KPMG

AI in Finance 2026:

Closing the value gap



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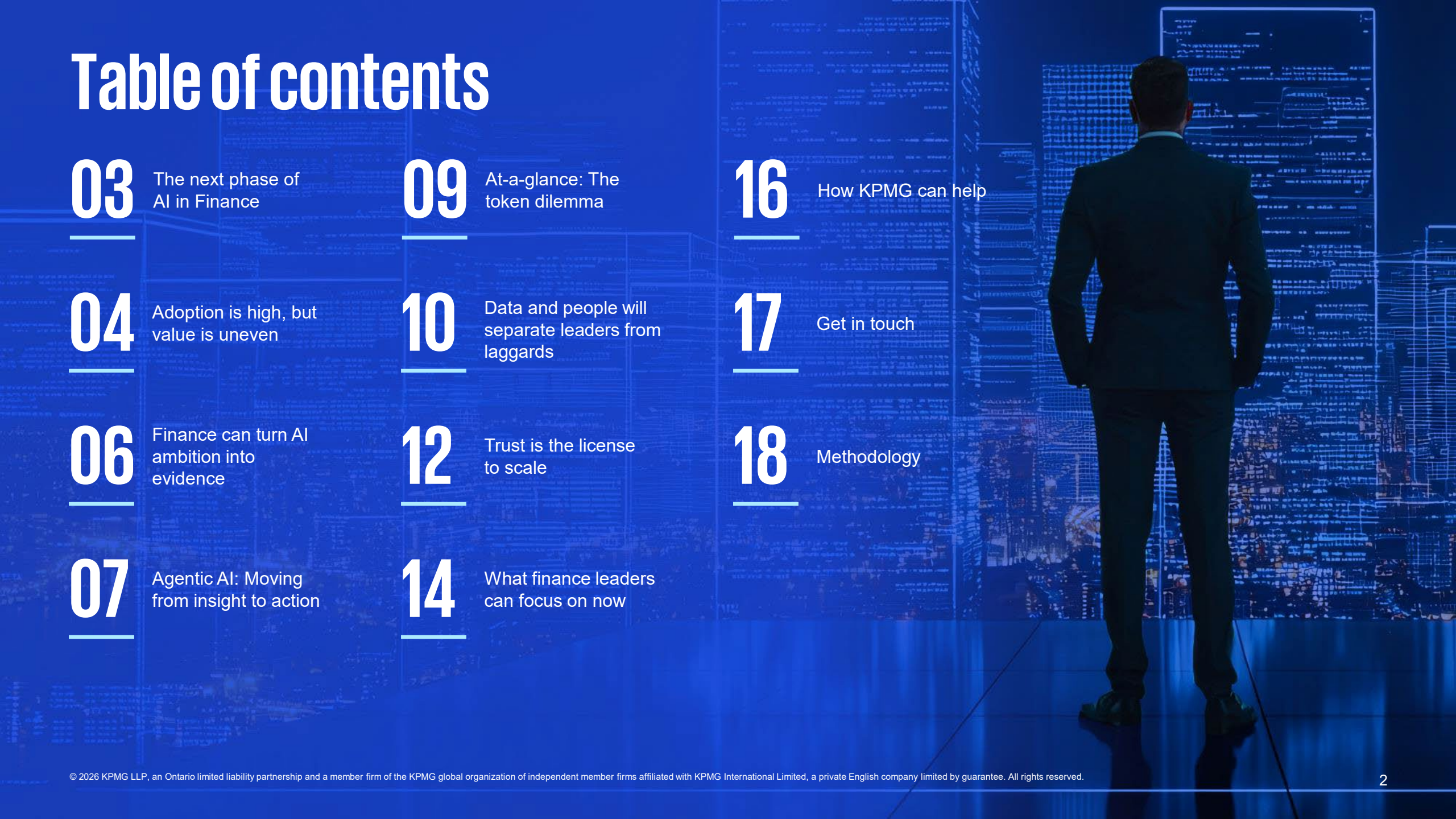
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The next phase of AI in Finance

Artificial intelligence (AI) is increasingly embedded in finance departments, with the Canadian findings from KPMG International's **2026 AI in Finance** survey showing how quickly adoption is advancing: 83 per-cent of respondents stating they have moved beyond the planning phase for broad AI use the in finance (versus 92 per-cent globally).

