



# Is your finance function AI ready?

Readiness, risks, and rewards  
on the road to AI adoption



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# Foreword

In 2024, KPMG International surveyed 1,800 companies across 10 major economies. The results were clear: nearly three-quarters were already using AI in their financial reporting processes, and almost all expected to do so within the next three years. While follow-up research would typically wait a year or more, AI is rapidly evolving. Less than a year later, we launched a second global study surveying 2,900 finance leaders including 100 in the UAE to understand how quickly the landscape is shifting.

Decision-makers are now concentrating on high-impact, targeted AI solutions that span the full scope of the finance function including accounting, financial planning and analysis, treasury, tax and risk. By aligning AI's potential with clearly defined use cases, companies are investing with more clarity and confidence. Skills gaps, data quality and risk management are still key concerns. The rewards however are increasing, especially with the rise of AI agents and more mature generative models. Finance is evolving and CFOs are becoming the key drivers of change.

In the UAE, many organizations are just beginning to explore AI adoption in finance compared to global peers. With limited in-house expertise, unclear governance and insufficient resourcing, capabilities remain inconsistent. Some teams are unequipped to lead large-scale AI transformations or integrate AI into day-to-day decision making.

As regional leaders aim to position finance as a strategic partner, AI provides a defined path to automate, forecast and guide performance. Supported by the government's national vision and ongoing investment, the UAE has an opportunity to make significant progress. Adoption also remains fragmented despite the growing interest across major UAE organizations, from early pilots

to initial generative AI use cases. Few companies have a clear roadmap and fewer have the structure, talent and tools needed to scale effectively.

At KPMG, we enable secure environments that combine traditional and generative AI across services. These technologies help accelerate data processing and analysis while supporting the transformation of finance functions, especially when tailored to specific business needs. Moreover, KPMG Advisory has developed specialized accelerators and assets to support clients throughout their AI transformation journey, adapting to their unique strategic and operational priorities.

For organizations to prepare for the future, they should address early on whether their ROI is meeting expectations and if their AI implementation is consistent across all sectors and departments. Our latest study offers practical solutions, drawing on insight from 2,900 finance leaders around the world with a dedicated UAE perspective. The report highlights proven use cases, lessons from early adopters and recommendations to help elevate your finance function.



# KPMG benchmarking tool: assessing AI maturity

KPMG provides a benchmarking tool to assess AI maturity and highlight organizations' strengths and areas for improvement, while targeting departments where priority actions could be taken.



## Leaders

Early adopters actively leveraging AI within their finance function. They can successfully identify high-priority use cases and the relevant AI technologies to address them based on best practices. These organizations also implement governance frameworks to manage and mitigate the risks associated with AI deployment.

Global  
**24%**

UAE  
**8%**



## Implementers

In the process of planning or running AI pilot projects. Some have started adopting AI in one or two areas of the finance function such as accounting, management control or treasury. Their focus is on optimizing existing processes and exploring new opportunities to enhance efficiency through AI.

Global  
**58%**

UAE  
**59%**



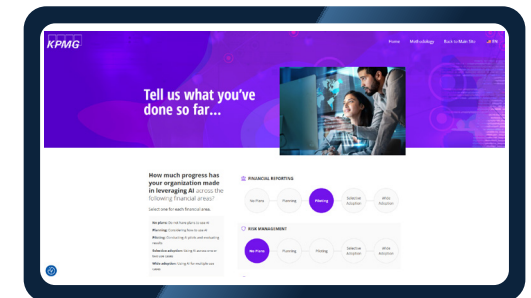
## Beginners

Typically in the planning or early pilot stage of AI usage within their organization. Some have yet to launch concrete projects, while others are just starting to consider and structure AI integration into their processes. They are exploring the potential of AI and seeking to understand how these technologies can create value for their activities.

Global  
**18%**

UAE  
**33%**

Discover your position relative  
to industry leaders



Access the tool



Hover your cursor on each  
topic to find out more.

