How AI Is Transforming FP&A:
A Practical Guide to Maturity, Transformation, and Its Evolving Role

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I. INTRODUCTION

No longer a future concept, Artificial Intelligence (AI) is now being embedded in the tools used by finance. From predictive algorithms for producing forecasts to AI-powered copilots that interpret and explain results, AI is reshaping how Financial Planning and Analysis (FP&A) operates and adds organizational value.

While Machine Learning (ML) has long supported forecasting and anomaly detection, the rise of Generative AI (GenAI) is accelerating the shift from insight generation to influencing decisions. With an intuitive, natural language interface and their ability to reason, finance teams can now interrogate data, simulate scenarios, and generate commentaries, all in real-time. These advances not only enhance analysis but also elevate decision-making by making it faster, more informed, and grounded in a broader range of inputs.

This revolution does not mean people are being replaced, but their roles and activities are changing significantly. As AI assumes a greater role in processing, FP&A professionals can focus on what matters most, such as validating outputs, translating results into actionable insights, and influencing strategic decisions in an ever-changing business environment.

AI is now more accessible and, for many applications, does not require coding or data science expertise. This means that finance teams can begin using AI directly today, which shifts attention to what is possible and what is expected of modern FP&A teams.

Looking ahead, FP&A will move beyond basic automation. Intelligent systems are already evolving toward autonomous capabilities, where AI agents operate with a defined purpose and increasing independence.

But advanced tools are just part of the answer. As **Derk-Jan van der Wal, EY Global Business Planning Reporting and Analytics Solution Leader**, reminds us, *"Technology alone is not enough. It is about how businesses use AI to create value."* That is the focus of this paper — not just what AI can do but how FP&A can apply it with purpose.

> "AI is evolving toward agentic systems, where intelligent agents operate with purpose and autonomy."
>
> Beatriz Sanz Saiz,
> *EY Global AI Clients and Industry Leader*

About This Research Paper

This research paper is the result of seven years of global work led by the **AI FP&A Committee**, drawing on:

- ❖ 270+ meetings of the **International FP&A Board** across 33 chapters in 19 countries on four continents
- ❖ Interviews with senior finance leaders and AI pioneers
- ❖ Real-world case studies from leading organizations
- ❖ Data from the **FP&A Trends Survey**

We are also grateful for the input from **EY professionals**, whose global experience in working with clients to adopt AI, as well as their own internal AI initiatives, helped shape this research project.

In the chapters ahead, we explore:

- ❖ How AI is being used today within Financial Planning and Analysis (FP&A)
- ❖ What foundations are needed for successful adoption
- ❖ A practical **FP&A Trends AI Maturity Model** to benchmark and guide progress
- ❖ A roadmap to move AI from an experimentation stage to enterprise-wide implementations
- ❖ How the role of FP&A is evolving to that of a strategic advisor and ethical steward

One thing is clear: those who embrace AI-driven transformation will be well-positioned to lead the future of finance, which many call the fourth industrial revolution.

What Is in a Name?

AI terminology can be confusing as technology and capabilities constantly evolve. Within this paper, we use the following terms:

- ❖ **ML** when referring to those applications that analyze numeric data to uncover relationships and/or generate forecasts.

- ❖ **GenAI** refers to applications that incorporate Large Language Models such as ChatGPT to process text and produce textual output, which may or may not include some elements of ML.

- ❖ **Agentic AI** refers to systems that employ agents to act and make decisions autonomously in working toward a defined end goal.

- ❖ **AI** is used when generically referring to any kind of ML, GenAI, or Agentic AI application.

II. THE ADOPTION OF AI WITHIN FP&A

Until recently, AI within FP&A meant Machine Learning (ML) — advanced models that identify patterns in data and generate forecasts. But despite the hype, adoption remained low. The FP&A Trends Survey showed that ML usage peaked at 11% in 2021 before dropping to just 6% by 2024. Our experience was that organizations struggled with a combination of a lack of AI expertise, suitable tools, and data quality issues.
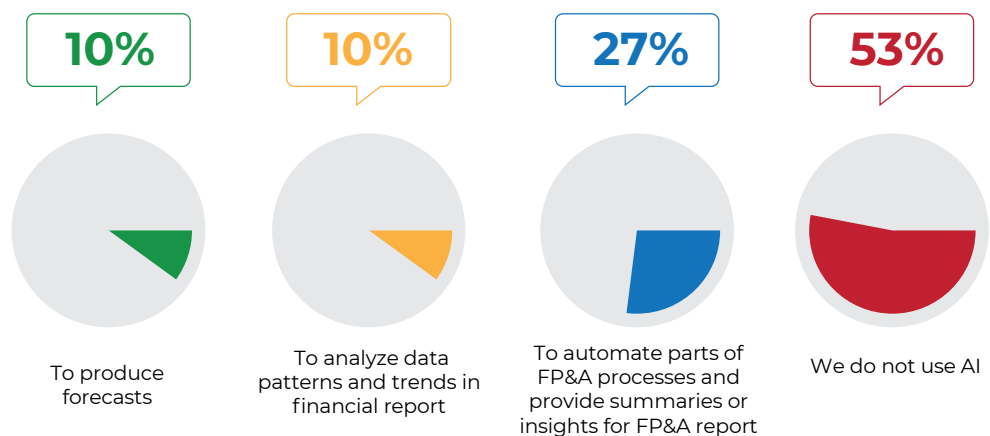
However, things began to change in 2023 with the emergence of Generative AI (GenAI) applications such as ChatGPT. Based on Large Language Models (LLMs), these tools could take user requests in natural language and provide answers to specific questions. They could also summarize reports and provide written commentaries, all without the need for coding or understanding Data Science.

According to the **2024 EY CEO Outlook Pulse Survey**, 99% of global CEOs plan to invest in GenAI. For the first time, AI has moved from the innovation lab to the executive agenda.

In response, the FP&A Trends Group expanded its research. At the start of 2025, we began capturing all forms of AI use within FP&A. A live poll of 322 senior finance leaders across eight face-to-face FP&A Board meetings (London, Zurich, Paris, Geneva, Dubai, Amsterdam, New York, and Chicago) revealed a fast-changing but uneven landscape in adopting AI:

- ❖ **10%** apply AI to forecasting
- ❖ **10%** employ AI to detect patterns and trends
- ❖ **27%** use AI to automate reporting and workflow tasks
- ❖ **53%** report no current AI use within FP&A

This shows a 41% increase in usage compared to the 2024 survey, mainly driven by GenAI. However, it also reveals that more than half of FP&A teams are still on the sidelines.

> "You do not grab a screwdriver to hammer in a nail. The same applies to AI. It is not about having access to advanced tools — it is about using the right ones in the right way to solve real business problems."
>
> Derk-Jan van der Wal,
> *EY Global Business Planning Reporting and Analytics Solution Leader*

10%	10%	27%	53%
To produce forecasts	To analyze data patterns and trends in financial report	To automate parts of FP&A processes and provide summaries or insights for FP&A report	We do not use AI

Fig. 1:
Use of AI in FP&A

Source: LinkedIn Poll and Polling Questions at London, Zurich, Paris, Geneva, Dubai, Amsterdam, New York and Chicago FP&A Boards, January-March 2025, 322 respondents

Many companies are now experimenting with AI, although without a clear plan, these tools often sit idle or are used without a clear purpose. As **Derk-Jan van der Wal, EY Global Business Planning Reporting and Analytics Solution Leader**, says, *"You do not grab a screwdriver to hammer in a nail."* He continues, *"The same applies to AI. It is not about having access to advanced tools — it is about using the right ones in the right way to solve real business problems."*

Three Roles AI Plays in FP&A

From our global case studies and interviews, we identified three distinct roles AI plays in modern FP&A (Figure 2):

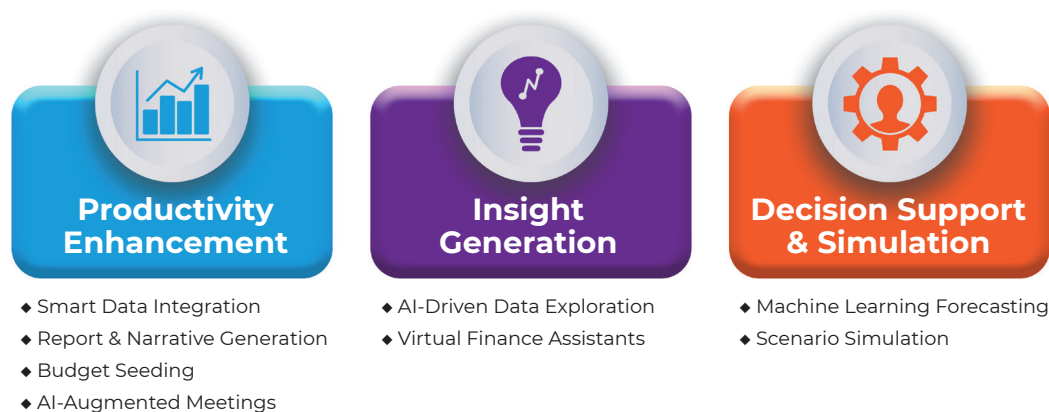1. **Productivity Enhancement** – Automating and enhancing manual and repetitive tasks

2. **Insight Generation** – Unlocking deeper and contextual analysis

3. **Decision Support & Simulation** – Enabling smarter forecasting and scenario planning

**Productivity
Enhancement**

◆ Smart Data Integration
◆ Report & Narrative Generation
◆ Budget Seeding
◆ AI-Augmented Meetings

**Insight
Generation**

◆ AI-Driven Data Exploration
◆ Virtual Finance Assistants

**Decision Support
& Simulation**

◆ Machine Learning Forecasting
◆ Scenario Simulation

Let us look at each of these areas in more detail to see what is being achieved.