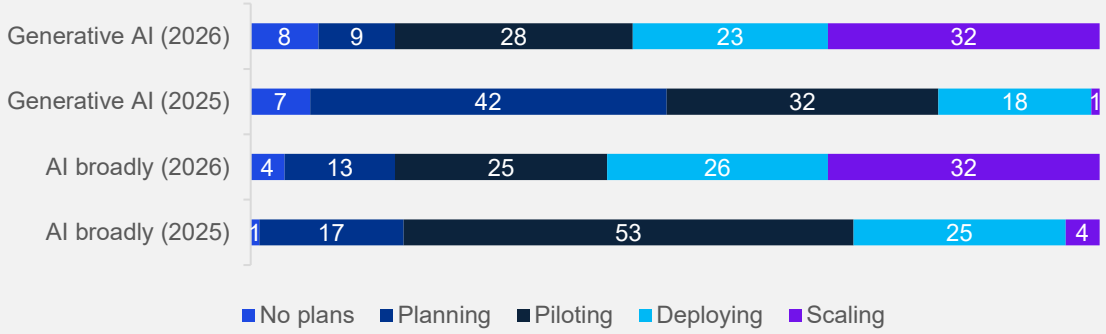
Yet Canadian respondents report less improvement than their global peers in forecast accuracy (36 per-cent versus 64 per-cent) and decision-making speed (45 per-cent versus 71 per-cent) – highlighting a central challenge: deploying AI is not the same as building the organizational capability and confidence needed to turn AI-generated insight into measurable results.

This is because usage of AI tools alone does not create business value.

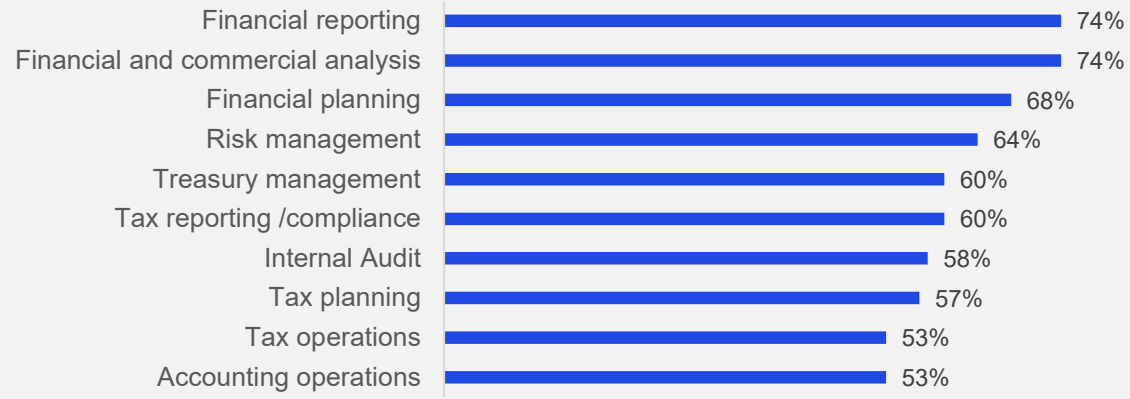
Value is realized when AI-generated predictions and insights are interpreted through finance professionals' judgement; judgment which is supported by trusted data, governance and controls, and underpinned by human accountability. Conversely, value is constrained by fragmented ownership, pilots without a clear path to business value or scale, incomplete measurement and operating models that were not designed for AI.