# Insight from global and UAE leaders



## 2900

Companies interviewed in  
**23 countries:** innovation leaders  
and emerging economies.



The UAE shows encouraging momentum, but the gap with global benchmarks remains clear. Only 37% of UAE finance leaders report positive ROI from AI, compared to 66% globally — a signal that experimentation has yet to translate into tangible impact. Interestingly, UAE organizations dedicate 10% of IT budgets to AI, approaching the 13% seen among global leaders, which reflects strong investment intent. The challenge now lies in execution: transforming investment into structured, scalable adoption. This is the turning point for finance teams to embed AI not just as a tool — but as a foundation for performance.

**Bhaskar Sahay**  
Partner, Advisory

## Revolution in progress

of global finance teams are either piloting or actively using AI in accounting and financial planning.

73% 45%

estimate that the ROI of AI usage in finance functions meets or exceeds expectations.

66% 37%

Global UAE

## Investments that match the ambition

of IT budgets are currently allocated to AI.

8% 6%

of IT budgets among leaders are dedicated to AI. These investments are expected to continue growing and could reach 16% of total IT spending within the next three years.

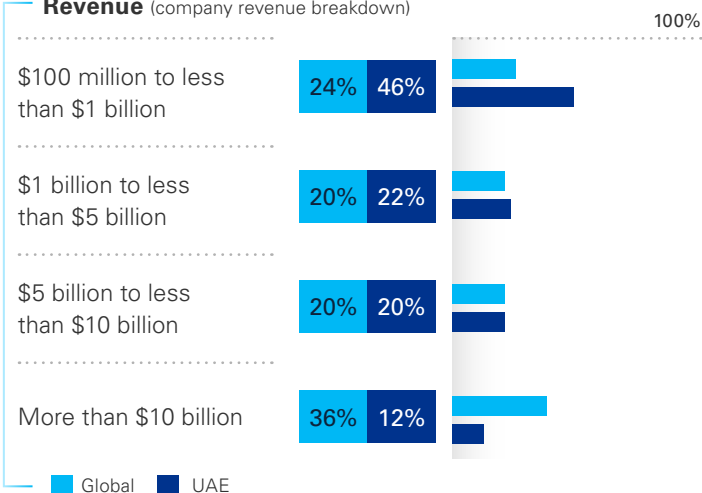
13% 10%

Global UAE

# Survey findings

## Companies

### Revenue (company revenue breakdown)

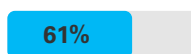


### Non listed



Global

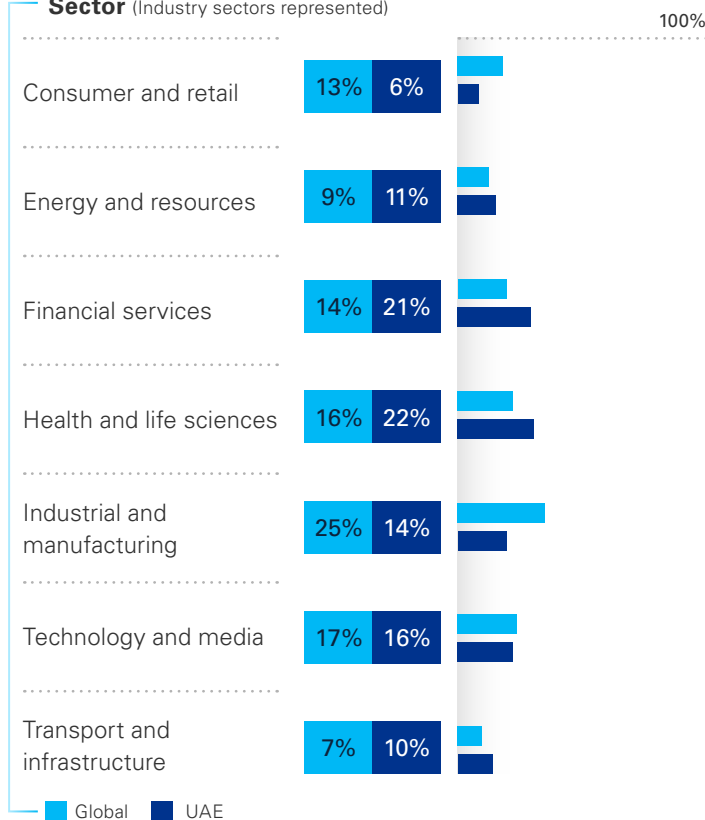
### Listed



UAE



### Sector (Industry sectors represented)

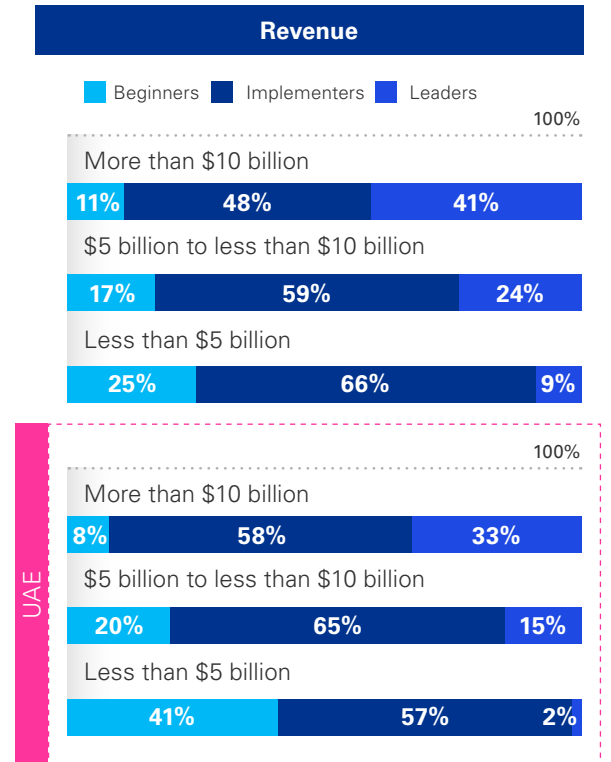
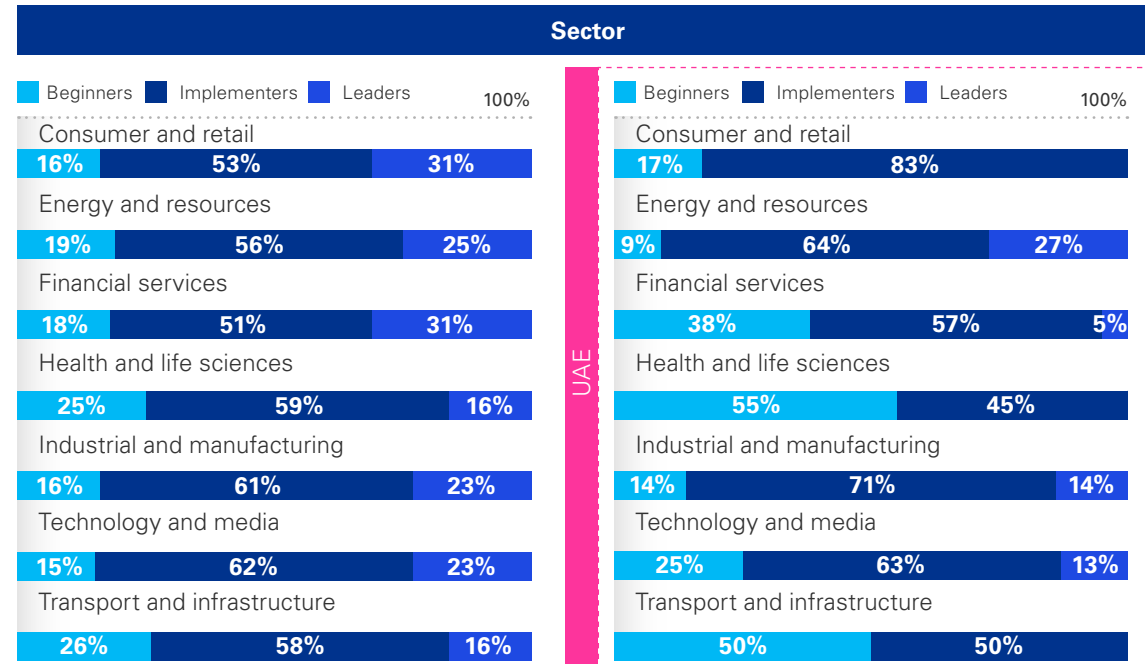
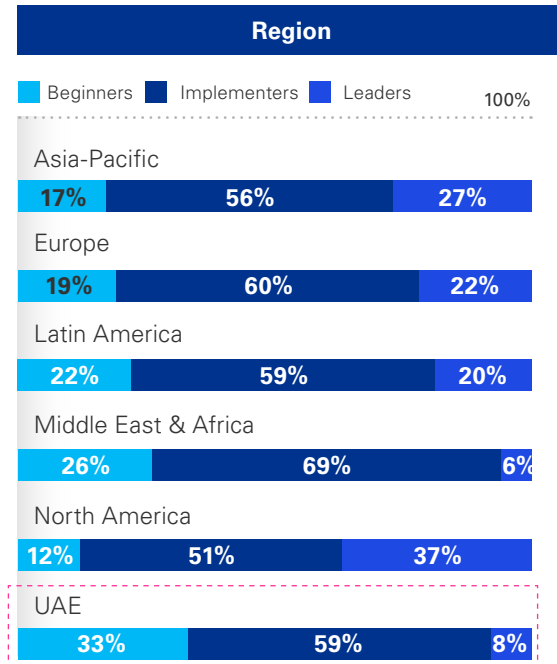


