Beyond the Buzz: Practical AI use cases for Manufacturing Finance teams

Dominic Nguyen &
Kyle Trainor

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CCH® Tagetik

Agentic AI with a Finance Brain™

Ask AI: Your Finance Ally

Today's speakers

Dominic Nguyen
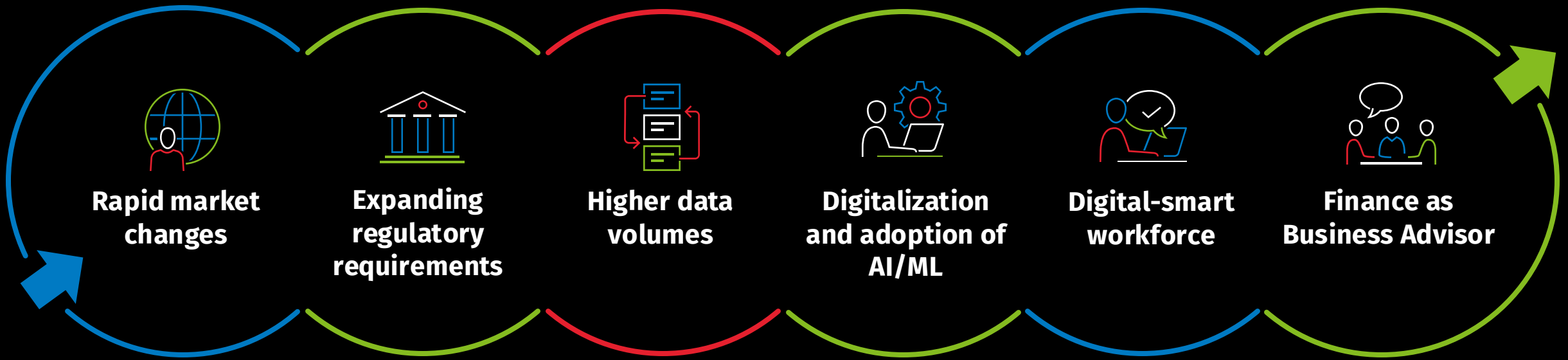*Technology Sales Support Manager*
Wolters Kluwer CCH® Tagetik

Kyle Trainor
Technology Sales Support Manager
Wolters Kluwer CCH® Tagetik

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Trends for finance

Rapid market changes

Expanding regulatory requirements

Higher data volumes

Digitalization and adoption of AI/ML

Digital-smart workforce

Finance as Business Advisor

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CFOs are facing many challenges

Finance is challenged to interconnect, interpret and analyze an ever-growing volume of data, and produce the right answer – quickly!

Keep pace
Ever-increasing speed of business

Higher data complexity
Larger data volumes from more internal and external sources

Increased data analysis
Required to deliver better and faster insights

Digital transformation
Shifting to automated processes & workflows

Efficiency
Deliver quick responses

Quality and Accuracy
Deliver the right answers, quickly

Enterprise-wide planning
Connecting financial with operational, and increasing frequency

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Poll question 1

Which area of manufacturing finance do you believe AI can improve the most?

    a. Forecasting & budgeting

    b. Cost optimization

    c. Risk management

    d. Supply chain finance

    e. Other (please share your answer in the chat box)

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Data: The ultimate competitive advantage...

...or dangerous terrain.

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Research Report: AI in Finance

Finance is shifting AI mindset from 'why' and 'if' to 'when' and 'how'

AI accelerates Finance's transformation journey

56% of respondents recognize AI's potential to revolutionize financial processes. Top 3 motivators for AI adoption in Finance are to improve efficiency (41%), reduce costs (18%) and enhance risk management and decision-making (18%).
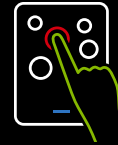
AI has already taken root

52% of respondents are using AI in some capacity; 70% are in the exploratory phase of AI adoption within Finance; 6% have already implemented AI within Finance.

Early AI adopters report success:

9% of respondents are exploring ways to scale AI deployments within Finance; and **60%** of respondents to have implemented AI view their AI deployment as successful.
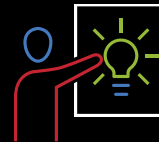
AI investment is set to accelerate

70% of respondents are planning to make AI investments within Finance in the next 5 years.

