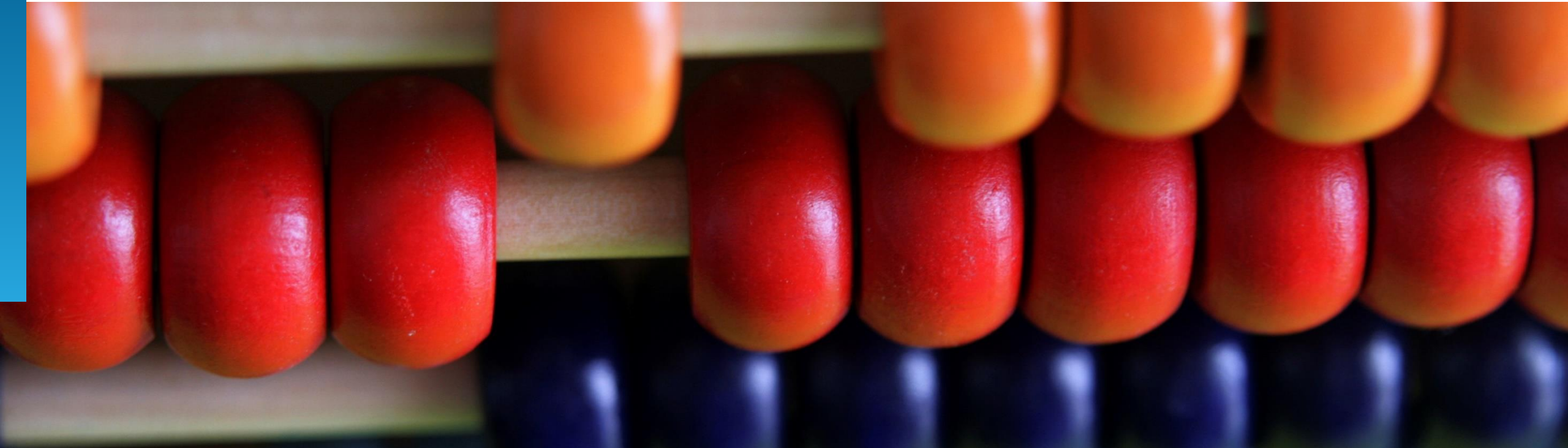


Finance and Accounting Outsourcing (FAO) State of the Market Report 2023: Beyond Numbers – Unleashing the Power of AI in Finance and Accounting

December 2023: Complimentary Abstract / Table of Contents



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Background and scope of the research

Finance and Accounting Outsourcing (FAO) is undergoing a paradigm shift with a strong emphasis on digital transformation. Cognitive technologies have moved from pilot stages to widespread usage, denoting a considerable change in the approach to and execution of F&A activities. With Artificial Intelligence (AI) as a core theme, the digital revolution is not only a technology enabler but also a strategic necessity. Service providers and technology vendors, equipped with cutting-edge AI capabilities, are steering the industry toward unparalleled efficiency and innovation. In addition, the rise of generative AI, one of the key trends of the year, has the potential to drastically alter the industry. With its increasing adoption, generative AI can expand potential applications in finance and accounting, notably influencing data analytics, predictive modeling, and decision-making processes.

This research provides comprehensive coverage of the FAO market during 2022 and 2023, analyzing regional variations, buyer adoption trends, growth drivers, and the growth of AI in finance and accounting.

In this research, we analyze the global multi-process FAO service provider landscape and its impact on the FAO market. In particular, we focus on:

- The role of AI in F&A
- A snapshot of F&A service providers' AI capabilities
- Guide to AI implementation
- Generative AI – fad or a long-term game changer?
- FAO market overview
- FAO buyer trends

Scope of this report



Geography
Global



Industries
All



Services
Finance and Accounting
Outsourcing (FAO)

Overview and abbreviated summary of key messages

This research provides a thorough analysis of the 2022-23 FAO market, highlighting the influence of AI in finance function, growth drivers, regional variations, and buyer adoption trends making it pertinent for stakeholders preparing finance functions for the next normal.

Some of the findings in this report, among others, are:

Role of AI in F&A

- With current high adoption of Data and analytics (D&A), automation, and AI, CFOs will prioritize investments in AI going forward
- Increasing leverage of AI with automation, analytics, and chatbots is leading to greater business impact through intelligent automation, predictive/prescriptive analytics, and intelligent chatbots
- AI has huge potential in enabling touchless automation, increasing finance stakeholder experience, and providing actionable insights across P2P, O2C, and R2R

Enterprise guide for AI implementation

- Enterprises who are looking to increase AI adoption can leverage Everest Group's AI use case prioritization framework which takes into account adoption potential and use case impact
- For AI adoption to increase, business case for AI initiatives considering the initial scale of FTEs, costs involved, and the potential impact of AI interventions, need to be sound to realize ROI for AI implementation

Generative AI – a fad or a long-term gamechanger?