## Respondent profile

### Function (Respondents' roles in the organization)



# Companies' maturity by region, sector and revenue



In the UAE, AI maturity is highest in the energy and resources sector, driven by large national players with significant investment capacity. However, smaller and mid-sized organizations that are more agile and less constrained by legacy systems have a unique opportunity to leap ahead through faster, more focused implementation.

**Charles Batchelor**  
Partner, Advisory

# Transforming finance through AI

AI adoption is spreading across all  
finance departments.



## 73%

have launched pilots  
and/or are already  
using AI in financial  
reporting.



## 100%

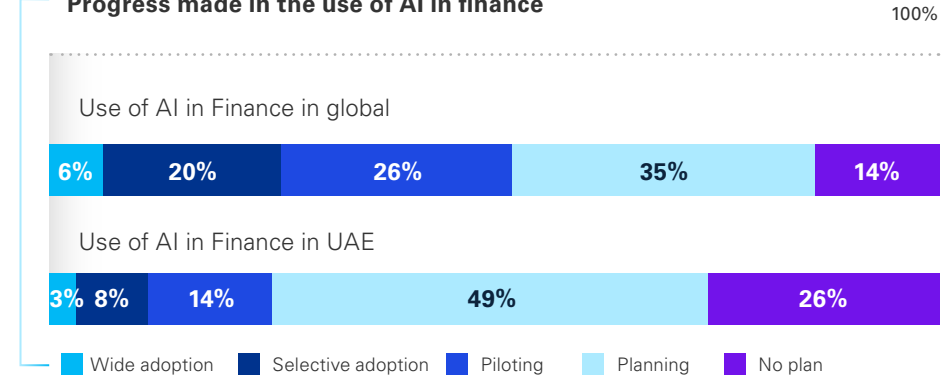
of leaders have  
concretely adopted it.

**Share of organizations with pilot projects  
or targeted AI adoption by function**



Accounting and management control teams  
are leading in AI testing due to its potential  
benefits: narrative reporting, predictive  
analytics, real-time insight.