Research report: AI in Finance

Common AI challenges

Main challenges and risks perceived in the context of AI adoption:

> **Tech and data**
> - Lack of tech skills and expertise (**22%**)
> - Poor data volume and quality preventing AI effectiveness (**14%**)

> **Trust and transparency**
> - Security risks and privacy concerns (**13%**)
> - Lack of transparency and explainability of AI outcomes (**12%**)

> **Resources**
> - Lack of time and budget (**11%**)
> - Technology gap (**11%**)
> - Hard to define ROI from AI investments (**8%**)

> **Workforce impact**
> - Job displacement (**9%**)

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Poll question 2
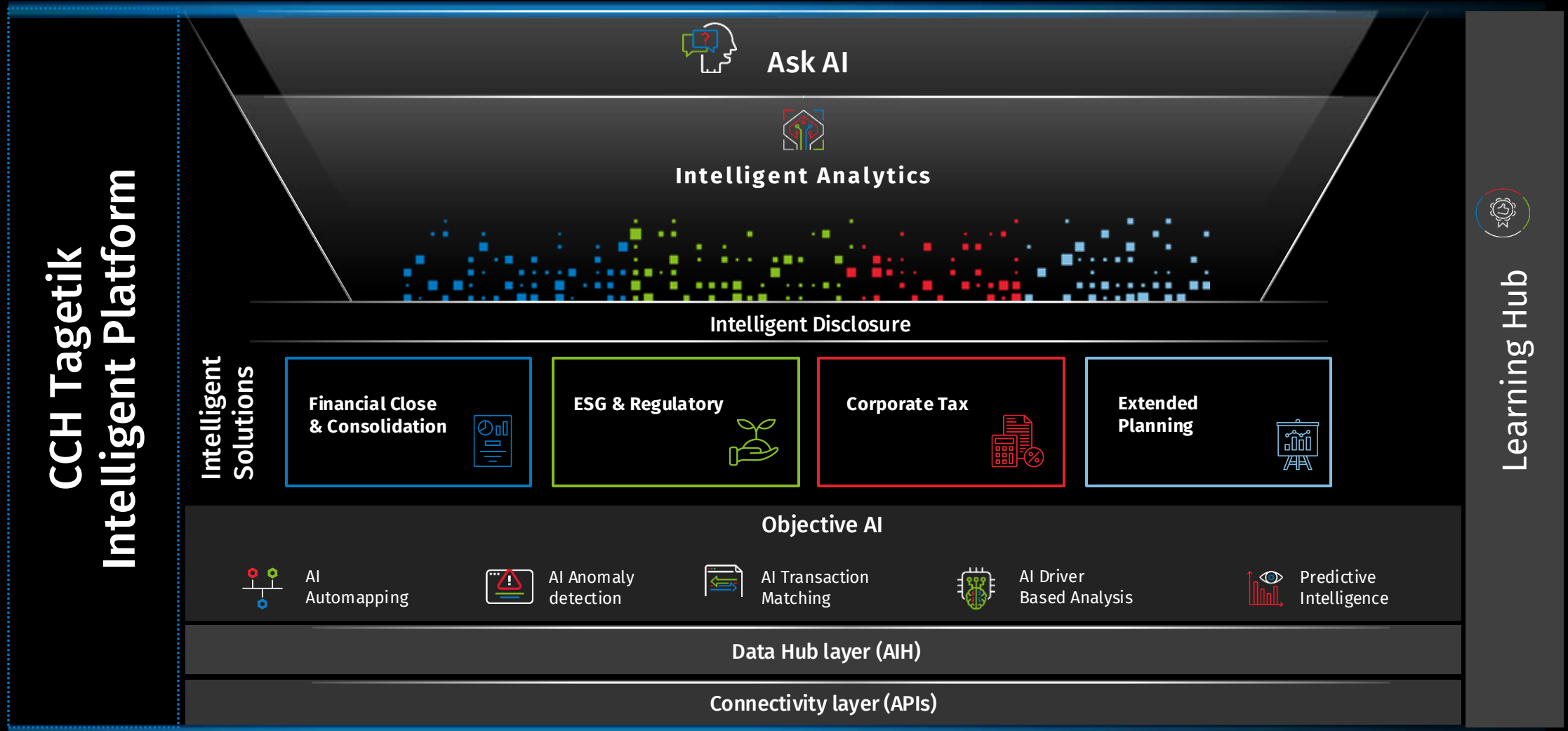
How prepared is your organization to adopt AI-driven financial tools?