1. Productivity Enhancement

AI is rapidly reducing manual workload in FP&A, freeing teams to focus on strategic value rather than data manipulation or routine reporting. Based on our research, the most common productivity gains fall into four key areas:

A. Smart Data Integration

According to our 2024 FP&A Trends Survey, up to 45% of FP&A time is still spent cleaning and reconciling data, which is a major hindrance to value-added work. AI is now automating much of this work by:

- ❖ Pulling data from ERPs, spreadsheets, and external sources
- ❖ Detecting errors, gaps, and duplicates automatically
- ❖ Structuring and feeding clean data into models and dashboards

Consequently, AI is increasing trust in data and accelerating its use in decision support.

B. Report and Narrative Generation

AI tools are being used to support faster FP&A reporting workflows by:

- ❖ Generating monthly reports, dashboards, and commentary
- ❖ Highlighting variances and providing natural language explanations
- ❖ Rewriting outputs to match corporate standards and tone

C. Budget Seeding

Rather than manually building budgets line by line, some teams now use AI to pre-populate 70–80% of budget values based on:

- ❖ Historical trends
- ❖ External market drivers
- ❖ Live forecast models

One company we spoke to uses AI to seed its R&D budgets, allowing analysts to focus on assumption testing and scenario design rather than manual data entry.

🔗 Their full transformation is described in Section V.

> "AI enables deeper data mining, providing insights that were previously impossible due to resource constraints."
>
> Deirdre Ryan,
> *EY Global Finance Transformation Leader*

D. AI-Augmented Meetings

From calendar to follow-up, AI is transforming FP&A's operating rhythm by:

- ❖ Scheduling meetings, drafting agendas, tracking follow-ups
- ❖ Transcribing meetings in real-time and summarizing key decisions
- ❖ Recommending documents and following up with task owners

Takeshi Murakami, CFO Thailand/Vietnam at Microsoft, explained how this approach *"streamlines workflows and promotes more focused, results-driven meetings."*

🔗 See Microsoft case study in Section III.

AI in Action: Allianz Technology's GenAI Transformation

Michael Schiebel, Former VP of Finance, CFO U.S. at Allianz Technology, shared how their FP&A team overcame the burden of manual data aggregation and reporting.

By deploying a GenAI system, they:

- ❖ Automated data collection from multiple sources
- ❖ Enabled natural language queries for fast data access
- ❖ Used AI to flag anomalies and variances for deeper analysis

As a result, the manual workload was reduced by 60%, while reporting accuracy and consistency improved significantly. The time saved allowed analysts to shift focus toward strategic analysis to enhance cross-departmental decision-making and increase the value of FP&A to the business.

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2. Insight Generation

AI is elevating FP&A from traditional analysis to continuous, context-rich insight generation. Rather than simply highlighting what happened, modern tools help explain why it happened — and what might come next. Based on our research, these use cases fall into two main categories:

A. AI-Driven Data Exploration

AI tools are helping FP&A teams uncover unexpected trends, detect anomalies, and spot early warnings in performance data that would otherwise go unnoticed. One FP&A Board member shared how their team uses ML to flag unexplained cost variances across departments weeks before they would have been spotted manually.

Specialized GenAI tools are also being tested to summarize earnings calls, interpret macroeconomic signals, and help teams monitor sentiment in analyst reports. While these tools are still developing, they offer new ways to bring external context into forecasting and reporting.

B. Virtual Finance Assistants

GenAI provides a new way to interface applications, including those that use ML. By supporting finance teams through natural language questions, they act as 24/7 junior analysts in creating reports and helping draft commentaries.

One large multinational company piloted a GenAI assistant that lets business users ask questions like *"What were our Q2 margins in APAC?"* or *"Why did OPEX spike last month?"* While still in its infancy, the tool has reduced basic report requests and improved self-service access to standard metrics, freeing FP&A analysts to focus on deeper insights.

However, several FP&A teams also shared that some GenAI outputs can be imprecise, emphasizing the need for AI governance, validation, and hence a gradual rollout.

3. Decision Support & Simulation

AI is helping FP&A evolve from static forecasting and siloed planning to dynamic decision-making. In our discussions, two core capabilities emerged that are helping to reshape how finance teams model, assess, and respond to uncertainty.

A. Forecasting with Machine Learning

AI-powered forecasting enables finance teams to analyze granular data sets and uncover relationships that traditional models often miss. ML algorithms are being trained on internal and external drivers, ranging from inflation rates and customer churn to supplier risk and commodity pricing.

By doing this, these models improve forecast accuracy, highlight risks earlier, and support more flexible, driver-based planning. Crucially, they allow FP&A to shift from manual projection to intelligent forecasting that adapts as new data arrives.

Examples from Practice:

- ❖ A global pharmaceutical company shared that ML-driven forecasts for OPEX and sales achieved higher accuracy with less manual effort, freeing analysts to focus on strategy.

- ❖ One international telecoms group reported achieving 99.9% forecast accuracy within six months of AI implementation.

- ❖ **Takeshi Murakami, CFO Thailand/Vietnam at Microsoft**, shared how their ML model was so effective that it became the benchmark. From this, the team could assess and adjust forecasts based on other knowledge, resulting in more reliable and precise predictions.

B. Scenario Simulation

Beyond improving forecasts, AI is being used to generate forward-looking, multi-variable scenarios. These models simulate a wide range of business outcomes such as shifts in demand, pricing, or supply chain disruption. Results are then presented along with suggestions on the most effective responses.

As forecasting models become more dynamic and integrated with scenario planning, AI is shifting from a support tool to one that enables transformation. Consequently, it changes how decisions are made, risks are managed, and plans are executed.

"AI within FP&A started as a way to improve business-as-usual by producing faster reporting and smarter forecasts. But that is changing. It is now opening up entirely new ways for teams to operate, collaborate, and lead."

Camryn Brown,
EY APAC Business Planning Reporting & Analytics Solution Leader

III. IMPACT OF AI ON FP&A

AI is not just improving how FP&A operates but also reshaping what the function is for.

From our global research, interviews, and FP&A Board meetings, we identified **three fundamental shifts** transforming modern FP&A: a change in roles, capabilities, and strategic positioning.

FP&A Talent Shift: New Roles for a New Era

Future-ready FP&A teams must be multifunctional, blending technical fluency with human judgment. In an AI-enabled environment, the traditional analyst model is no longer sufficient. Modern FP&A must include roles that can connect systems, gather data from disparate sources, create sophisticated models, and apply strategic influence on decision-makers to stay relevant and impactful.

This transformation is captured in the **Five FP&A Roles Framework** (Figure 3), developed through FP&A Trends' global research. The framework reflects how finance today operates across technologies, business functions, and decision-making:
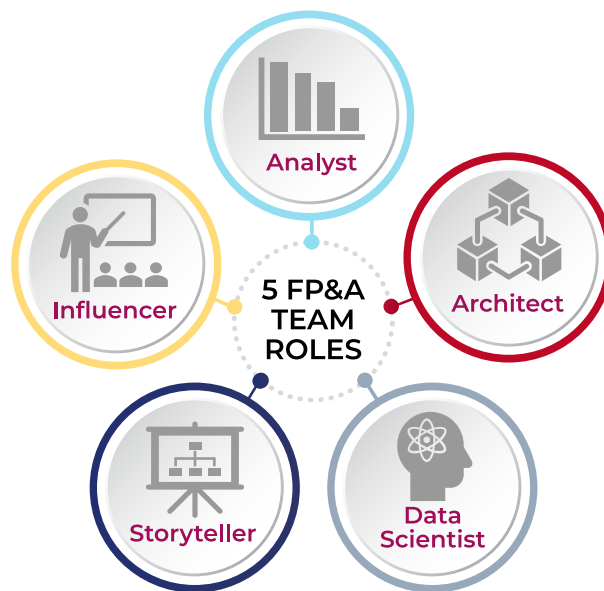

Fig. 3:
Five FP&A Team Roles

1. **Analyst –** the classic role delivers forecasts, budgets, and variance analysis with precision.

2. **Architect –** connects finance and IT; designs the planning ecosystem, owns data integration, and ensures real-time system connectivity.

3. **Data Scientist –** bridges finance and data science; builds predictive models, uncovers analytical drivers, and translates AI outputs into business-ready insights.

4. **Storyteller –** crafts insights into compelling narratives that engage stakeholders and drive action.

5. **Influencer –** shapes direction, challenges assumptions and ensures alignment between financial insight and strategic execution.

FP&A professionals today wear many hats. They are not just reporting numbers but play a growing role in guiding strategy, building alignment across teams, and challenging assumptions. These responsibilities reflect how high-performing finance teams work right now in a world shaped by automation, integration, and AI.

This view is reinforced by **Beatriz Sanz Saiz, EY Global AI Clients and Industry Leader:** *"The role of finance professionals will move toward oversight, validation, and strategic decision-making rather than manual data handling."*

While all five roles are essential, our research and FP&A Board discussions highlight the strategic importance of the two multifunctional roles: the Architect and the Data Scientist. These integrators ensure AI tools, systems, and data translate into decision-ready insights that serve the business.

The **FP&A Data Scientist** is not a classical data scientist but a finance-savvy translator who applies machine learning and statistical modeling to reveal trends, explain risks, and support dynamic forecasting. This role is central to embedding AI into workflows, not just to generate insights but to activate better decisions.

The **FP&A Architect** plays an equally critical role. As the bridge between finance and IT, the Architect designs and governs the technical infrastructure, ensuring data flows seamlessly across systems, models, and platforms. This enables real-time planning, automates manual processes, and supports scalable scenario-based modeling. In transformation programs, the absence of a strong Architect often results in fragmented systems, disconnected forecasts, and delayed decision-making.

In practice, we have seen AI projects fail when finance and data science teams do not speak the same language or when planning systems lack proper integration. In contrast, successful transformations, such as at Philips, led by **Scott Campbell, Head of Digital COE - Finance FP&A**, have been enabled by FP&A professionals who combine business fluency with deep technical understanding. Their success stems not from technology alone but from roles that translate complexity into business value.

Across our FP&A Boards, leaders consistently emphasize the need for hybrid talent that spans finance, systems, and data science. As AI moves deeper into forecasting, modeling, and scenario planning, the Architect and Data Scientist roles are no longer optional — they are essential to the future of modern FP&A.