For CFOs, the next phase of finance transformation is therefore to redesign workflows so AI, people and controls work together to deliver measurable outcomes and build organizational trust needed to scale. Doing so requires structures which tie AI activity to discrete business outcomes: faster cycle times, stronger forecasting, improved controls, better decision support, enhanced stakeholder experience and finance capacity unlocked for higher-value work.

Canadian year-over-year comparison: Progress in AI use across finance



Specific areas of use



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Adoption is high, but value is uneven

AI use in finance is strongest in areas where data and analysis already play a central role. Seventy-four per-cent of Canadian respondents are using AI in financial reporting and in financial and commercial analysis; use is also relatively strong in financial planning (68 per-cent) and risk management (64 per-cent).

AI value is often constrained less by the technology than by how finance is organized to deliver it. Fragmented ownership across finance, technology, data and enterprise AI can produce promising pilots but uneven adoption and slow scaling.

A stronger operating model enables clearer decision rights and stronger execution discipline by combining enterprise platforms and standards with finance-embedded teams that understand the processes, controls and decisions AI must support; AI-enabled finance capabilities should be managed as products, not side projects.

Early gains in reconciliations, variance commentary and reporting can help fund and de-risk more strategic applications in forecasting, scenario modelling, real-time controls, anomaly detection and financial planning and analysis (FP&A) decision support.

Finance leaders should watch for these common pitfalls:

1. **AI usage is mistaken for value.** Adoption should be tied to measurable finance outcomes, not tool activity. Foundational processes such as reconciliations, controls, variance analysis and reporting can provide practical early wins because they are repeatable, data-heavy and control-sensitive.
2. **Prediction is mistaken for decision.** AI can identify patterns and generate scenarios, but finance professionals must apply context, challenge assumptions and remain accountable for the outcome.
3. **Ownership is fragmented.** Common definitions, clear decision rights and consistent value measures are needed to move from promising pilots to scaled capabilities.
4. **Miscommunication is causing a disconnect between finance and leadership.** Organizations that don't use consistent terminology and KPIs are at risk of causing confusion both internally and externally. This is especially true when discussing the business case, AI solutions, investment needed and ROI.

> "AI has the potential to disrupt multiple points across the finance function. Meaningful enterprise value is achieved only when AI is applied with a deep, end to end understanding of the finance value chain, rather than through isolated use cases."



Chris Moore
Partner and National Service Line Leader, Finance Transformation

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AI generates insight.
Human judgment converts it into a decision. Organizational trust allows that decision process to be used repeatedly and at scale.

Finance can turn AI ambition into evidence

Fifty-seven per cent of Canadian respondents say AI in Finance ROI is at least meeting expectations, with 19% saying it is exceeding expectations. The finding suggests progress without overstatement and reinforces the need for a broader value framework.

Beyond standard efficiency metrics (e.g., cost and hours saved), finance should also track effectiveness metrics: forecast accuracy, close quality, decision speed, risk reduction, control effectiveness, auditability, user adoption, employee capacity unlocked and the quality of business insight created.

This is where finance has a leadership role to play. Finance owns the language of value – planning, performance, forecasting, capital allocation and accountability. As organizations continue to invest in AI, finance can help shift the conversation from “what are we spending?” to “what are we improving, proving and scaling?”

The finance function therefore needs to help set the organization’s AI agenda by tracking the right KPIs, understanding where adoption succeeds or fails, linking AI use cases to business outcomes, and building the evidence leaders need to make confident decisions.

> “Finance is the natural place to start the agentification journey because it owns the language of value. It can turn AI from spend and experimentation into measured outcomes, scaled use cases, and better decisions.”



Safdar Mahmood
Partner and Chief Technology Officer, Advisory Services

Case study: Finance GenAI strategy for a global manufacturing organization

In practice, finance leaders are already taking steps to build AI readiness.