    a. Already using AI tools

    b. Planning to adopt within 12 months

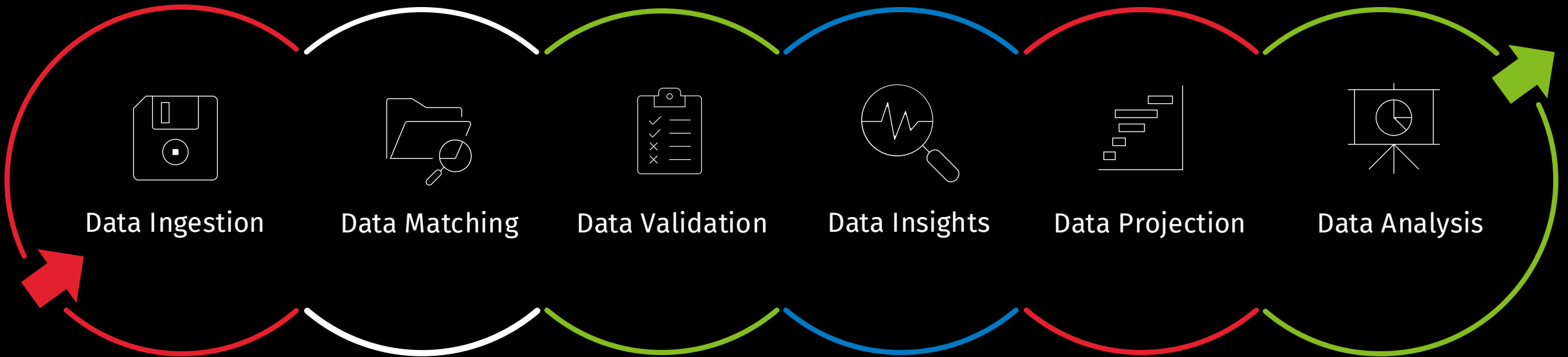   c. Exploring options

    d. Not considering AI at this time

CCH Tagetik: Your finance ally. Data you trust.

Providing a trusted AI-powered unified platform to handle volatility and uncertainty

CCH Tagetik Intelligent Platform

Learning Hub

Ask AI

Intelligent Analytics

Intelligent Disclosure

Intelligent Solutions

Financial Close & Consolidation

ESG & Regulatory

Corporate Tax

Extended Planning

Objective AI

AI Automapping

AI Anomaly detection

AI Transaction Matching

AI Driver Based Analysis

Predictive Intelligence

Data Hub layer (AIH)

Connectivity layer (APIs)

Navigating the data flow journey in Finance
Empowering finance with AI-powered solutions throughout the journey

Data Ingestion   Data Matching   Data Validation   Data Insights   Data Projection   Data Analysis

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Overcoming data ingestion challenges with AI automapping

AI automapping benefits:

Challenges	Benefits
The format chaos	▶ Speed up data mapping from heterogeneous sources
The misaligned data	▶ Leverage machine to reduce errors in the process
The inconsistent data flow	▶ Supervised learning for higher data consistency

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Company profile

Top Automotive company

Using CCH Tagetik for Budgeting and Planning

Business needs

Accelerating the manual process of mapping data coming monthly about Car Model, Country, and Business Entity

Project in place

- AI Automapping
- Predictive Intelligence

Outcomes

- **Boosted productivity:** Multidimensional mapping spanning from a few to 500+ rows processed in 2 minutes and 20 seconds.
- **Continuous improvements:** Learning from adjustments to improve accuracy for future mappings.