FP&A Capability Shift: Skills for the AI Era

The second major shift is about capabilities, not just more technical skills but smarter, integrated ones. In an AI-enabled world, FP&A professionals must operate confidently at the intersection of technology, data, and strategic influence.

Our research highlights two critical capability groups that define the modern function:

A. Technical Fluency

These are the enablers of automation, insightful analytics, and transformation. FP&A skills must include:

❖ **AI & Data Literacy**
Solid understanding of database principles and how they are different from spreadsheets. Also, how financial models work, their limitations, and interpreting outputs. This includes reading GenAI responses critically, identifying bias, and applying human oversight.

❖ **Predictive Forecasting & Scenario Modeling**
Collaborating with AI tools to build dynamic, risk-adjusted forecasts and simulate future business scenarios.

❖ **Tool Experimentation**
Using platforms like ChatGPT, Microsoft 365 Copilot, or Power BI — securely, creatively, and with purpose.

B. Human Judgement & Influence

Technology may deliver the outputs, but it is people who deliver outcomes. This requires FP&A staff to be skilled in:

❖ **Critical Thinking**
Finance teams must validate AI results and challenge what does not make sense.

❖ **Business Acumen**
Translate AI-generated insights into commercial recommendations grounded in real business dynamics.

> "FP&A leaders must adapt by developing skills to manage and interpret large datasets, leveraging AI to automate routine tasks, and focusing on strategic activities that add value to the business."
>
> Christian Martinez,
> *Finance Transformation Senior Manager at Kraft Heinz*

- ❖ **Change Leadership & Communication**
  Build trust in new tools, explain AI-generated insights clearly, and engage stakeholders who may not be technically fluent.

- ❖ **Storytelling**
  Visualize and narrate insights in a way that resonates with diverse decision-makers and drives actions from understanding, not just information.

At recent FP&A Boards, leaders consistently emphasized that it is not enough to adopt AI tools. The real differentiator is the ability to interpret, communicate, and act on what those tools produce. Strategic capability now means combining analytical rigor with influence, clarity, and commercial understanding.

As AI reshapes the function, it is these human capabilities, paired with digital fluency, that will determine which FP&A teams lead the transformation and which ones are left behind.

Strategic Shift: From Back-Office to Copilot

AI is not just making FP&A more efficient but redefining the function.

As the use of automation increases, finance teams are spending less time reconciling spreadsheets and more time shaping decisions. Consequently, the shift from traditional to Best-in-Class FP&A is about transforming mindsets where FP&A evolves from a support function into a strategic partner that drives value, alignment, and change.

Deirdre Ryan, EY Global Finance Transformation Leader, explains that the challenge is not about using tools but knowing what questions to ask. Many CFOs, she notes, struggle to define the kind of analysis that would give them a competitive edge. The real value of AI lies not in speeding up old processes, but in revealing new insights and possibilities that were once out of reach.

She draws a clear line between two types of benefits. Productivity gains make teams faster. But insight generation changes how they think. For **Deirdre Ryan**, this shift moves FP&A from a process-led support role to a strategic, data-centric partner to the business.

However, this transformation only happens when finance is fully embedded in day-to-day decision-making rather than operating from the sidelines.

On a strategic level, today's AI tools allow FP&A to:

- ❖ Stress-test business drivers with real-time data

- ❖ Challenge operational assumptions with evidence

- ❖ Simulate risk scenarios and dynamically guide resource allocation

This shift is not theoretical — it is measurable. Our 2024 FP&A Trends Survey reveals that FP&A teams using AI:

- ❖ Spend **5% more time** on high-value tasks

- ❖ Are **18% better optimized** to perform their role

- ❖ Achieve **25% higher forecast accuracy** compared to non-AI teams

As AI replaces manual effort, the role of FP&A expands from analyzing the past to actively shaping it through integrated planning and decision-making influence.

> "AI frees FP&A professionals from routine tasks, enabling them to focus on business strategy and leadership."
>
> Mattias Tiljander,
> *Finance Director*
> *at CGI Scandinavia*

> "The integration of AI and Large Language Models in FP&A represents a significant paradigm shift. For FP&A leaders, this means an opportunity to transform their teams from traditional finance roles to strategic business partners."
>
> Michael Schiebel,
> *Former VP of Finance, CFO*
> *U.S. at Allianz Technology*

USE CASE: Microsoft's "Modern Finance" Journey

Microsoft's "Modern Finance" initiative set out to reposition FP&A as a strategic partner equipped to navigate real-time complexity. According to **Takeshi Murakami, CFO Thailand/Vietnam at Microsoft**, the team needed to shift from manual, fragmented processes to a technology-driven model focused on agility and business impact.

Challenge
Manual workflows and outdated tools slowed decision-making and limited FP&A's strategic contribution. Key pain points included disconnected systems, forecasting inefficiencies, and time-intensive reconciliation processes.

Solution
Microsoft introduced AI across four core FP&A domains:

❖ **Forecasting and capacity planning**
ML was used to generate unbiased, bottom-up forecasts, improve accuracy, and simplify planning cycles.

❖ **Query automation**
Virtual Agents handled common Q&A tasks, enhancing accessibility and responsiveness.

❖ **Predictive analytics**
AI flagged anomalies — such as a large deal from a first-time customer — and offered machine-generated next steps.

❖ **Variance analysis and reconciliation**
Microsoft 365 Copilot for Finance was used to detect outliers and discrepancies, dramatically reducing the time spent on manual data checks.

FP&A Role
FP&A led the implementation and operationalization of these tools, ensuring data models, workflows, and insights were aligned with business needs. A critical success factor was establishing a "single source of truth" through consistent taxonomies and cloud migration.

"The most important aspect is how we transform ourselves to drive business impact," says **Takeshi Murakami**. *"Embracing GenAI is more than just new technology; it is about being willing to learn new things and adapt to new ways of working."*

Outcome
❖ Faster insight-to-action cycles

❖ Reduced manual workload

❖ Stronger FP&A contribution to strategic decisions

❖ Greater focus on forward-looking activities

Takeaway
Microsoft's case demonstrates how AI and other related technologies enable FP&A to shift from reactive reporting to real-time strategic partnering. The tools matter, but a change in mindset allied with team capability made the transformation successful.

IV. CHALLENGES

Despite growing interest in AI, adoption in FP&A is inconsistent.

As mentioned earlier, our 2024 FP&A Trends Survey shows that ML usage in forecasting has declined — from 11% in 2021 to just 6% in 2024. More than a third of companies say they have no plans to adopt it. This drop reflects how difficult it can be to implement traditional ML in finance environments that rely heavily on precision, auditability, and legacy systems.

At the same time, we are seeing a big increase in the use of GenAI. These tools are easier to use and more accessible and help to renew interest in AI across finance functions.

Our research identified seven common challenges that hold teams back from fully adopting AI. These are not just technical issues, as they point to deeper gaps in leadership, skills, and mindset. To help navigate them, we have grouped these challenges into three strategic categories, shown in Figure 4.
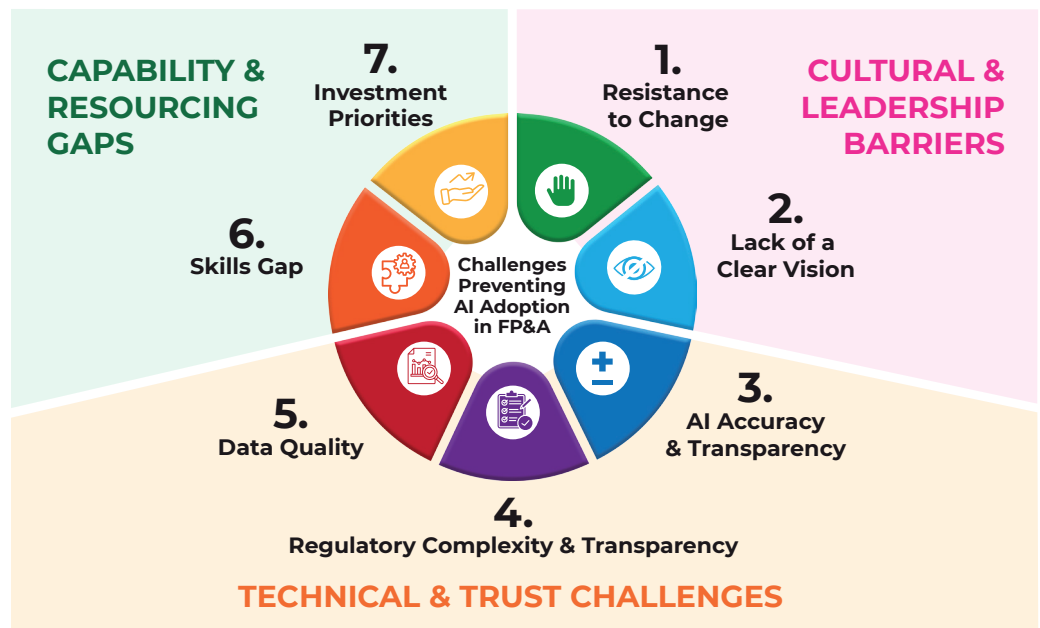

CAPABILITY & RESOURCING GAPS

7. Investment Priorities

6. Skills Gap

Challenges Preventing AI Adoption in FP&A

1. Resistance to Change

CULTURAL & LEADERSHIP BARRIERS

2. Lack of a Clear Vision

3. AI Accuracy & Transparency

5. Data Quality

4. Regulatory Complexity & Transparency

TECHNICAL & TRUST CHALLENGES

Fig. 4:
Seven Challenges Preventing AI Adoption in FP&A

Cultural and Leadership Barriers

1. Resistance to Change

Many FP&A professionals stick to familiar tools like Excel, driven by comfort with traditional methods and concern that AI might replace or diminish their roles. This resistance is often reinforced by leadership mindsets that favor the status quo or lack a clear vision for integrating AI. Overcoming these barriers requires not just new tools but also a shift in culture and leadership perspective that views AI as a strategic enabler.