**Progress made in the use of AI in finance**



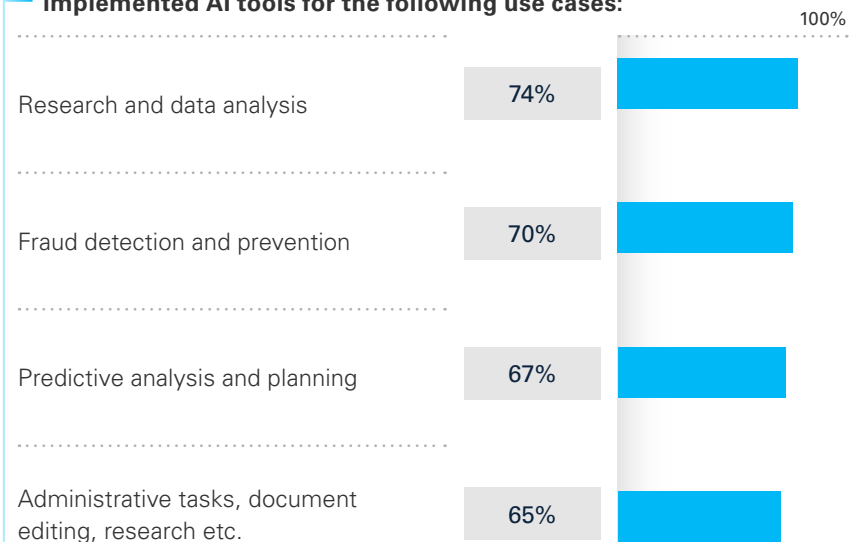
Moving from pilots to wide adoption requires that AI is embedded as close as possible to core business processes and existing IT architecture. In the UAE, while some of the 8% of Finance leaders have already reached wide adoption, most organizations remain in the planning phase. A pragmatic way to accelerate progress is to start by leveraging the AI capabilities already available within existing enterprise solutions such as ERP, EPM/BI, etc.

**Bhaskar Sahay**  
Partner, Advisory



# Leaders in action: strategic applications of AI in finance

Percentage of respondents who have implemented AI tools for the following use cases:



From cash management to reporting, UAE leaders are moving beyond experimentation and embedding real AI capabilities into their finance functions. What matters now is not just technology, but the ability of finance teams to scale these use cases and turn them into lasting performance drivers. This shift requires building the right skills, mindsets and operating models to make AI a core lever of financial decision making.

**Raed Karroum**  
Partner, Advisory

## AI-driven initiatives led by industry leaders in the UAE:

01

A retail conglomerate deployed an AI-enabled cash management platform to automate supplier payments, forecast liquidity and detect reconciliation anomalies.

02

A government utility company integrated an AI assistant to automate billing, generate internal finance reports and manage financial documentation workflows.

03

A leading regional bank implemented generative AI tools to automate internal reporting, populate regulatory disclosures and support financial risk assessments.

04

A telecom operator used AI to automate invoice processing, manage collections and train the finance staff on AI tools for budgeting and cash flow tracking.

05

An oil and gas distribution company launched an AI-powered chatbot for investor relations capable of generating real-time financial KPIs and responding to performance queries.

# What sets AI leaders apart

After pioneering early AI adoption, top performers are now shifting focus to generative AI (GenAI). 41% already use GenAI in financial reporting and are expected to increase to 88% within the next three years.

Additionally, 54% of leaders will prioritize GenAI over traditional AI in the coming year, reflecting a broad consensus that this technology is no longer optional, but strategic.

## Best practices to drive AI initiatives within the finance function

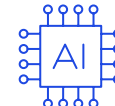
# 2/3 of leaders

have set up a central cross-functional team, working in collaboration with the finance function and other departments across the organization. This model helps create synergies between AI initiatives, better manage AI-related risks and provide greater flexibility.



## Strategy

- A clear and business-aligned AI roadmap avoids fragmentation and ensures resources are focused where value is measurable.
- Defining prioritized, scalable use cases enables faster adoption and integration across finance and adjacent functions.



## Resources

The resources required for successful GenAI implementation include:

- Building internal AI capabilities by investing in resources with the right skillset within the finance function.
- Leveraging cross-functional expertise to boost innovation.
- Actively recruiting talent through outsourcing and hiring consultants to fill the skill gap and speed up AI deployment.



