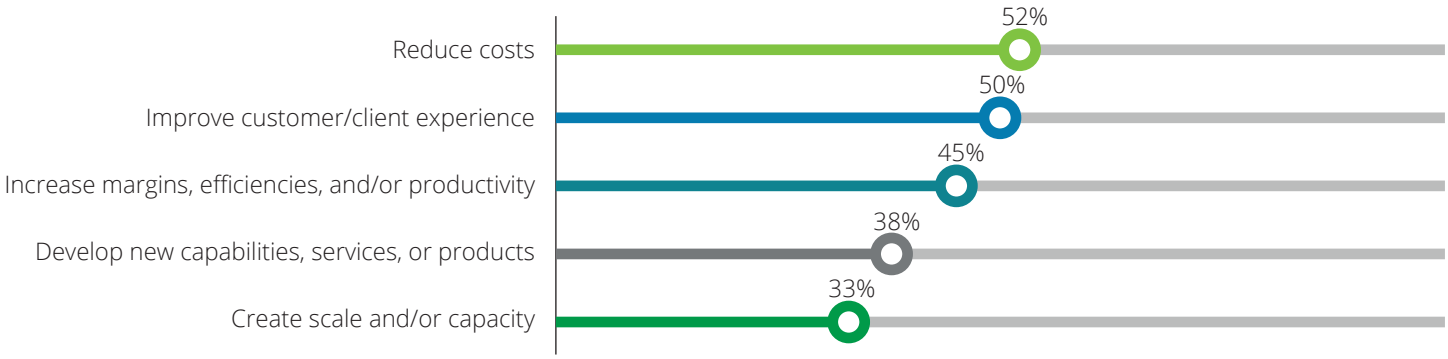
To take advantage of technology advancements, finance executives need strategies to design, implement and operate integrated solutions that will transform finance operations—embracing AI as a collaborator that can enhance human capabilities while containing costs.

The autonomous imperative

The need for automation across finance operations is driven by demands for efficiency, flexibility and resilience in dynamic environments. Utilizing AI, finance organizations can capitalize on the adage of "doing more with less" and can break down functional and process silos to unlock new, actionable and previously inaccessible insights, enabling smarter, faster decision-making. The power of the data across millions of transactions come to light—digitized, processed and analyzed—to deliver deeper business value.

O2C, S2P and R2R process areas are poised for some of the greatest transformation from these capabilities because of the high degree of manual touchpoints that consume one of the most limited resources: time.

If your organization plans to adopt AI, what top three benefits do you hope to achieve? (N=112)



Source: Deloitte, "CFO Signals™ survey results 3Q 2023."

The road to transformation

Automation and AI—especially AI—may seem immediately daunting to for finance teams. For many, the first challenge is where to begin. The CFO and finance team can start by developing a holistic strategy that considers impact to finance talent, operating models, data and technology to for the transformation of end-to-end business processes.

There is no single road to Lights Out Finance™, but business leaders should start with an understanding of their current state and desired future. Along the journey:

- Consider checkpoints to assess foundational process, data, and technology capabilities: standardized processes, improved data hygiene and governance and modernized technology infrastructure, including core technologies such as enterprise resource planning (ERP) systems and purpose-built finance automation solutions.
- Accelerate capabilities with advanced AI technologies: Use a value-driven approach to identify opportunities to automate and augment human with machine interaction leveraging a mix of traditional AI technologies—like robotic process automation, visual AI and conversational AI—and more advanced ML and AI applications.
- Navigate changes to finance delivery models: Evaluate both internal and third-party capabilities to deliver (and transform) finance operations.
- Install brakes to safely go fast (e.g., manage risk): Maintain control with appropriate governance and compliance over automated processes.
- Construct mechanisms to monitor and continuously improve.

An integrated, value-driven approach to transforming finance operations can shift the outcome from automation of a discrete task—with potentially limited return on investment—to enabling autonomous finance operations where costs are contained and human capacity is truly freed to serve the enterprise more strategically.