2. Lack of a Clear Vision

We found that many companies are experimenting with AI but without a strategic plan for its effective integration within finance operations. Much of this stems from a lack of understanding among leaders as to what AI is and how it works. **Derk-Jan van der Wal of EY organization** likens these to *"Companies that have a Ferrari (AI) sitting in the garage but continue driving their old car."* He continues, without clear direction and strategic vision, *"the full potential of AI in FP&A remains untapped."*

AI is often viewed primarily as a cost-saving tool through automation. While it can certainly drive efficiency, its true value lies in augmenting human judgment, not replacing it. As AI takes over routine data processing, finance teams must shift their focus toward strategic decision-making. This is a transition that requires a fundamental mindset change across both the team and the wider organization.

> "One of the most common blockers is the absence of a clear business case. If better decisions do not translate into measurable outcomes, it is hard for finance leaders to prioritize AI over other investments with more visible returns."
>
> Derk-Jan van der Wal,
> *EY Global Business Planning Reporting and Analytics Solution Leader*

Technical and Trust Challenges

3. AI Accuracy & Transparency

Beatriz Sanz Saiz of EY organization notes that AI is still evolving, and one of the key challenges in its adoption within FP&A lies in its probabilistic nature. Unlike traditional financial models that offer deterministic outputs — clear, fixed results based on set inputs — AI models often work on probabilities, expressing results as ranges, likelihoods, or predictions based on patterns in data. This makes it hard to accept in a function used to exact values and audit trails.

Similarly, we came across many FP&A professionals who remain cautious about AI-driven insights due to the lack of transparency over how results are produced. They also feel that AI's inability to replicate human understanding, emotional intelligence, and contextual knowledge makes it less suited for high-stakes financial decisions. For example, **Gizelda Ekonomi, Senior Commercial Finance Manager at Vodafone UK**, told us that their finance team identified discrepancies in AI's pattern recognition when analyzing goodwill credit allocations, causing them to doubt the value of AI in some areas of their business.

Additionally, over-reliance on AI may lead to overlooked critical insights that require human judgment, further reinforcing skepticism toward fully automated forecasts.

Ways to overcome these concerns include providing education on how AI tools work, using platforms that explain how results are generated, and clearly reinforcing that AI is a support for human decisions — not a substitute for them.

> "Financial planning requires deterministic accuracy, while current AI technology remains probabilistic, which limits trust in its decision-making capabilities."
>
> Beatriz Sanz Saiz,
> *EY Global AI Clients and Industry Leader*

4. Regulatory Complexity & Transparency

Legislation in terms of data governance, security regulations, and compliance presents significant barriers to AI adoption in financial decision-making. For example, in the US, regulatory requirements like Sarbanes-Oxley make unverified numbers a legal risk. Similarly, regional regulatory differences, such as Germany's restrictions on GenAI, further complicate implementation.

This can make it difficult for organizations to fully endorse AI-driven insights, especially when high-stakes decisions demand precision and accountability. Governance of AI is rapidly emerging as a top strategic priority, with many organizations appointing senior leaders specifically tasked with overseeing and guiding AI adoption across the enterprise.

5. Data Quality

Poor data quality remains a major obstacle to AI adoption in FP&A. Our surveys show that 45% of professionals' time is still spent on data checks and reconciliation, and only 22% of companies have a single, structured data source. Although there have been gradual improvements, progress has been too slow to meet the demands of AI-enabled workflows. This fragmented and inconsistent data landscape undermines the reliability of AI outputs, fueling resistance.

At the same time, data security is an emerging concern, especially around how third parties handle sensitive information fed into AI models. While large companies can invest in secure, in-house AI data systems, smaller firms face tough trade-offs between innovation and data exposure, risking further competitive disadvantage if they fall behind.

While some organizations delay adoption until data is "perfect," this often hinders progress. Our research suggests a more practical approach that focuses on improving the most impactful data (following the Pareto principle), upskilling teams to work effectively with imperfect inputs, and leveraging AI tools designed to tolerate a degree of data imperfection.

Capability and Resourcing Gaps

6. Skills Gap

Many organizations lack the expertise to use AI effectively. It is not just about building models. It is about embedding them into daily workflows in ways that effectively support decision-making. One critical role that often goes missing is the FP&A Data Scientist — someone who understands both finance and data science and can bridge the gap between business needs and technical tools. Without the bridge, AI efforts struggle to gain traction.

Gizelda Ekonomi, Senior Commercial Finance Manager at Vodafone UK, puts it simply: *"Implementing AI capabilities requires a team with a unique skill set combining technical and financial expertise."*

Derk-Jan van der Wal, EY Global Business Planning Reporting and Analytics Solution Leader, sees the same issue from a broader perspective. Many companies just do not have the internal talent to develop or manage AI solutions. They end up depending on external providers, which can slow things down.

Solving this is not only about hiring new people. It is about bringing together finance, data, and technology teams to work in sync and building the right skills, structures, and support to make AI part of how finance works every day.

7. Investment Priorities

Our annual surveys continually report that FP&A teams struggle to secure investment for AI as businesses prioritize spending on revenue-generating functions like marketing or supply chain optimization. The surveys also show that, despite advancements in technology, Excel remains the predominant planning application used by 52% of FP&A departments, while a further 16% use older-generation consolidation or BI tools. These solutions cannot handle the volume or complexity of data required for modern planning and lack embedded AI capabilities.

Investment is required not only to acquire tools but also to educate staff and give them time to experiment with AI solutions. However, 81% of FP&A teams are still restricted by the amount of manual work they must do, with 12% saying they struggle to keep up with the demands of their time. Interestingly, AI has proved to be a major method of giving FP&A the extra time they crave.

These seven challenges explain why many AI initiatives in FP&A stall or underdeliver — not because of the tools themselves but because of what surrounds them: data, leadership, skills, and governance.

In the next section, we explore seven foundations, based on real transformation journeys and practical lessons from leading teams, that directly address these barriers.

V. THE FOUNDATION OF SUCCESSFUL AI IMPLEMENTATIONS

Overcoming AI adoption barriers requires more than technology. Our research shows that successful AI integration into daily workflows begins with building a solid foundation. The following seven steps represent practical, proven responses to the challenges outlined earlier (Figure 5).
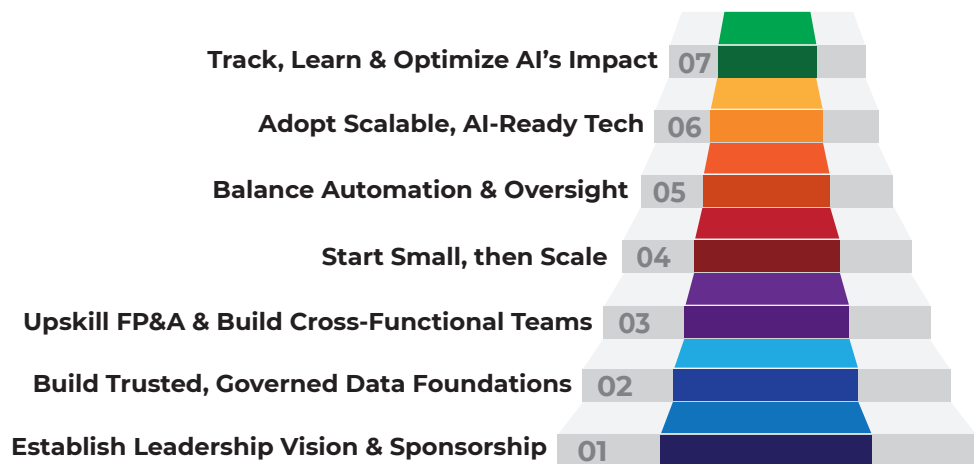
Fig. 5:
The Foundations of Successful AI Implementations

Track, Learn & Optimize AI's Impact	07
Adopt Scalable, AI-Ready Tech	06
Balance Automation & Oversight	05
Start Small, then Scale	04
Upskill FP&A & Build Cross-Functional Teams	03
Build Trusted, Governed Data Foundations	02
Establish Leadership Vision & Sponsorship	01

1. Establish Leadership Vision and Sponsorship

AI transformation starts with strong CFO-level sponsorship and a clear vision of its purpose.

As **Deirdre Ryan, EY Global Finance Transformation Leader**, explains: *"Transformations are more successful when leaders articulate a compelling vision and align their teams around it."*

Yet many CFOs still struggle to define the specific analyses or values that AI should unlock. Without that clarity, adoption stalls.

At **Microsoft, Regional CFO Takeshi Murakami** led the finance AI journey by aligning teams around a compelling narrative and anchoring change in purpose, not just systems.

Education is essential. Leading organizations use real examples, clear AI roadmaps, and open dialogue to demystify the technology. Teams are shown that AI augments — not replaces — human insight, and that transformation is structured, not chaotic.

2. Build Trusted, Governed Data Foundations

AI is only as strong as the data behind it. Without clean, consistent, and governed inputs, even the best models fail.

"The real race is not for better algorithms — it is for better data. That is what makes AI work. And that is where finance leaders need to step in," says **Kevin Brown, EY Americas Business Planning Reporting & Analytics Solution Leader.**

Michael Schiebel, Former VP of Finance, CFO U.S. at Allianz Technology, comments, *"In my experience, data extraction, transformation, and lack of or inadequate metadata are the main obstacles for successful GenAI implementations within FP&A. Inconsistent and context-lacking data often leads to errors and hallucinations."* He also points out that many finance and IT organizations have established finance data lake houses and data fabrics to provide structured data with centralized data governance. However, GenAI utilizes structured, semi-structured, and unstructured data, requiring a shift to multi-modal data fabrics and enhanced metadata management.

Deirdre Ryan of EY organization adds that CFOs do not need to own all the data, but they must know how to connect it. The challenge is not control. It is orchestration.

As GenAI empowers finance and business users to develop their own applications, organizations are transitioning from centralized data fabrics to de-centralized data meshes. In a data mesh, domain teams such as finance and sales manage their data as products, leveraging a semantic layer to maintain shared definitions for metrics, data contracts, and product ontologies. This approach enables cross-collaboration and understanding of shared contexts among different enterprise teams.