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Overcoming data matching challenges with AI transaction matching

AI transaction matching benefits:

The missing match

The stubborn discrepancy

The matching marathon

▶ Bring clarity to complex intercompany processes

▶ Accuracy rating & suggestions

▶ Leverage machine learning to maximize user input

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Company profile

Top Hospitality company

Using CCH Tagetik for Consolidation, Account Reconciliation & Transaction Matching, Reporting, Disclosure, Budgeting and Planning

Business needs

Looking for an automated solution for managing millions of transactions generated globally in the hoteling business for the monthly close.

Project in place

- Transaction Matching

Outcomes

- **Boosted productivity:** Millions of transactions can be matched in just one click.
- The entire record-to-report process has significantly accelerated with days being saved in the monthly close process.
- Finance can now spend time on value-add analysis.

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Overcoming data validation challenges with AI anomaly detection

AI Anomaly Detection benefits:

The needle in the haystack

The shadow of doubt

The manual maze

▶ AI-powered variance analysis

▶ Machine learning on user feedback

▶ Outliers' human verification

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Company profile

Large Manufacturing company

Using CCH Tagetik for Consolidation, Budgeting and Planning, Collaborative Office, Lease Accounting, ESG

Business needs

- Automate the process for data checks, now run with a huge human time effort.
- They check the monthly actual data of four accounts - Net Sales, Order Book, Order Intake, Inventories - by country and product. They compare quantity data with amount values.

Project in place

- AI Anomaly detection
- Rolling actual data on a monthly base into the AI Anomaly detection for quantity and values, by country and product, to speed up detection of outliers

Outcomes

- **Productivity boosted:** Average of 1 minute required for each combination of product & country.
- **Large amounts of data managed in first tests:** Average of 695 combinations of products and countries per entity managed.

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ACT - 2023ACT / 12 (Contributor) ★

Summary   Detail summary   **Trial Balance**   IC Matching   Supp. Info & JE   Disclosure   Performance Dashboard   ● Contributor   ○ Consolidator

Organization

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▽ ⤢ ⤡ 🔲 👥

Entity

Entity		
▼ 📁 010 - All Entities by Region		🟠
▼ 📁 020 - Entity - By Region		🟠
▼ 📁 100 - North America		⊘
▼ 📁 110 - USA		⊘
EN_00 - New York		🟠
EN_05 - Chicago		🔴
EN_10 - Los Angeles		❌
▼ 📁 120 - Canada		⊘
EN_15 - Toronto		✅
EN_20 - Montreal		🟠
▼ 📁 200 - Europe		⊘
▼ 📁 210 - Southern Europe		⊘
EN_25 - Rome		🟠
EN_30 - Milan		✅
EN_35 - Madrid		❌
▼ 📁 220 - Central Europe		⊘
EN_40 - Berlin		⧗
EN_45 - Paris		✅
EN_50 - Munich		❌

Workflow EN_05 - Chicago

❌ Rejected   Deadline: 11/12/24   Time left: 186d 0h   ⓘ ▤

Account Mapping

Trial Balance Upload

Trial Balance Data Entry

View Data Diagnostics

AI_ANOMALY_DETECTION

Run TB Report

Submit Trial Balance for review

Approval by Entity Controller

Actions

| ETL |
| ⚠ Quick Data loader |
| 📄 DTP ⌄ |
| 📄 Edit windows ⌄ |
| 📄 Other Edit windows ⌄ |
| 📄 Form |
| IC cockpit |
| Cash Flow Planning ⌄ |
| Diagnostic ⌄ |
| Snapshot ⌄ |
| Entity data processing |
| ✔ Submit |
| Reject |
| % Utility ⌄ |
| 📄 Process reports ⌄ |
| Report distribution ⌄ |
| Calculation logics |
| Allocations & Closing |
| Income Taxes |

Overcoming data insights challenges with AI driver-based analysis

AI driver-based analysis benefits:

The data overload

The data disconnect

The time crunch

▶ Inclusion of external data points, managed by users

▶ See 'influencers' by period

▶ Supports high accuracy in forecasting

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Company profile

Medium Banking company

Using CCH Tagetik for Budgeting and Planning, Consolidation, IFRS16, EBA, ESMA reporting

Business needs

- Requiring to improve insight into business drivers and enhance accuracy for their Net inflow monthly forecast
- Dealing with limited volume of data.