AI has the potential to evolve every part of finance, including:

- Automating transactions such as billing, payments and collections with the ability to easily pinpoint any inconsistencies. Variance analysis and scenario analyses can be generated in virtually any format finance teams desire.
- Generating drafts for controllership such as profit and loss reports by business unit and geography and 10Ks and earnings releases, which can then be vetted, edited and approved by human analysts.
- Generating meaningful insights from the integration of financial, operational and commercial data so finance analysts can ask questions and receive immediate responses from disparate data sets in real time.

The number of potential use cases is vast, and collaboration between business units and C-level executives will play a key role in successful AI deployment and adoption.

Partnering for transformation success

Lights Out Finance™, Deloitte's approach to finance operations transformation, is a holistic and agile approach that aligns an organization's strategic priorities to a transformation vision and translates that into a prioritized set of initiatives to advance finance technology, data, process and talent for organizations. Deloitte's breadth and scale as the largest professional services organization allows it to bring the power of deep finance, industry and technology knowledge, delivered through unique engagement models, that helps their clients meet the pace of change today.

Leading finance transformation advisory capabilities

Deloitte brings a time-tested and integrated approach with the ability to orchestrate end-to-end transformation across talent, process, technology and data. We drive operational innovation by leveraging the breadth and depth of our finance domain, industry, process and technology capabilities to help set and execute a transformation vision. And we bring that at the speed of change today.

Specifically designed to initiate and accelerate the transformation process for organizations, Deloitte's Finance Labs are immersive, full-day experiences that put AI technology into the hands of professionals, allowing a remarkable exploration, prioritization and mobilization of the Lights Out Finance™ journey.

Cutting-edge proprietary solutions

Underpinning Deloitte's finance transformation capabilities are proprietary solutions that can enable autonomous finance operations. This includes AIOPS.D™, a first-of-its-kind business and subscription offering designed to help enterprises quickly and easily implement AI-fueled autonomous business processes across industries and functions. The AIOPS.D™ suite enables deployment of full-scale enterprise AI applications at scale through:

- Touchless transactions that relieve finance teams from day-to-day drudgery.
- Autonomous operations that free up human capacity for more productive activities.
- Ecosystem orchestration that enables core technologies to work better together.
- More productive decision-making that can accelerate time to action and time to value.



Explore

First, we explore: It starts with getting the right people in the room. We get into the issues and challenges, as a group, all together. We spend time to unpack and deeply understand the issue at hand. Lab uses methods scientifically demonstrated to engage leaders actively and debate the heart of the issues.

The goal:
Engagement



Prioritize

Then, we prioritize: Where should we focus our efforts? Where can the team achieve the biggest payoff? What will really make a difference? Together, we inventory the organizations capabilities and identify opportunities for improvement. We bring an "outside-in" perspective to challenge thinking and provide real, practical examples to support your goals. The day is structured and built on research-based content, unlocking creativity and allowing everyone to have a voice.