However, **Simone da Silva Collins, Senior Financial Controller at Sony**, warns: *"Governance gaps create blind spots and can slow down organizations just when they need to move faster."*

In managing data, **Tanbir Jasimuddin, Finance Transformation Leader**, recommends the creation of a living data governance framework that includes:

❖ Assigned ownership

❖ Defined Golden Record

❖ Embedded validation at the point of entry

❖ Documented data catalogs and data lineage

This ensures consistency and trust across finance, IT, and business teams, which in turn makes AI insights reliable and actionable.

3. Upskill FP&A and Build Cross-Functional Teams

AI within FP&A demands new, multifunctional skill sets (see Section III). Some of these will be technical for implementing AI, while others will be soft skills such as storytelling, influencing, and communication. The latter being essential if FP&A is to become an effective business partner with strategic influence.

At a technical level, finance leaders at our Riyadh FP&A Board shared how they close the gap internally by hiring data science graduates and training them in FP&A fundamentals. However, upskilling existing teams is equally important. We have seen leading organizations build AI literacy, data storytelling, and analytics capabilities through targeted development programs.

When implementing systems, many organizations create cross-functional teams that combine finance, IT, and business expertise. **Scott Campbell, Head of Digital COE - Finance FP&A at Philips**, explained that he acts as the strategic bridge between finance and their AI/data teams. This ensures that the relevant expertise is available and focused on enabling high-quality solutions across global business units.

> "Implementing AI capabilities requires a team with a unique skill set combining technical and financial expertise."
>
> Gizelda Ekonomi,
> *Senior Commercial Finance Manager at Vodafone UK*

USE CASE: A Multi-Enabler Transformation

A global healthcare leader transformed its FP&A function by embedding AI into decision-making, team collaboration, and cross-functional governance.

The initiative was driven by a specialized central team that brought together finance business partners, data scientists, and IT experts. Teams worked in 90-day sprints to experiment with AI-powered solutions in live planning environments.

One breakthrough came in forecasting global R&D costs. A prototype, built in six weeks, delivered 7% greater accuracy than traditional models. As trust grew, manual adjustments fell by 50%, and the forecast cycle time was cut in half.

Importantly, failure was expected in up to 80% of pilots — but viewed as learning, not loss.

Managers close to the project told us that *"Embracing GenAI is about more than just new technology. It is about being willing to learn new things and adapt to new ways of working."*

This company's journey reflects at least four enablers in action: vision, skills development, cross-functional teaming, and iterative measurement.

4. Start Small, then Scale

Successful AI journeys rarely start with a grand rollout. They begin with one high-value, low-risk use case that delivers quick wins.

In our research, forecasting was often the first step that used ML for revenue forecasting for one business unit. Today, the first use cases tend to be with GenAI tools to automate commentary generation, anomaly detection, or routine report writing.

As **Dennis Sparacino, US Principal – Data and Analytics, EY US LLP**, explains, *"Boards are expecting organizations to progress in digital transformation. FP&A must eliminate manual tasks and shift toward value-added analytics and strategic business partnering."*

These pilots are more than technical trials. They help teams move, prove impact, and create the momentum that makes real change possible.

5. Balance AI Automation with Human Oversight

AI can generate insight, but only humans can judge what matters regarding relevance and risk.

At the Amsterdam FP&A Board, one member put it simply: *"AI can help shape the answer, but only humans should make the final decision."*

It is this principle that is in action at Microsoft. Forecasts are produced using ML, but finance professionals still review them for business alignment. In essence, AI offers the draft, but humans decide if it makes sense.

Michael Nudelmann, Director Group Controlling / Head of Group FP&A at Swarovski, reinforces the same idea from a different angle: *"AI/ML should be part of a broader analytical approach that includes human expertise, judgment, and business context."*

This means finance professionals are essential in:

- ❖ Validating what the AI produces
- ❖ Questioning outliers and assumptions
- ❖ Turning insights into a clear, trusted story

6. Adopt Scalable, AI-Ready Technology

Traditional FP&A tools like spreadsheets and legacy BI systems were not built to support AI. In their place, leading FP&A teams are moving to **cloud-based, AI-embedded platforms** that support:

- ❖ Real-time data updates
- ❖ Seamless collaboration
- ❖ GenAI-enabled planning and narrative reporting

These platforms are more than systems — they are **enablers of agility and insight.**

7. Track, Learn, and Optimize AI's Impact

AI is not a one-time project. It requires constant measurement, iteration, and feedback. This means that teams must:

- ❖ Define success metrics
- ❖ Track forecast accuracy
- ❖ Review and retrain models as conditions change

David Dubovsky, Digital Finance Lead at Roche, explains: *"We routinely test multiple algorithms and recalibrate based on business shifts. It is not one-size-fits-all."*

Jonathan Eggersman, Netherlands Business Planning Reporting and Analytics Solution Leader, EY Adviseurs B.V., comments, *"AI is only successful if the output is used within an organization, so measurement of success is not only restricted to the implementation of a number of use cases but whether the output of AI models is used to make decisions."*

Without feedback loops, the value of AI diminishes; with them, the value is compounded.

These seven foundations form the bedrock for scaling AI adoption — from individual use cases to enterprise-wide impact.

One of the most comprehensive examples of foundation-building we came across comes from EY organization's own internal transformation.

> "FP&A plays a key role in guiding the management team's decision-making process."

USE CASE: EY – Becoming Client Zero

EY organization's transformation into an AI-centric organization began well before the ChatGPT era with strategic acquisitions, attracting new talent, and a shift to cloud and consolidated data systems. This positioned EY teams to readily adapt to rapidly evolving AI technologies.

By utilizing their past experience within a modern AI environment, EY organization set ambitious goals to drive AI transformation across three key areas:

- ❖ Enhancing service offerings with AI-enabled solutions for growth and efficiency
- ❖ Redefining internal work, functions and technology for optimal operations in the AI era
- ❖ Shaping public policy, ethics and social agendas to promote the responsible use of AI globally

These objectives were designed to deliver long-term value and growth while addressing the comprehensive needs of clients, internal capabilities and societal impact.

The result was called "Client Zero" and today it is one of the largest inhouse built AI implementations.

At the center of their innovative AI solution is EYQ, a GenAI platform built to support everyday decisions. It lets teams ask questions in natural language, generate insights, and create content at scale. It is now used over 115,000 times each month.

EY organization also recently announced the EY.ai Agentic Platform, a platform that integrates private, domain-specific AI reasoning models with human knowledge to enhance operational excellence through the productivity of AI agents. Deployment will start with core business areas including tax, where initial deployment will integrate 150 AI agents supporting 80,000 EY professionals.

The impact of AI and the way that it is used internally has transformed EY organization, both operationally and how it views the future of business.

Building the correct foundation for AI is only part of the journey. What does maturity look like in practice, and how can teams assess where they are today?

The next section introduces the **FP&A Trends AI Maturity Model**, a research-based tool for benchmarking capability and planning an organization's transformation path with confidence.

VI. FP&A TRENDS AI MATURITY MODEL

To support transformation, we developed the **FP&A Trends AI Maturity Model** — a specialized, research-based tool created as part of this project. It is grounded in insights from global surveys, executive interviews, case study analysis, and discussions with members of the International FP&A Board and our AI FP&A Committee.

The model gives FP&A teams a practical way to evaluate where they are, benchmark against where the leaders are, and chart a step-by-step path to where they need to be. It allows organizations to turn AI ambition into structured, achievable transformation.

FP&A Trends Maturity Models

The FP&A Trends AI Maturity Model is the seventh specialist framework in our global suite of maturity models that includes tools for Scenario Management, Business Partnering, Predictive Forecasting, and more. These are all built on the foundation of the comprehensive **FP&A Trends Maturity Model**, which offers a balanced transformation route to the best-in-class FP&A.

Continuously refined through insights from International FP&A Board meetings in 33 chapters in 19 countries across four continents, the comprehensive model has helped organizations around the world rethink the role and structure of FP&A. It has been translated into multiple languages and serves as the basis for our more focused, topic-specific frameworks.

While the comprehensive model defines the overall transformation journey, each specialist framework addresses a critical dimension of modern planning. The FP&A Trends AI Maturity Model is the first designed specifically to assess and guide the adoption and scaling of AI across the FP&A function.

Overview of the FP&A Trends AI Maturity Model

The FP&A Trends AI Maturity Model outlines five levels of AI capability across eight dimensions, from foundational data and technology to modeling, analytics, and process.

Each dimension represents a critical aspect of intelligent, AI-enabled FP&A. Some, like Data and Technology, include subdimensions that reflect both infrastructure and readiness.

Level 5 of the model reflects a future-facing, directional state and incorporates emerging innovations such as Agentic AI, continuous optimization, and autonomous scenario management.

The FP&A Trends AI Maturity Model (Figure 6) provides a quick-reference view of this progression and can be used to benchmark where your organization stands today and define your next steps.