## Governance

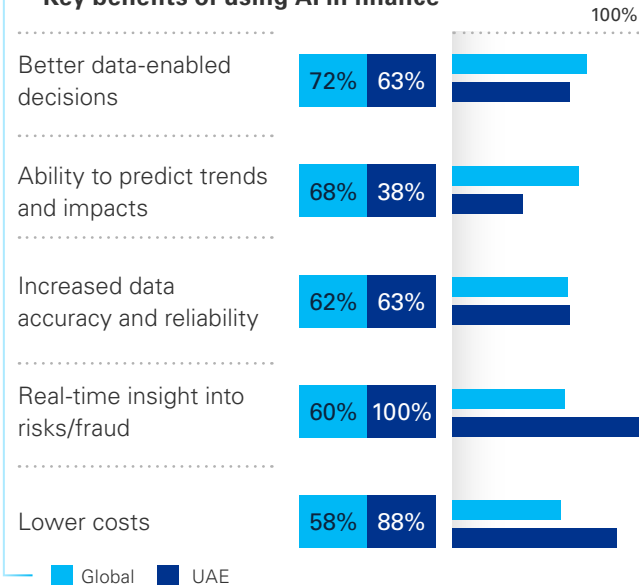
- A centralized AI governance framework ensures consistency across business lines, finance and systems.
- Consolidating expertise avoids duplication, reduces costs and accelerates innovation, maximizing ROI across the finance function and beyond.

### Adoption of GenAI in financial reporting

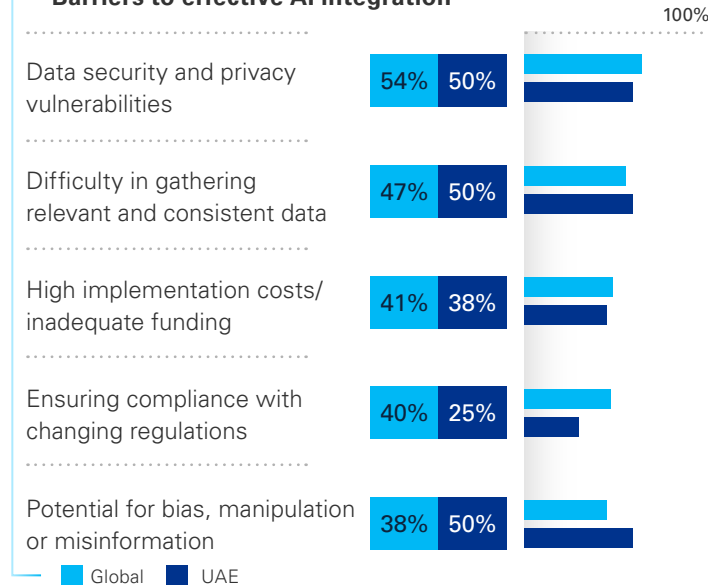
	Global panel	Leaders
Already Implemented	13%	41%
Expected in three years	56%	88%

# Turning AI challenges into opportunities

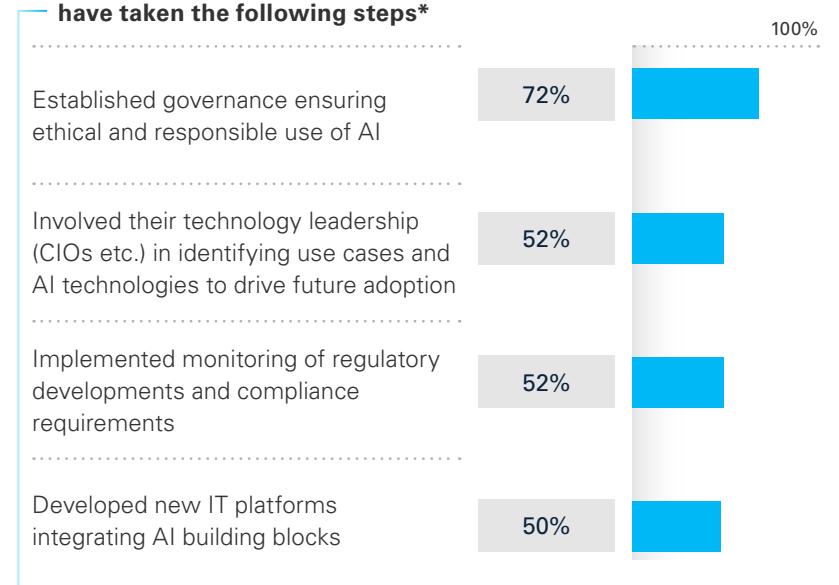
## Key benefits of using AI in finance\*