Project in place

- AI Driver-based analysis and predictive intelligence.
- Leveraging historically available data starting from 2014; adding external info such as economic and financial trends and segment actuals to define drivers and impacts; applying Predictive Planning for the H1-2022 forecast period onwards.

Outcomes

- **Drivers identified:** Among 150 potential variables impacting inflow, 15 were identified as material for the business.
- Enabling 99% of accuracy in a 6-month, AI-empowered forecast with explainable insight on performance.

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PLAN - 2022_ACTUAL / 12 (Contributor) ☆

Summary   Detail summary   Setup   AI Automapping   AI Anomaly Detection   **AI Driver-Based Analysis**   Predictive Planning   Performance Dashboard

⦿ Contributor   ◯ Consolidator

Organization

Workflow EN_00 - USA

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Entity

| ⬤ Started | Deadline: - | Time left: -d -h | ℹ 🗒 |
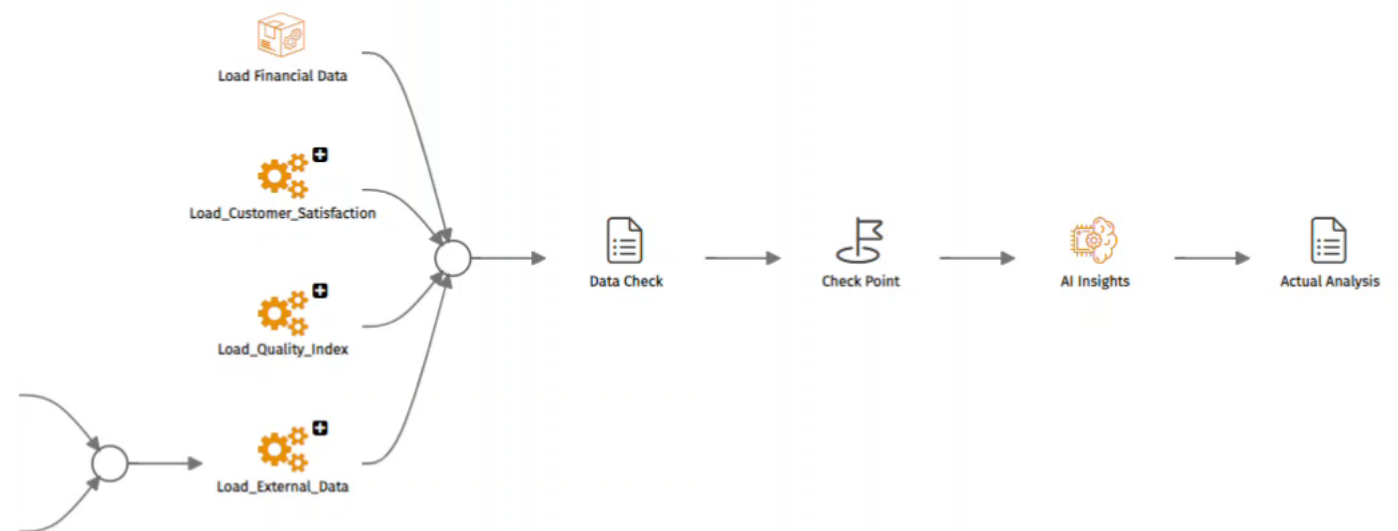
- ▼ 📁 020 - Entities
  - ▼ 📁 030 - Entity by Region
    - ▼ 📁 100 - North America
      - **EN_00 - USA**
      - EN_15 - Canada
      - R14 - Regional HQ
  - ▼ 📁 200 - Europe
    - EN_25 - Southern Europe
    - EN_40 - Central Europe
    - EN_45 - Regional HQ
  - ▼ 📁 300 - APAC
    - EN_55 - Asia
    - EN_65 - Pacific
    - R34 - Regional HQ
  - ALL - Corporate