Model Overview: Dimensions and Maturity Levels

Eight Dimensions of AI Maturity

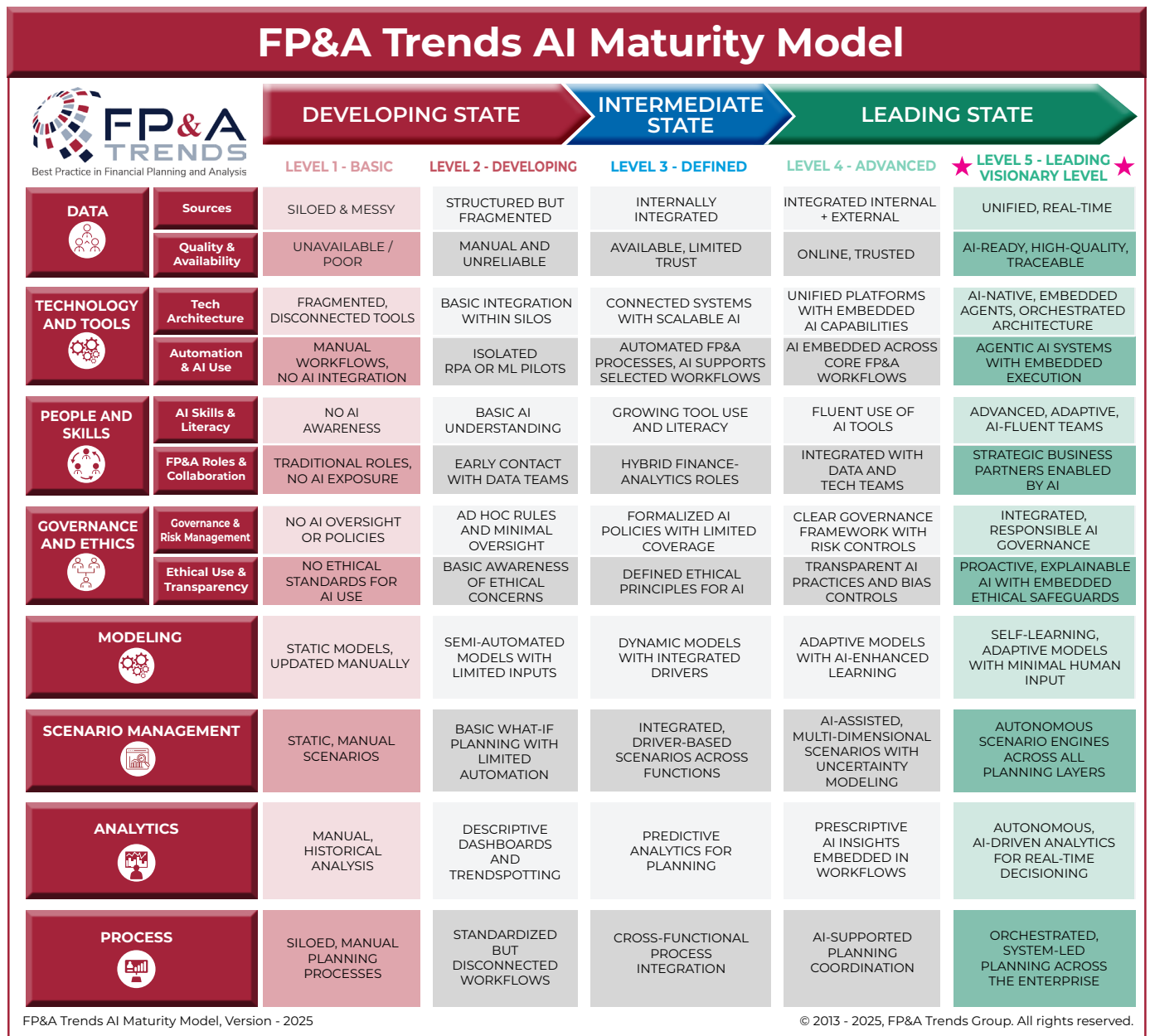Each one reflects a core capability needed for intelligent, AI-enabled FP&A:

1. **Data** – Structure, integration, and readiness.
2. **Technology and Tools** – Platforms, architecture, and AI enablement.
3. **People and Skills** – Readiness, fluency, and cross-functional teaming.
4. **Governance and Ethics** – Responsible, explainable, and auditable AI use.
5. **Modeling** – From static to adaptive, AI-enhanced systems.
6. **Scenario Management** – Agility through AI-generated, real-time simulations.
7. **Analytics** – From backward-looking reports to predictive insights.
8. **Process** – From rigid cycles to dynamic, continuous planning.

Five Levels of Maturity

A progression from early-stage automation to intelligent, autonomous operations:

- ❖ **Level 1 – Basic:** Manual, siloed, and reactive.

- ❖ **Level 2 – Developing:** Isolated pilots and emerging automation.

- ❖ **Level 3 – Defined:** AI integrated into select workflows with oversight.

- ❖ **Level 4 – Advanced:** Embedded AI across planning; teams and systems aligned.

- ❖ **Level 5 – Leading:** Autonomous, adaptive systems, including Agentic AI.

Fig. 6: FP&A Trends AI Maturity Model

FP&A Trends AI Maturity Model

		DEVELOPING STATE		INTERMEDIATE STATE	LEADING STATE	
		LEVEL 1 - BASIC	LEVEL 2 - DEVELOPING	LEVEL 3 - DEFINED	LEVEL 4 - ADVANCED	★ LEVEL 5 - LEADING VISIONARY LEVEL ★
DATA	Sources	SILOED & MESSY	STRUCTURED BUT FRAGMENTED	INTERNALLY INTEGRATED	INTEGRATED INTERNAL + EXTERNAL	UNIFIED, REAL-TIME
	Quality & Availability	UNAVAILABLE / POOR	MANUAL AND UNRELIABLE	AVAILABLE, LIMITED TRUST	ONLINE, TRUSTED	AI-READY, HIGH-QUALITY, TRACEABLE
TECHNOLOGY AND TOOLS	Tech Architecture	FRAGMENTED, DISCONNECTED TOOLS	BASIC INTEGRATION WITHIN SILOS	CONNECTED SYSTEMS WITH SCALABLE AI	UNIFIED PLATFORMS WITH EMBEDDED AI CAPABILITIES	AI-NATIVE, EMBEDDED AGENTS, ORCHESTRATED ARCHITECTURE
	Automation & AI Use	MANUAL WORKFLOWS, NO AI INTEGRATION	ISOLATED RPA OR ML PILOTS	AUTOMATED FP&A PROCESSES, AI SUPPORTS SELECTED WORKFLOWS	AI EMBEDDED ACROSS CORE FP&A WORKFLOWS	AGENTIC AI SYSTEMS WITH EMBEDDED EXECUTION
PEOPLE AND SKILLS	AI Skills & Literacy	NO AI AWARENESS	BASIC AI UNDERSTANDING	GROWING TOOL USE AND LITERACY	FLUENT USE OF AI TOOLS	ADVANCED, ADAPTIVE, AI-FLUENT TEAMS
	FP&A Roles & Collaboration	TRADITIONAL ROLES, NO AI EXPOSURE	EARLY CONTACT WITH DATA TEAMS	HYBRID FINANCE-ANALYTICS ROLES	INTEGRATED WITH DATA AND TECH TEAMS	STRATEGIC BUSINESS PARTNERS ENABLED BY AI
GOVERNANCE AND ETHICS	Governance & Risk Management	NO AI OVERSIGHT OR POLICIES	AD HOC RULES AND MINIMAL OVERSIGHT	FORMALIZED AI POLICIES WITH LIMITED COVERAGE	CLEAR GOVERNANCE FRAMEWORK WITH RISK CONTROLS	INTEGRATED, RESPONSIBLE AI GOVERNANCE
	Ethical Use & Transparency	NO ETHICAL STANDARDS FOR AI USE	BASIC AWARENESS OF ETHICAL CONCERNS	DEFINED ETHICAL PRINCIPLES FOR AI	TRANSPARENT AI PRACTICES AND BIAS CONTROLS	PROACTIVE, EXPLAINABLE AI WITH EMBEDDED ETHICAL SAFEGUARDS
MODELING		STATIC MODELS, UPDATED MANUALLY	SEMI-AUTOMATED MODELS WITH LIMITED INPUTS	DYNAMIC MODELS WITH INTEGRATED DRIVERS	ADAPTIVE MODELS WITH AI-ENHANCED LEARNING	SELF-LEARNING, ADAPTIVE MODELS WITH MINIMAL HUMAN INPUT
SCENARIO MANAGEMENT		STATIC, MANUAL SCENARIOS	BASIC WHAT-IF PLANNING WITH LIMITED AUTOMATION	INTEGRATED, DRIVER-BASED SCENARIOS ACROSS FUNCTIONS	AI-ASSISTED, MULTI-DIMENSIONAL SCENARIOS WITH UNCERTAINTY MODELING	AUTONOMOUS SCENARIO ENGINES ACROSS ALL PLANNING LAYERS
ANALYTICS		MANUAL, HISTORICAL ANALYSIS	DESCRIPTIVE DASHBOARDS AND TRENDSPOTTING	PREDICTIVE ANALYTICS FOR PLANNING	PRESCRIPTIVE AI INSIGHTS EMBEDDED IN WORKFLOWS	AUTONOMOUS, AI-DRIVEN ANALYTICS FOR REAL-TIME DECISIONING
PROCESS		SILOED, MANUAL PLANNING PROCESSES	STANDARDIZED BUT DISCONNECTED WORKFLOWS	CROSS-FUNCTIONAL PROCESS INTEGRATION	AI-SUPPORTED PLANNING COORDINATION	ORCHESTRATED, SYSTEM-LED PLANNING ACROSS THE ENTERPRISE

FP&A Trends AI Maturity Model, Version - 2025

How to Use the FP&A Trends AI Maturity Model

The FP&A Trends AI Maturity Model is more than a benchmark. It is a practical playbook that helps CFOs and FP&A leaders evaluate capability, prioritize investment, and build a roadmap for intelligent, AI-enabled transformation.

We recommend the following five-step approach:

1. Assess Your Current State

Review all eight dimensions and identify the organization's current maturity level (from Level 1 to Level 5). Engage cross-functional partners — including IT, data, and business stakeholders — to build a shared view and avoid blind spots.

Tip: Consider validating your internal assessment with an audit or peer review. This builds buy-in and reduces blind spots early.

2. Identify Priority Gaps

Focus on the largest gaps between current and target levels in areas that drive business value or pose operational risk. Not every dimension must reach Level 5, so prioritize what matters most.

3. Define Your Transformation Roadmap

Set clear maturity goals and link them to strategic priorities. Then, translate those goals into a visual roadmap of initiatives with set timelines, responsibilities and that track progress over time.

4. Use It as a Dialogue Tool

Leverage the FP&A Trends AI Maturity Model as a shared language across Finance, Data, and IT. Use it in workshops, platform selection, business case development, and cross-functional planning to ensure alignment and focus.