## Barriers to effective AI integration\*



## To overcome these barriers, leaders have taken the following steps\*



\*As quoted by leaders

Regulation is not holding back AI development in the UAE. Only 25% of finance leaders in the UAE see regulation as a barrier to adoption, compared to much higher levels in other regions. This reflects a distinctive innovation-oriented regulatory environment. With no restrictive AI-specific laws and active government support, UAE organizations can act now — unlike other jurisdictions where horizontal AI laws, such as the EU's AI Act, are introducing more constraints on deployment.

## Rising concerns

### Risk

While privacy and security are key focus areas, accountability and transparency also need to be prioritized to ensure balanced, responsible AI adoption.

### Trust and compliance

AI's lack of explainability is a significant blind spot. Enhancing transparency is essential for meeting regulatory expectations and gaining stakeholder trust.

### Sustainability

By integrating sustainability into their AI strategies, leaders can reduce environmental impacts and use AI to drive greener, more efficient operations.

# Case study: how a leading bank transformed finance into an AI launchpad

A global systemic bank launched its automation and AI strategy by anchoring it in the finance function – a data-rich, process-intensive domain where impact is measurable. By centralizing data, mobilizing skilled teams, and targeting high-value use cases, the bank created a controlled launchpad to demonstrate value rapidly and scale with confidence. This focused approach laid the foundation for enterprise-wide AI adoption.

## Centralizing efforts

### Building a robust organizational structure

The transformation began with the creation of centralized data laboratories, with the finance function reporting directly to the Group CFO. This starting point allowed the organization to generate proof of value quickly, while also embedding strong ownership over data and use case delivery.

### Preparing for scalability

By centralizing data operations and deployment, the initiative established a unified foundation, ensuring consistent governance, data integrity and scalable implementation across functions.

## Targeting investments

### Investing in capable teams

Assembling a multidisciplinary team of data scientists, data analysts and finance professionals, ensuring a strong blend of technical expertise and domain knowledge to develop effective, tailored solutions.

### Focusing on high-value functions

Finance was selected as the launchpad due to its data intensity, reporting complexity and strong business impact. Targeting this function enabled the bank to deliver quick wins while addressing key operational pain points.

### Scaling across the organization

Once value was demonstrated, the approach was replicated in adjacent areas such as risk, compliance and operations. Shared tools, frameworks and governance made expansion more efficient and consistent.

## Strategic outcomes

### Financial impact

The initiative generated early gains, with pilots delivering double-digit productivity improvements. It helped the bank stay on track to meet its \$570 million AI value target by 2026.

### Operational efficiency

Routine reporting, reconciliation and audit tasks were streamlined, freeing up teams for higher-value analysis. Automation also improved accuracy and reduced time-to-report.

### Scalability

The centralized data laboratory model facilitated the rapid scaling of AI solutions across the organization.

### Employee empowerment

Continuous training and re-skilling initiatives ensured that employees were equipped to work effectively with AI technologies.

## Key takeaways for finance teams in the UAE

01

### Start with finance

A data-rich, process-intensive function that offers quick wins and proof of value.

02

### Structure before scale

Centralize ownership, data and governance to ensure coherent and sustainable growth.

03

### Blend expertise

Successful initiatives require hybrid teams with business, data and technology skills.