Load Financial Data

Load_Customer_Satisfaction

Load_Quality_Index

Load_External_Data

Data Check → Check Point → AI Insights → Actual Analysis

Actions

- 🔗 ETL
- Quick Data loader
- ⚙ DTP ⌄
- 🖹 Edit windows ⌄
- 🖹 Other Edit windows ⌄
- 🖹 Form
- IC cockpit
- Cash Flow Planning ⌄
- Diagnostic ⌄
- Snapshot ⌄
- 🔗 Entity data processing
- ✔ Submit
- 👎 Reject
- % Utility ⌄
- 🖹 Process reports ⌄
- Report distribution ⌄
- Calculation logics

Power up your forecasts with **Predictive Intelligence**

Low risk automated baseline

Flexible time horizons

Overlays added by FP&A team

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Company profile

Large Manufacturing company

Using CCH Tagetik for Consolidation, Collaborative Office, Lease Accounting, Supply Chain Planning

Business needs

- To reduce manual effort and time required by the rolling forecast.
- They forecast the monthly delivery of products sold by item and customer for each line of business.

Project in place

- Supercharging the forecast with Predictive Planning.
- Historical data ingested: monthly sales promotions; working days per month; prices of items by customer.
- Matching ML predictions with past «manual» forecast of rolling 12 months scenario.

Outcomes

- 90% of accuracy for total quantity error.
- **Productivity boosted:** Receiving results for a 12-month rolling forecast of 167 products by regions.

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Poll question 3

What is the biggest barrier to implementing AI in your finance operations?
   a. Lack of technical expertise
   b. Budget constraints
   c. Data quality issues
   d. Unclear ROI
   e. Change management resistance

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Empowering Finance with the AI-powered data flow

Expanding Agentic AI journey in CCH Tagetik for everyday tasks

AI Automapping

Data Ingestion

AI Transaction Matching

Data Matching

AI Anomaly Detection

Data Validation

AI Driver-based Analysis

Data Insights

Predictive Intelligence

Data Projection

Intelligent Analytics with GenAI

Data Analysis
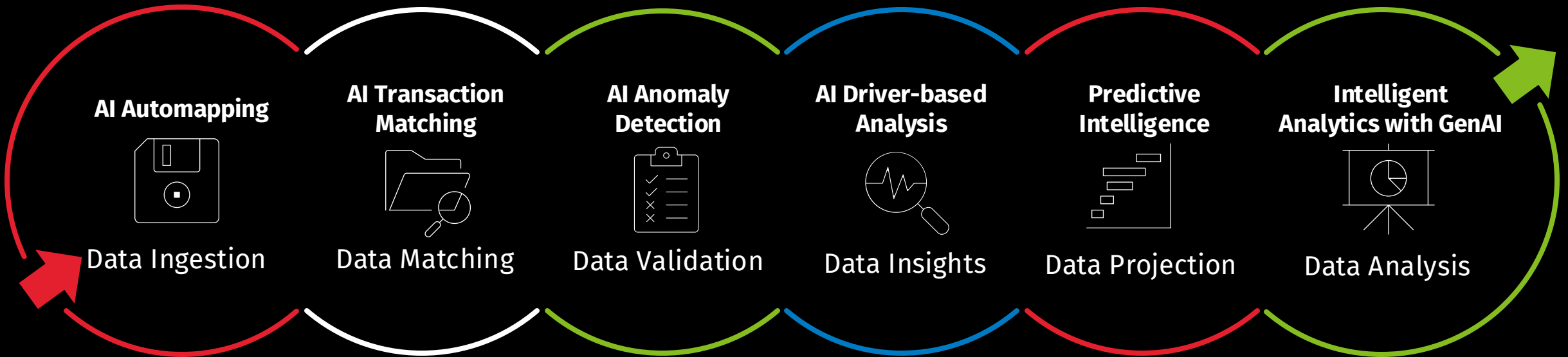
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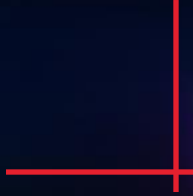# CCH Tagetik Intelligent Platform difference

Revolutionize your ways of working now. Expedite decision making.

Manage and control massive datasets with unprecedented speed

Increase productivity and accuracy through automation

Unlock hidden insights to improve and expedite decision-making

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Beyond the Buzz: Practical AI Use Cases for Finance Teams

Thank you!

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