5. Revisit and Refine

Reassess the organization's maturity every 6–12 months. The model is designed to evolve with the organization and support continuous, adaptive transformation. Use strategic shifts, technology upgrades, or restructuring as triggers to update the roadmap.

What Is Tested vs. What Is Visionary

While grounded in real-world practice, the FP&A Trends AI Maturity Model is also designed to stretch thinking and signal where the profession is heading. It reflects both what is achievable today and what is emerging for tomorrow.

We distinguish clearly between two levels of maturity:

Tested: Common to Emerging in Practice (Levels 1–4)

Levels 1 through 4 represent proven capabilities already observed across various organizations — from early experimentation to fully embedded AI use in core FP&A workflows. These include:

- ❖ AI-assisted forecasting and planning
- ❖ Prescriptive insights integrated into reporting cycles
- ❖ Centralized platforms with scalable AI functionality
- ❖ Defined ethical and governance frameworks for AI oversight

Level 4 is an ambitious but achievable target for most teams over the next 12–36 months. It reflects advanced, yet operational practices used by high-performing FP&A functions today.

Visionary: Directional, Emerging, or Early-Stage (Level 5)

Level 5 is a directional benchmark. Although not yet mainstream, it is visible in early pilots, research labs, and innovation leaders. It signals what Best-in-Class AI maturity could look like in the coming years. Capabilities associated with Level 5 include:

❖ **Agentic AI** — systems that use reasoning to navigate ambiguity

❖ **Self-adjusting models** — AI models that continuously learn and adapt based on new data

❖ **Autonomous scenario generation** — real-time simulations triggered by external shifts

❖ **Embedded ethical AI logic** — integrated, explainable AI decision frameworks at scale

These capabilities are still rare in FP&A but increasingly present in other functions such as operations, supply chain, and marketing. For finance teams, Level 5 is both a source of inspiration and a directional goal for long-term capability development.

🔗 For more on Agentic AI and what it means for the future of FP&A, see Section VII.

USE CASE: Caterpillar – Operating at AI Maturity Level 4

Caterpillar Inc., a global leader in construction and mining equipment with $67B+ in annual revenue, operates across 180+ countries. Faced with volatile markets and global complexity, its finance team needed to move faster, forecast smarter, and plan continuously.

Caterpillar partnered with Ernst & Young LLP to build a centralized, AI-enabled forecasting and planning platform to meet that challenge. The result: a strong example of Level 4 maturity across key areas of the FP&A Trends AI Maturity Model.

"AI did not just speed things up — it helped the team think differently. Instead of building reports, they were modeling scenarios, challenging outcomes, and making faster decisions," says **Dennis Sparacino, US Principal – Data and Analytics, EY US LLP.**

❖ **Technology & Tools:**
Caterpillar unified internal and external data into a single platform. Machine learning automates data acquisition and model refreshes, improving forecast speed and accuracy.

❖ **Forecasting & Modeling:**
Self-learning models monitor for drift and adjust in real-time, reducing manual recalibration. FP&A no longer waits for the end of the month to react.

❖ **Scenario Management:**
Instead of quarterly what-ifs, the new platform enables real-time scenario simulation. It models shocks such as supply chain shifts or FX volatility and surfaces the best responses instantly.

❖ **Process:**
Static planning gave way to rolling forecasts, refreshed as conditions changed. These continuous updates align finance tightly with operations and strategy.

"This was not just a technology shift. It was about enabling finance to move from reporting the news to shaping the next move," says **Dennis Sparacino, US Principal – Data and Analytics, EY US LLP.**

The Road to AI Maturity Level 5
Caterpillar's transformation shows what is possible when technology, data, and processes align. But full autonomy, where systems act, adapt, and recommend in real-time, is the next frontier.

A few revolutionary AI capabilities are shaping Level 5 of the Maturity Model. These include Agentic AI, Self-Learning Forecasts, and Autonomous Scenario Management. In the next section, we look at how they redefine modern FP&A.

VII. AUTONOMOUS FINANCE

As the adoption of AI matures toward Level 5 of the FP&A Trends AI Maturity Model, finance becomes a system-led function. This is **autonomous finance**, where intelligent systems reduce latency, increase foresight, and amplify human decision-making.

Below are four visionary capabilities that define this future. Each links directly to the Maturity Model and illustrates what Level 5 looks like in practice (Figure 7).

Agentic AI: From Automation to Intelligent Action

Agentic AI marks the shift from traditional tools that follow instructions to autonomous systems that function and adapt independently without continuous human supervision. These goal-orientated agents can set and adjust plans automatically, all while staying within predefined boundaries.

Agents thrive where traditional automation fails, typically in messy, ambiguous, exception-heavy territory. They resolve accounting discrepancies, flag emerging risks, and handle routine judgment calls, freeing FP&A to focus on strategy.

Level 5 Outcome: AI agents trigger and carry out routine actions, with humans validating high-impact decisions.

Fig. 7:
Four Visionary Capabilities that Enable Autonomous Finance

> "AI agents are not just tools for efficiency — they represent a paradigm shift in how organizations manage complexity."
>
> Peter Galik,
> *Global Head of Innovation, Analytics and Automation at Takeda*

Self-Learning Forecasts: Always on, Always Improving

Most forecasting models rely on fixed assumptions and scheduled updates. By comparison, self-learning models ingest new data, learn from hidden trends and correlations, detect when assumptions fail, and adapt in real-time, improving with every cycle.

These systems excel in dynamic environments: spotting market changes early, correcting drift from strategic goals, and surfacing insights faster than any human team.

However, all this depends on data that is trusted, unified, and available in real-time.

Level 5 Outcome: Forecasts adjust automatically as business conditions change, improving continuously without human intervention.

Autonomous Scenario Management: From What-If to What-Now

Traditional scenario planning asks, "What if?" But in today's volatile environment, FP&A needs to answer the question, "What now?"

This is where autonomous scenario systems take forecasting one step further. By identifying disruptions early, they then simulate the downstream impact and recommend the best next move, all in real-time.

However, FP&A stays in command by defining the boundaries of the scenarios, and once running, they challenge the options being presented and ensure that decisions reflect strategy.

Level 5 Outcome: Scenarios are triggered by real events, simulated automatically, and surfaced with actionable next steps.

Responsible AI: Built-In Trust for Autonomous Finance

As AI systems learn, recommend, and act, trust becomes an essential element.

Responsible AI means explainability, traceability, and governance are built in. It ensures every forecast, scenario, or recommendation is clear, auditable, and aligned to strategy.

When stakes are high, such as downgrading a region or reallocating funds, the system can explain the reason why any AI recommendation was made, making the logic visible, not buried.

Level 5 Outcome: Every autonomous output is explainable, reviewed, and governed, enabling trust throughout the organization.

These capabilities bring Level 5 maturity to life. Autonomous finance is not about replacing people. It is about amplifying their skills and focusing their activities on achieving corporate objectives.

While autonomous systems produce forecasts, simulate scenarios, and propose actions in real-time, it is human judgment that gives meaning to any resulting actions.

At level 5 maturity, FP&A professionals are no longer just model builders. They are decision-shapers, ethical stewards, and strategic advisors.

🔗 Section IX explores how the human role evolves alongside intelligent systems and why it is more critical than ever.

> "AI does not eliminate uncertainty — it accelerates clarity."

VIII. FROM ASSESSMENT TO ACTION: BUILDING THE FP&A AI ROADMAP

The FP&A Trends AI Maturity Model shows where organizations stand and what is possible next. However, insight without execution is inertia, and that is why every maturity assessment must lead to a clear, actionable roadmap.

Whether you are just starting or scaling AI across the enterprise, the path to autonomous finance is not a leap — it is a step-by-step evolution. From our research, seven practical milestones emerged to help FP&A teams convert ambition into action: from early pilots to enterprise-wide transformation (Figure 8).

Fig. 8:
Seven Milestones on the FP&A AI Roadmap

1. Start Where It Matters

Look for problems AI can solve, such as automated reporting, better forecasting, and interactive end-user analyses. Focus on use cases that align with business priorities and where success will be visible.

2. Bring Everyone on Board

Before jumping into tools, take time to explain what AI is and the fundamentals of how it works. Show teams how it supports and does not replace their expertise. Use tools like ChatGPT or Copilot to summarize meeting notes and emails. This builds comfort and confidence in AI and encourages more experimentation.

3. Launch a Smart Pilot

Pick one area to test that is manageable, with clean data and clear goals. Build a small, committed team and run fast experiments. The goal is to learn quickly and show value.

4. Make It Part of the Day Job

Do not stop at the pilot. Make sure the solution fits into daily processes and systems. Talk to users, redesign workflows if needed, and manage change carefully.

5. Grow Skills and Confidence

Ensure that AI expertise and capability are built into the team. Train team members to work with AI, interpret results, and shape outputs. Bring in help if needed, but aim to have that expertise in-house.

6. Expand What Works

Build on your wins. Roll out AI to more areas, such as more P&L lines, more regions, and more scenarios. Create a GenAI-powered chatbot to handle finance queries.

7. Keep Learning, Keep Improving

AI capabilities are always developing, so make sure the team does as well. Set up feedback loops, track results, and revisit the maturity model every 6–12 months to guide the next steps. Creating a space where FP&A team members can experiment and learn is also important.

The following case study shows what that roadmap looks like and how Vodafone brought it to life across its global planning landscape.

> "Developing a clear roadmap is essential to ensure that the implementation of AI capabilities is executed effectively."
>
> Gizelda Ekonomi,
> *Senior Commercial Finance Manager at Vodafone UK*

USE CASE: Vodafone – Next-Generation Forecasting

Context and Challenge

Vodafone faced persistent inefficiencies in its forecasting process. This included an overreliance on Excel, limited use of predictive analytics, and weak integration between commercial and financial planning. The result was slow, manual workflows and a disconnect between operational activity and strategic intent.

Transformation Approach

Gizelda Ekonomi, Senior Commercial Finance Manager at Vodafone UK, led a transformation initiative focused on rebuilding forecasting through AI and ML. Central to the approach was a **Hybrid Product Management model**, combining AI-driven insights with human expertise.