The goal:
Alignment

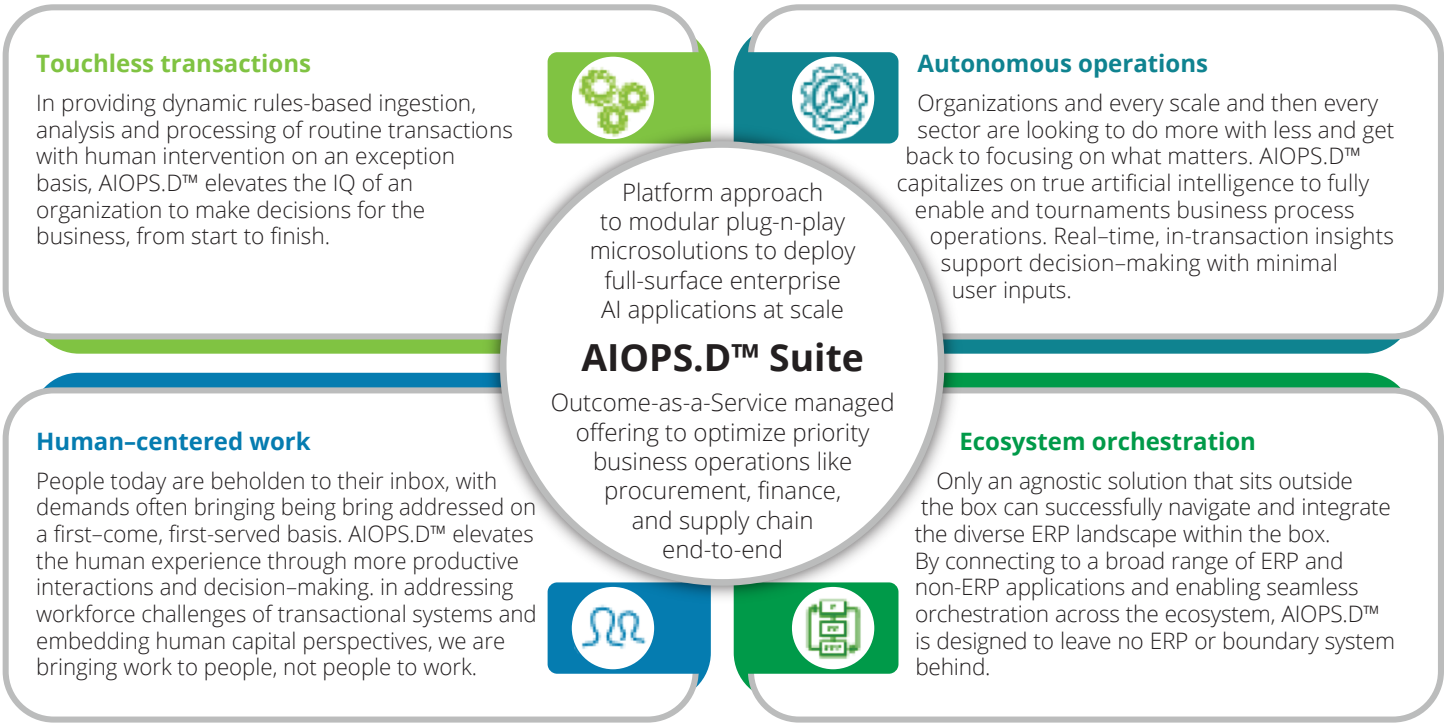


Mobilize

Finally, we mobilize: Over the course of the day, we harnessed a lot of ideas about how we can break through. Now it's time to activate those ideas. Participants identify their own solutions, supported by Deloitte leaders with practical perspectives and equipped with real case studies relevant to specific challenges. Every lab ends with a detailed action plan designed to provide participants with a clear path forward.

The benefit:
Commitment

Source: Deloitte



Source: Deloitte

Unique engagement models

Deloitte can collaborate with its clients along the full transformation journey—as a strategic advisor, an implementor and an operator. The Lights Out Finance™ process may look different for every organization, and Deloitte's approach is tailored to align to specific business objectives, nuances and challenges. Deloitte's Build-Operate-Transform-Transfer offering provides a hybrid finance operations shared service alternative, leveraging market-leading experience to stand up, stabilize, transform and eventually transition a finance delivery center, allowing organizations to tap into our specialized talent and technologies.

Deloitte possesses the unique advantage of integrating services—including advisory, implementation and operation—to deliver highly customized solutions, delivered at scale, that powerfully deliver true finance operations transformation.

The path forward

As technology continues to advance, CFOs and finance teams must navigate the implications (and opportunities) for finance operations. AI will likely redefine the way organizations operate, and a holistic end-to-end and value-driven perspective to transformation will yield greater results. The speed to Lights Out Finance™ is accelerating, and Deloitte is poised to be the collaborator of choice for the journey.

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