04

### Measure what matters

Define clear KPIs from the outset to track impact, adjust fast and secure sponsorship.

05

### Build to replicate

Think scalability early. Design use cases with reuse and cross-functional rollout in mind.



# Key recommendations

Integrating AI across finance operations and processes is a journey that requires commitment, stamina and planning. As KPMG's research indicates, the potential rewards are high. Below are key recommendations that may help you focus your efforts and make agile, tangible progress:



## Prioritizing the use of AI in finance

Companies should implement a wide range of use cases including data entry and administrative processes, as well as higher-order tasks for conducting research, risk management, cybersecurity, fraud detection and predictive analysis.



## Having a clear strategy and implementation plan

This includes actively testing and refining use cases that leverage the power of GenAI, such as composing financial reports and summaries.

Companies should also stay mindful of GenAI's limitations around data security, sovereignty, accuracy, and copyright and intellectual property.



## Thinking beyond accounting and financial reporting

While AI is currently most commonly used in accounting and financial reporting, its use is spreading across finance. Most AI leaders are already using the technology to optimize financial planning, treasury management, tax operations, and risk management, as well as to drive ROI across their departments.



## Focusing on people

To fully embed AI into their financial activities, management teams should go beyond seeking AI support from other departments. That means teaming up with AI specialists within finance and providing training on the use of AI to the financial staff. Using AI to improve the productivity, engagement and retention of their people should be top of mind for organization.



## Overcoming barriers

A lack of AI skills, inconsistent data, high costs, and data security and privacy concerns can often hold companies back from fully leveraging AI in finance.

To overcome these barriers, financial teams should act early to establish AI guidelines and governance mechanisms, create digital processes to meet regulatory requirements, and shift to modern IT platforms that facilitate AI. They should also pilot AI initiatives to validate ROI and ensure effectiveness before scaling these solutions across the department.



## Identifying potential risks

Transparency can be a common blind spot due to the complexity of AI algorithms and the black box nature of AI solutions. If left unattended, this could lead to a loss of trust and accountability. Sustainability is another area often overlooked, leading to increased carbon footprints due to higher AI-driven data consumption.

# About KPMG Middle East

KPMG Middle East LLP is a part of the KPMG global organization of independent member firms that operate in 143 countries and territories and are affiliated with KPMG International Limited. We provide audit, tax and advisory services to public and private sector clients across Saudi Arabia, United Arab Emirates, Jordan, Lebanon, Oman, and Iraq, contracting through separate legal entities. We have a strong legacy in the region, where we have been established for over 50 years. KPMG Middle East LLP is well-connected with its global member network and combines its local knowledge with international expertise.

KPMG serves the diverse needs of businesses, governments, public-sector agencies, not-for-profit organizations, and the capital markets.

Our commitment to quality and service excellence underpins everything we do. We strive to deliver to the highest standards for our stakeholders, building trust through our actions and behavior, both professionally and personally.

Our values guide our day-to-day behavior, informing how we act, the decisions we make, and how we work with each other, our clients, and all our stakeholders.



Integrity:  
We do what is right



Excellence:  
We never stop learning and improving



Courage:  
We think and act boldly



Together:  
We respect each other and draw strength from our differences



For Better:  
We do what matters.

Our purpose is to inspire confidence and empower change. By inspiring confidence in our people, clients and society, we help empower the change needed to solve the toughest challenges and lead the way forward.

KPMG's Impact Plan guides our commitments to serving our clients, people and communities across four categories: Planet, People, Prosperity, and Governance. These four priority areas assist us in defining and managing our environmental, social, economic and governance impacts to create a more sustainable future. We aim to deliver growth with purpose. We unite the best of KPMG to help our clients fulfil their purpose and deliver against the United Nations Sustainable Development Goals, so all our communities can thrive and prosper.

We are dedicated to delivering growth with purpose, helping our clients achieve their goals, and advancing sustainable progress to ensure that all our communities thrive. Empowered by our values, and committed to our purpose, our people are our greatest strength. Together, we are building a values-led organization of the future. For better.

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