Building trust in AI predictions was a top priority. The team emphasized transparency and explainability — focusing on how forecasts were generated, why certain drivers mattered, and what assumptions were being made. Feedback from the FP&A community helped shape the design: accuracy, scenario-based planning, actionable insights, and user-led control were all essential.

Results and Outcomes

Vodafone successfully integrated AI into its forecasting process. The result was a system that:

- ❖ Improved forecasting speed and accuracy
- ❖ Enabled real-time scenario planning
- ❖ Reduced manual reporting through automation
- ❖ Empowered finance teams to train and manage ML models independently

Explainable AI played a key role in driving adoption. As finance professionals gained confidence in the logic behind forecasts, AI usage expanded across teams. Strong data visualization tools helped surface actionable insights, reinforcing FP&A's role as a strategic business partner.

Alignment to the **Maturity Model** and Roadmap Vodafone's transformation reflects Level 4 maturity in several key areas:

- ❖ **Forecasting & Modeling:** AI-powered models are continuously updated with real-time inputs
- ❖ **People & Skills:** Finance teams trained to manage ML systems without dependency on data science teams
- ❖ **Scenario Management:** AI-enabled simulations integrated into strategic planning workflows
- ❖ **Governance:** Explainability and transparency built into model outputs

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The approach also mirrors the FP&A AI Roadmap:

- ❖ **Step 1:** Identified forecasting as a high-impact use case
- ❖ **Step 2:** Educated finance users on how AI would support and not replace their work
- ❖ **Step 3:** Piloted AI with a hybrid ML/Human forecast model with clear business goals
- ❖ **Step 4:** Integrated the resulting application into day-to-day forecasting workflows
- ❖ **Step 5:** Built internal capability for sustained AI adoption

Key Learning
Vodafone's experience highlights a critical truth for modern finance teams: AI is not a replacement for human insight — it is a multiplier of it. With the right roadmap, transparency, and user empowerment, AI becomes a trusted partner in shaping better decisions.

However, as **Atif Hafeez, CFO at Quantanite**, comments: *"Even with the right tools and data, AI initiatives stall without a clear strategy and strong leadership. CFOs must champion and embed a finance-first AI roadmap into their operating model."*

IX. THE HUMAN EDGE: REDEFINING FP&A IN AN AI-DRIVEN WORLD

As we have said before, AI is changing how finance works but not replacing the people in FP&A. **Gizelda Ekonomi, Senior Commercial Finance Manager at Vodafone UK**, agrees, *"As AI accelerates, the role of FP&A will not shrink — it will rise. From execution to orchestration, from reporting to guiding decisions — that is the future."*

Jonathan Eggersman, Netherlands Business Planning Reporting and Analytics Solution Leader, EY Adviseurs B.V., stresses that the purpose of finance will remain the same: to *"both protect and enhance the enterprise value."* He also comments that key roles will *"shift toward more the organization and structuring of (enterprise) data, translating data into valuable stories, and managing both internal and external risks."*

The human role becomes more strategic as intelligent systems enable forecasting, simulating, and recommending actions in real-time. In the future, FP&A teams will not be building the models. They will be challenging them, shaping decisions, and ensuring technology serves the bigger picture.

From our conversations, four key roles will define the future of FP&A — not as analysts behind spreadsheets, but as trusted advisors, orchestrators, and ethical guides.

Role 1: Guardian of the Digital Twin

AI makes it possible to simulate the entire business in real-time. However, automated outputs need human-led oversight.

We see this playing out in healthcare, where medical researchers use digital twins to test how patients respond to treatment. The same is happening in finance concerning forecasts and assessing future strategies.

What this means for FP&A:

❖ **Keep it real:** The digital twin — an organization's virtual model — must stay true to reality. FP&A must ensure it reflects how the organization operates and the different influences that affect its performance.

❖ **Challenge the logic:** Just because a model says so does not make it right. It is FP&A's job to highlight where the model does not work and which assumptions have no proven basis.

❖ **Make it usable:** Models do not drive action unless people believe the outputs. They need to know how the model works and the level of certainty of the forecasts produced.

Role 2: Integrator of Intelligent Tools

Today, finance has access to a variety of AI tools, including AlphaSense for analyzing market data and IBM Watson, which supports compliance. Organizations can also develop their own AI-powered solutions. For example, EY's EYQ platform, now used by more than 115,000 professionals across the firm, delivers real-time insights across their global business.

These tools are powerful. But they do not create value on their own.

Derk-Jan van der Wal, EY Global Business Planning Reporting and Analytics Solution Leader, explains, *"It is not just about tools. Companies need a structured approach to integrating AI into finance, including data governance, vision, and team alignment."*

What this means for FP&A:

❖ Pick the right tools — ones that match your goals and your data

❖ Customize insights into your company's voice and way of working

❖ Make access easy so everyone gets the benefit

> "As AI accelerates, the role of FP&A will not shrink — it will rise. From execution to orchestration, from reporting to guiding decisions — that is the future."
>
> Gizelda Ekonomi,
> *Senior Commercial Finance Manager at Vodafone UK*

Role 3: Management of Autonomous Agents

AI is fast moving beyond GenAI and into Agentic AI. These are autonomous systems based on agents that operate toward a specific goal.

Some organizations are already doing this. For example, EY organization has rolled out more than 150 AI agents that support over 80,000 people across the firm. These agents collect data and process tax records.

But, autonomy does not mean the absence of control.

Beatriz Sanz Saiz, EY Global AI Clients and Industry Leader, puts it clearly: *"Finance professionals will not be replaced by AI agents, but they will need to be shifted. There will be less manual work and more oversight."*

She explains, *"Finance professionals will shift from manual data handling to supervising AI agents that execute tasks."*

In addition to supervision, the management of agents involves something more. **Atif Hafeez, CFO at Quantanite**, adds, *"As AI takes on more responsibility, we need to be deliberate about who decides what. Human–AI collaboration is not just a workflow issue — it is a design challenge."*

What this means for FP&A:

- ❖ **Being the copilot:** AI might fly the plane, but finance sets the course
- ❖ **Stay accountable:** The system acts, but people stay responsible
- ❖ **Set boundaries:** Know when to let it run, when to pause, and when to step in

Role 4: Steward of Responsible AI

AI is powerful, but ultimately, humans are responsible. Recent legislation, such as the EU's AI Act, directs organizations to ensure that AI is used in a transparent, explainable, and properly overseen manner. We believe that legislation directed at how AI is used within business will grow, so it is vital that organizations prepare now for its ethical use throughout the enterprise.

What this means for FP&A:

- ❖ **Create the rules:** Help shape ethical AI policies that reflect your company's values
- ❖ **Keep humans in the loop:** Build systems that let people step in when needed
- ❖ **Build trust:** Culture matters as much as code, and FP&A can lead both

FP&A is no longer just about crunching numbers. Its value lies in shaping decisions, guiding actions, and influencing people. That work is uniquely human.

AI does not replace it. It reframes it. It creates the space for finance teams to lead — not just on the numbers but on direction, trust, and purpose.

In the end, success would not come from the tools. It will come from how we use them. As **Kevin Brown, EY Americas Business Planning Reporting & Analytics Solution Leader**, puts it, *"Everyone will have AI. What will set companies apart is how human they stay. How well they build trust, lead with purpose, and keep people in the loop."*

That is the real edge. And it may be the most important one of all.

> "AI adoption will accelerate faster than anyone anticipates — governance structures must evolve just as fast."
>
> Tanja Schlesinger,
> *VP OneSource, Data & AI Officer at DB Regio AG*

X. CONCLUSION: THE ROAD AHEAD

AI is no longer a future concept. It is already reshaping FP&A — from static reporting to dynamic forecasting, from manual processes to intelligent, real-time decision-making. As systems grow more advanced, the role of finance becomes more human, not less.

FP&A teams are stepping into new responsibilities. No longer just reporting what happened but helping shape what comes next. They are validating models, guiding judgment, and ensuring that technology serves the business — not the other way around.

But this transformation requires more than technical skill. It calls for leadership. It requires a clear shift in mindset from using AI to shaping how it is used.

As **Camryn Brown, EY APAC Business Planning Reporting & Analytics Solution Leader**, puts it, *"AI makes better decisions possible — but only if human decision-makers are ready to own them."*

Darren Joffe, Former Senior Finance Director at the Financial Times, adds, *"The real shift in FP&A is not about AI replacing people — it is about elevating their impact. The biggest challenge is not the technology; it is unlocking the mindset to use it well."*

That is the next chapter for FP&A. Not just supporting decisions but standing behind them and not waiting for perfect conditions but moving forward with purpose and clarity. The future of finance is not defined by the tools it uses. It is defined by the decisions it leads.

XI. ACKNOWLEDGMENTS

FP&A TRENDS RESEARCH BOARD

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❖ **FP&A Trends Insights Paper 2024. Mastering Data in FP&A: How to Build Analytical Capabilities for Strategic Growth and Informed Decisions**

❖ **FP&A Trends Insights Paper 2024. Unlocking FP&A Potential: The Transformative Power of Artificial Intelligence**

❖ **FP&A Trends Maturity Model Assessment**

❖ **FP&A Trends Research Paper 2021. Skills of the Future: Best-in-class FP&A teams and how to build them**

❖ **FP&A Trends Research Paper 2023. FP&A Scenario Management: Your Path to Navigating Uncertainty**

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❖ **FP&A Trends Survey 2024. Empowering Decisions with Data: How FP&A Supports Organizations in Uncertainty**

❖ **From Number Crunchers to Navigators: How Business Adversity Can Develop Multiple FP&A Personalities,** article by Garrett Dennie, CFO at Knix

❖ **How Caterpillar is using technology on its journey to improve financial forecasting**

❖ **Inside the process: how EY navigated its own AI-driven transformation**

❖ **International FP&A Board**

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FP&A Trends Group is a high-profile think tank focused on modern corporate Financial Planning and Analysis (FP&A). The organization's mission is to identify, shape, and share the latest FP&A trends and best practices via global research, events, educational content, and advisory services.

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