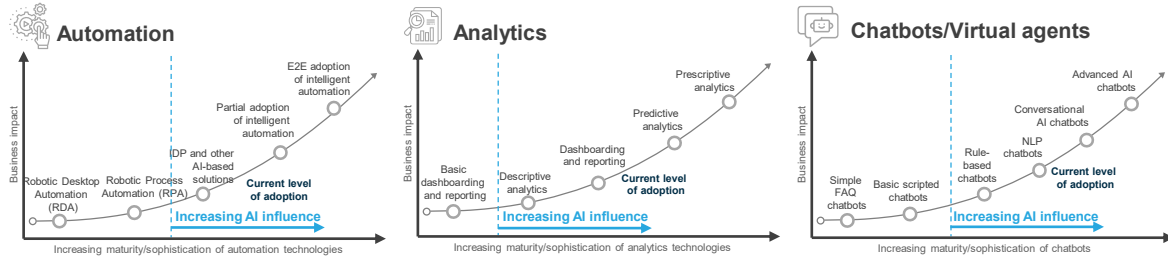
- As enterprises explore the potential of generative AI in F&A, it is imperative to mitigate challenges related to data security & privacy, accountability, and explainability
- Many service providers are actively investing in ramping up their gen AI capabilities through expanding their in-house and partnership ecosystem

FAO market overview and buyer trends

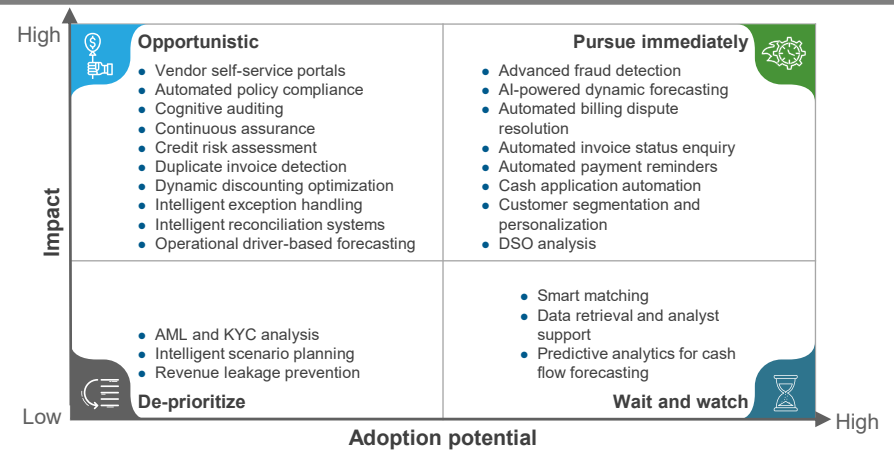
- The FAO market has been demonstrating strong growth post-pandemic and despite recessionary headwinds during 2022-2023, it is expected to grow at 11-13% CAGR over the next couple of years
- Buyers have increased valuing business impact in addition to operational efficiency and cost impact; scope exists for service providers to improve their performance in driving business impact

This study offers four distinct chapters providing a deep dive into key aspects of FAO market; below are four charts to illustrate the depth of the report

Future of digital in F&A



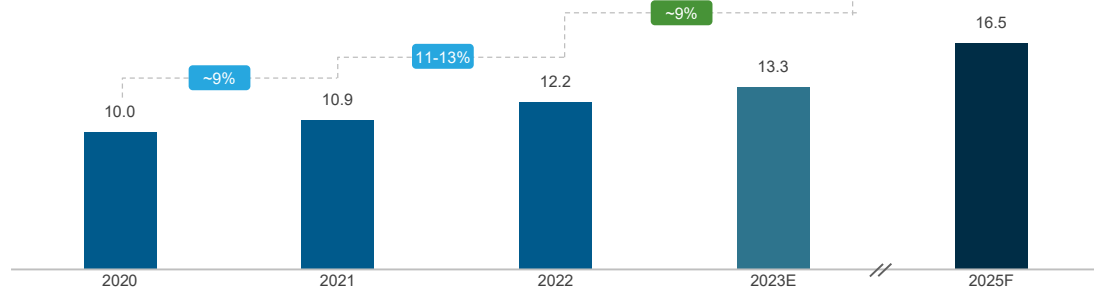
AI use case prioritization framework



FAO market adoption

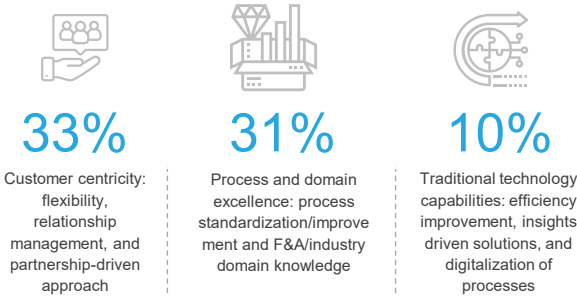
Multi-process FAO – active ACV
 US\$ billion
 E = Estimate
 F = Forecast

XX% CAGR XX% YoY growth XX% Projected YoY growth



Buyer expectations and satisfaction results

Top three strengths



Top three areas of improvement



Research calendar

Finance and Accounting

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
Finance and Accounting Outsourcing (FAO) – Provider Compendium 2023	January 2023
Webinar Deck: Key Themes to Help Analyst Relations (AR) Teams Navigate 2023 an AR Professional Exclusive Webinar	January 2023
Webinar Deck: Sustainability in the New Year: Follow Through on Resolutions for People and the Planet	February 2023
Talent Demand Trends India IT Services – H2 2022	May 2023
Generative AI: The New Age of Artificial Intelligence	May 2023
BPS Top 50 – 2023	June 2023
Webinar deck: Disruption and Uncertainty: Today's CFO Agenda	August 2023
Evolution of the Procure-to-Pay (P2P) Technology Landscape in the Digital Age	September 2023
Finance and Accounting Outsourcing (FAO) PEAK Matrix® Assessment 2023	October 2023
Leading the Future: Embracing Innovation in Business Process Services (BPS)	October 2023
How to Maximize Value from Your Finance and Accounting Outsourcing (FAO) Engagements	November 2023
Finance and Accounting Outsourcing (FAO) Service Provider Compendium 2023 – Update	November 2023
Finance and Accounting Outsourcing (FAO) State of the Market 2023: Beyond Numbers – Unleashing the Power of AI in Finance and Accounting	December 2023
The Role of Experience in Driving Finance Transformation	Q4 2023

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