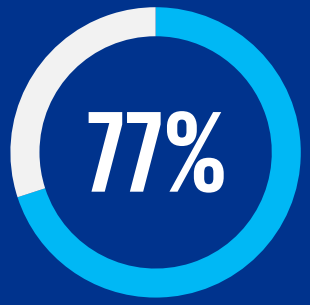
For example, KPMG Canada worked with a global manufacturing organization to help its finance and tax leadership team build a shared understanding of Generative AI, evaluate governance and risk considerations, and develop finance-specific AI use cases.

This helped increase leadership confidence and readiness to begin the organization's AI journey within finance while identifying practical use cases that could be prioritized and advanced.

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Agentic AI: Moving from insight to action

Agentic AI raises the stakes for finance. Unlike earlier AI tools that mainly summarize, draft or analyze information, agentic AI can plan, reason and act across workflows with greater autonomy. In finance, that could change how teams forecast, model scenarios, assess risk, prepare analysis and respond to business needs.



of Canadian respondents have moved beyond the planning phase of implementing Agentic AI across the finance function

The distinction matters, as – while Generative AI can create content from prompts – AI agents go further: they use goals, planning, reasoning engines, tools, knowledge, memory, oversight, audit and feedback to take autonomous or semi-autonomous action. Agentic AI should therefore not be viewed as one tool or one maturity stage, but rather part of an overall progression in the AI in finance transformation:

A practical maturity path starts with platform enablement: the infrastructure, data architecture and governance needed for reliable AI.

It then moves to personal productivity, where tools improve individual work and employee experience.

The third layer is agentic capability, where autonomous and semi-autonomous agents use enterprise knowledge and context to orchestrate workflows and deliver outcomes.

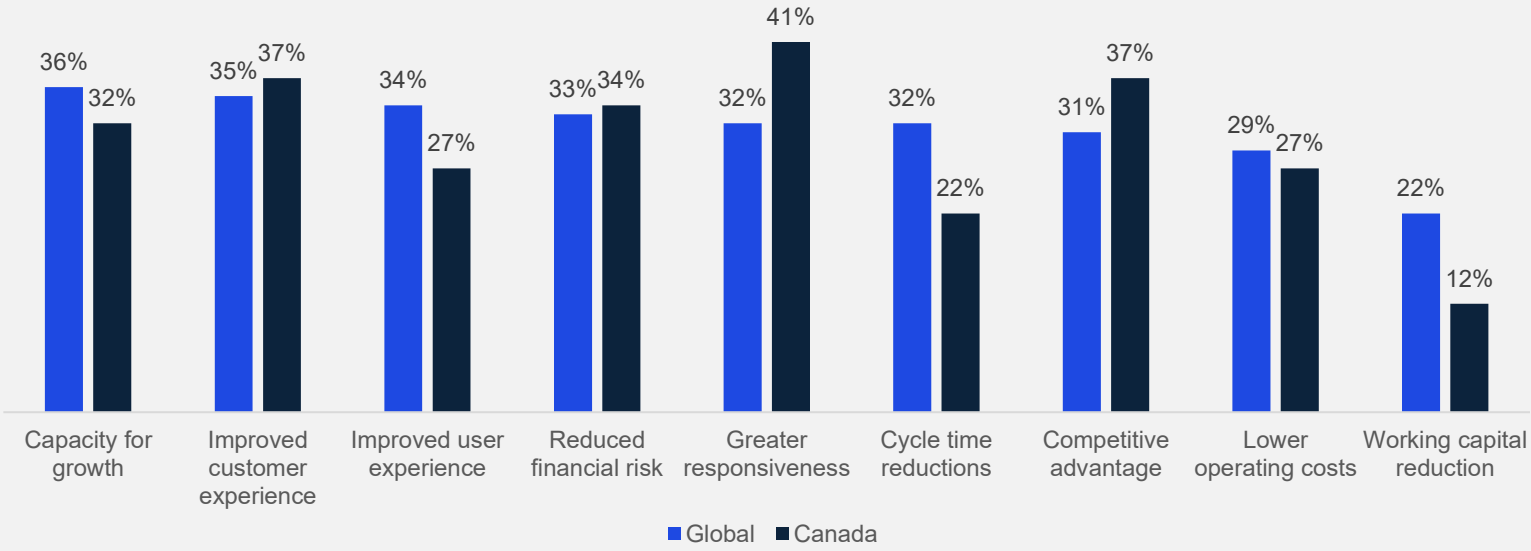
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Canadian Finance leaders already see agentic AI as more than a cost lever. Respondents most often cite greater responsiveness (41%), competitive advantage (37%) and improved customer experience (37%); lower operating costs (27%) and cycle-time reductions (22%) rank lower.

The larger opportunity is not simply to do the same work faster, but to help finance become a stronger anchor for organizational decision-making - faster to identify risk, better equipped to model scenarios and more confident in the insight it brings forward.

While task-level agents can improve productivity, unmanaged proliferation can add complexity, costs and risk. Greater value will come when agents are designed around finance outcomes, shared data, common controls and clear autonomy boundaries – not layered onto legacy workflows.

Canadian respondents indicate biggest value from agentic AI is in responsiveness and competitive advantage



> "Agentic AI can help finance move from insight to action. The greatest value will come when it is focused on decision-critical work – helping teams respond faster, model scenarios with more confidence and strengthen the business decisions that drive performance."



Susie Cooke
Partner, National and Global Leader, Tax Transformation

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At-a-glance: The token dilemma

As organizations move beyond AI pilots and individual productivity tools toward enterprise-scale deployments and agentic workflows, the economics of AI adoption must become a core management consideration.

Early experimentation may involve relatively modest costs, but consumption can grow rapidly as AI is embedded across Finance processes and autonomous agents perform increasingly complex, multi-step activities. Moreover, the cost of AI extends beyond token consumption to include infrastructure, data processing, integration, monitoring, security and human oversight. Organizations should therefore establish clear governance, prioritization and value-measurement mechanisms to understand the unit economics of AI use cases, allocate costs to the appropriate functions and ensure that increased consumption translates into measurable business outcomes.

To balance performance, risk and cost, organizations can adopt model routing, directing each task to the model or agent whose capabilities are best aligned with the complexity and criticality of the workflow. Routine, high-volume activities may be handled by smaller, lower-cost models, while more sophisticated models are reserved for complex analysis, judgment-intensive decisions or higher-risk processes. Model routing can be complemented by usage budgets, cost and performance observability, caching, prompt optimization, consumption thresholds and showback or chargeback mechanisms. Together, these FinOps AI practices enable organizations to scale adoption responsibly while maintaining transparency over cost, value and return on investment.

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Data and people will separate leaders from laggards

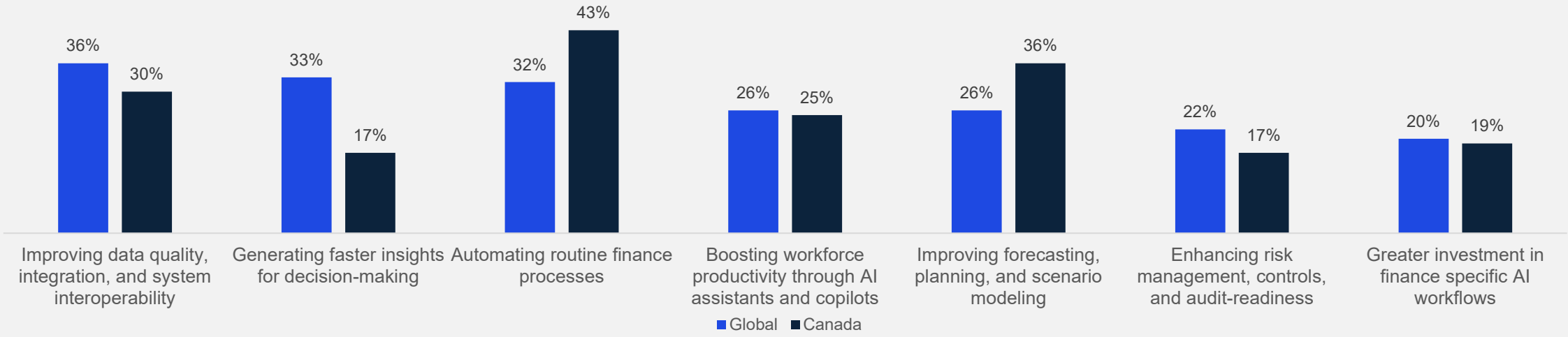
The next phase of AI in Finance will depend on the foundations around it. Automation may be the entry point, but durable value depends on reliable data, capable people and accountable decisions:

- automation only creates sustainable value when the data is reliable;
- forecasting only improves when teams understand the assumptions behind the outputs; and
- AI-enabled reporting only builds confidence when accountability and evidence are clear

AI ambition is often constrained by the data landscape. Real AI transformation occurs when data is trusted, accessible, well-governed, connected across the business and aligned to the decisions leaders need to make. Data modernization should therefore be treated as a value enabler, not a back-office dependency – including data products, authoritative data ownership, lineage, quality standards and an integrated data model that can support AI at scale.

Canadian organizations are attempting to address AI in Finance concerns by expanding cyber safeguards, upskilling finance and internal audit teams, strengthening data governance, and implementing explainability, validation and model risk controls.

Canadian respondents feel automation is the greatest opportunity to get value from AI in the finance function



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> AI in Finance is not a technology problem; it is a work and workforce redesign challenge. Finance professionals need the fluency to decide what should be done by people, what can be delegated to agents and how the two come together to deliver tangible value to the organization.
>
> As agents take on more execution, people become orchestrators of work: setting direction, applying judgment, challenging outputs and remaining accountable for the outcome.



Lewis Curley
Partner, People & Change Practice

KPMG's Canadian AI Pulse survey adds a wider workforce signal: employee resistance to AI agents is higher in Canada than globally, at 31 per-cent versus 16 per-cent, reflecting concerns about trust, ethics and transparency, job security and skills gaps.

Finance teams will need more than tool training. The next-generation finance professional will need business acumen, AI and data fluency, strategic orientation and the judgment to challenge AI outputs before acting. The goal for finance professionals is to spend less time assembling information and more time interpreting, challenging and advising using their professional judgement.



> Automation may be the entry point for AI in finance, but it is not the end goal. The real value comes when AI helps finance become faster, more predictive and more trusted — with the data, controls and people in place to support confident decisions.



Kareem Sadek
Partner, Advisory, Tech Risk,
Trusted AI and Digital Assets
National Leader

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Trust is the license to scale

Trust does not come from an AI output in isolation, but rather from understanding the data, policies, assumptions and decision rules behind the output; how it was tested and interpreted; and who remains accountable for its use.

Governance, controls and audit trails are not barriers to AI adoption – they are what allow AI-enabled finance processes to scale with confidence.

For finance leaders, the opportunity is to build trust into AI-enabled processes from the start, so the organization can move faster without weakening accountability, control or confidence in the numbers.

Among Canadian finance leaders, 55 per-cent identify cyber and AI-native security threats as a leading concern, followed by the accuracy of AI-generated financial outputs at 40 per-cent. Data quality, completeness, transparency and explainability are also material concerns.

An audit readiness gap also remains, with 66 per-cent of Canadian respondents stating they can produce required AI-related audit evidence efficiently and without disruption (versus 82 per-cent globally). Similarly, 64 per-cent say they track and act on meaningful KPIs for AI-enabled finance processes (versus 85 per-cent globally).

These gaps will become more consequential as agentic AI matures. Trust will need to evolve from a control overlay into a value-protection system. The risk profile expands beyond cyber and output accuracy to include bias, hallucinations, explainability gaps, accountability gaps, data misuse, regulatory complexity, vendor dependency, integration risk, workforce fatigue and skills gaps. As value and risk scale together, governance must mature in concert with capability.

> “If finance teams cannot explain, test and evidence AI-enabled processes, trust will limit adoption. If they can, governance becomes an enabler of scale. When controls, audit trails, data governance, cyber safeguards and human oversight are built in from the start, finance teams can use AI with more confidence.”



Kevin Kolliniatis
Partner and
Chief Technology Officer,
Audit and Assurance

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Bridging the trust gap to create value for finance

SHIFT	VALUE CREATION OPPORTUNITY
From governance as compliance to governance as scale	Strong controls help AI move from pilots to trusted finance workflows.
From output checking to evidence by design	Build audit trails, documentation and explainability into AI-enabled processes from the start.
From cyber risk as an IT issue to cyber risk as a finance confidence issue	Protect the integrity of financial data, reporting and decision-making.
From KPI tracking to KPI action	Track meaningful AI performance indicators and use them to improve processes, not just report progress.
From human oversight as a safeguard to human oversight as judgment	Keep finance professionals in the loop where interpretation, accountability and confidence matter most.

Case study: Responsible AI adoption for Canadian financial services

A financial services organization worked with KPMG Canada to assess its AI governance maturity and strengthen its readiness for responsible AI adoption. Using KPMG's Trusted AI framework and target operating model, the assessment evaluated existing governance processes, policies and controls, identified priority gaps and informed a tailored governance framework and strategic roadmap. KPMG also developed practical accelerators – including AI guiding principles, a risk assessment questionnaire, model inventory, model cards, and a risk and control matrix – to operationalize governance and support the safe, scalable deployment of AI use cases.

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What Finance leaders can focus on now

The path forward is becoming clearer, but it will not look identical for every finance team – the difference is how that value is defined, governed and scaled:



Public sector entities

AI value should be measured not only through efficiency, but through stewardship: stronger budget insight, improved program reporting, better service outcomes, more effective risk detection and greater transparency in the use of public funds. Trust, explainability and human oversight are especially important where AI may influence decisions that affect citizens, programs or funding outcomes.



Publicly listed companies

AI-enabled finance needs to be investor-grade. Use cases that affect forecasting, reporting, controls, management commentary, risk analysis or disclosure need clear ownership, documentation, audit trails and control evidence. The goal is not only to move faster, but to strengthen confidence for management, boards, audit committees, auditors, investors and regulators.



Privately held companies

The opportunity may be more immediate and practical: faster closes, better cash forecasting, improved margin visibility, stronger working-capital insight and more responsive reporting for owners, lenders or private investors. The challenge is to avoid over-engineering the response. Private companies need governance and controls, but they should be proportionate to their size, risk profile and growth ambitions.

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Across all organization types, the common lesson is the same: AI value will not come from isolated pilots or scattered productivity tools, but rather clear business outcomes, trusted data, disciplined ownership, right-sized governance, workforce confidence and measurement that goes beyond hours saved.

Leading organizations are moving from ambiguity to clearer governance, combining central platforms with finance-embedded teams, using core process wins to fund more strategic applications, and measuring AI through business outcomes, risk reduction and decision quality – not efficiency alone.

Six practical moves for finance leaders:

1

Define outcomes and value scorecard upfront

Do not deploy an AI tool or agent until the intended business result is clear. Tie investment to measurable outcomes – spanning both efficiency and effectiveness metrics (e.g., cost and hours saved, forecast accuracy, close quality, control performance, risk reduction, decision speed, service quality, auditability, etc.).

2

Prioritize high-value finance workflows

Start where value is tangible: reconciliations, controls, variance commentary, reporting and anomaly detection. Use those wins to fund more strategic applications in forecasting, scenario modelling and decision support.

3

Create clear ownership

Establish decision rights across finance, technology, data, risk, audit and business leaders. Consider a CFO-backed AI in Finance command cell to align strategy, funding, governance and execution.

4

Build hybrid delivery capacity

Combine central enterprise platforms and standards with finance-embedded product teams that understand the data, process, controls and business decisions AI must support.

5

Govern before scaling

Define autonomy limits, audit trails, validation standards, escalation paths and human-in-the-loop requirements before expanding AI across critical finance workflows.

6

Modernize the data foundation

Treat trusted, connected and governed data as the prerequisite for AI value. Focus on data products, ownership, lineage, quality and common definitions across finance and the business.

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How KPMG can help

Finance is where AI ambition becomes operational reality: the function is close to the data, accountable for performance and deeply connected to risk, controls and decision-making.

KPMG Canada can help finance leaders identify where AI can improve decision-critical work, assess data and process readiness, define accountable operating models, establish autonomy and judgment boundaries, and build governance, controls and evidence into AI-enabled workflows.

Canadian finance leaders have moved beyond asking whether AI belongs in finance. The next opportunity is to combine AI capability with human judgment and organizational trust – turning insight into accountable decisions and measurable value at scale.

Read our additional insights:



Five priorities for orchestrating enterprise transformation

Transformation today rarely follows a linear path. Organizations are advancing multiple priorities simultaneously, from technology modernization and workforce transformation to new operating models, evolving customer expectations and growth objectives.



Board members, start asking the right questions

For the last two years, many boards have been asking versions of the same question: How are we using AI? Are we investing in the right AI use cases? What are our competitors doing? Is our data protected?

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Get in touch

I want to learn more about redesigning finance workflows to turn AI in Finance adoption into measurable value	**Chris Moore** Partner and National Service Line Leader, Finance Transformation	**I want to learn more about making AI-enabled finance processes explainable, auditable and assurance-ready**	**Kevin Kolliniatis** Partner and Chief Technology Officer, Audit and Assurance
I want to learn more about measuring AI ROI / preparing for agentic AI	**Safdar Mahmood** Partner and Chief Technology Officer, Advisory Services	**I want to learn more about preparing finance teams for AI-enabled ways of working**	**Lewis Curley** Partner, People & Change Practice
I want to learn more about managing token usage and AI FinOps	**Eric Levy** Partner, Advisory, Financial Risk Management and Actuarial services	**I want to learn more about building governance, controls and cyber safeguards that enable Trusted AI and scale with confidence**	**Kareem Sadek** Partner, Advisory, Tech Risk, Trusted AI and Digital Assets National Leader
I want to learn more about using AI to improve tax compliance, responsiveness and decision-making	**Susie Cooke** Partner, National and Global Leader, Tax Transformation	**I want to learn more about AI in Finance for private companies**	**Lauren Bull** Partner, National Leader, KPMG Private Enterprise Advisory

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Methodology

About the KPMG AI in Finance 2026 survey

KPMG International's Global AI in Finance is an annual study capturing the perspectives from 1013 C-suite and senior leaders working in organizations with annual revenues of at least US$250 million (US$500 million in the United States). Participants completed the survey online in March 2026 across 20 countries, territories and jurisdictions in the Americas, EMEA and Asia-Pacific.

Of the 53 Canadian respondents, 43% of respondents were from companies that fell in the $1bn to $5bn revenue band and an employee count between 1000 and 5000 employees.

About the KPMG AI Pulse survey

KPMG International's Global AI Pulse is a quarterly global study capturing the perspectives from 2,110 C-suite and business leaders representing organizations in 20 countries, territories and jurisdictions. The research was conducted between February 19 and March 27, 2026.

Of the 306 Canadian respondents, 28 per cent reported annual revenues of $50 million to $99 million; 28 per cent reported revenues of $100 million to $499 million; 20 per cent reported revenues of $500 million to $999 million; 12 per cent reported revenues of $1 billion to $4.9 billion; eight per cent reported revenues of $5 billion to $19.9 billion and five per cent reported revenues of $20 billion or more.

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