



## Future Ready Finance Survey 2019

# Financial Services sector findings



CFOs face a host of forces that have opened up opportunities for Finance to take a leadership role in the enterprise like never before. The KPMG 2019 Future Ready Finance Survey asked more than 850 senior Finance and management executives across industries and geographies about the priorities, challenges and capabilities most critical to adapting to this rapidly changing business environment.

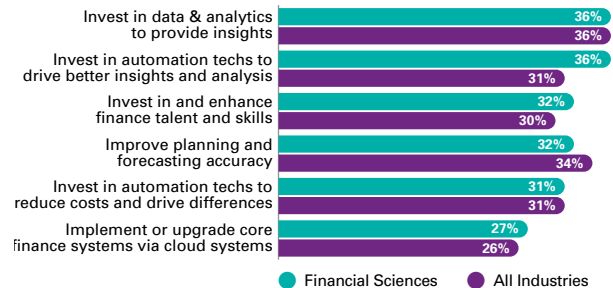
**This Financial Services industry snapshot provides survey results from nearly 300 companies on some of the key topics, and highlights several areas where this industry's responses differed significantly from those from across all industries.**



### Finance Strategy

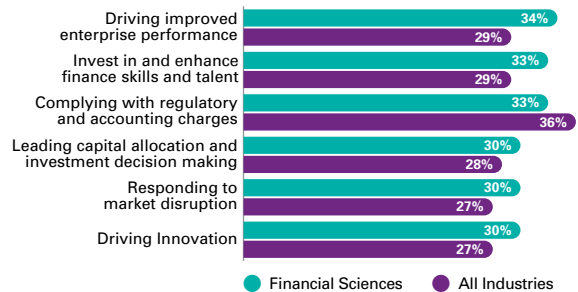
**What are the top initiatives for your organization's Finance function to increase its strategic value to the organization? (top 6)**

Financial Services company Finance function priorities are closely aligned with those in other industries. Next-generation priorities such as investing in automation and data & analytics head the list, along with investing in finance talent and skills.



**How well does your organization's Finance function support the following goals and initiatives? (Very strong support)**

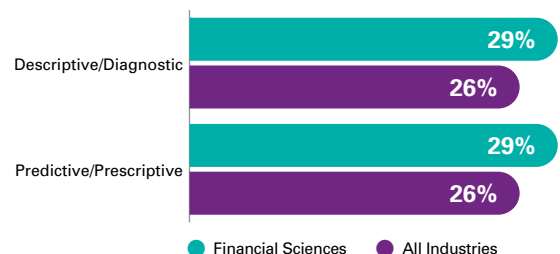
Financial Services Finance functions generally report slightly greater effectiveness than others in supporting overall corporate initiatives. They most exceed cross-industry benchmarks in driving improved enterprise performance (34% vs. 29% for all industries).



### Data & Analytics

**How mature is your Finance function across the following levels of the data & analytics continuum? (Very mature)**

Financial Services Finance maturity in data & analytics exceeds that of other industries. However, just 29 percent of respondents consider themselves very mature in descriptive/diagnostic and predictive/prescriptive analytics, indicating that most can further improve on these capabilities.

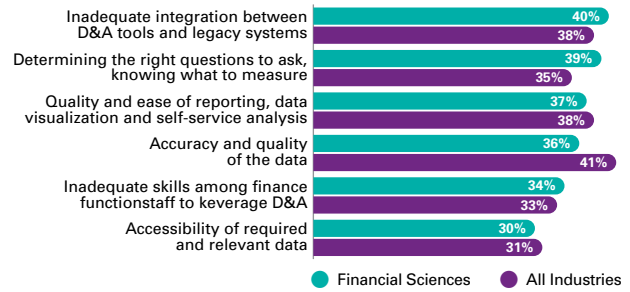




## Automation

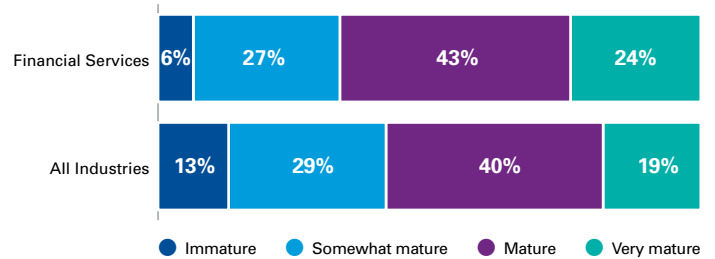
### What are the biggest barriers to your Finance function improving its maturity in using data & analytics? (top 6)

Integrating analytics tools with legacy systems stands as the biggest barrier to improving Finance analytics capabilities at Financial Services companies. Data quality is less of a challenge than in other industries (36% vs. 41% for all industries).



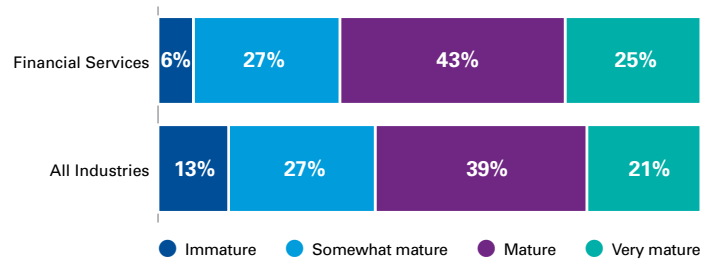
### Where is your organization's Finance function in terms of adopting and deploying robotics process automation (RPA)?

Financial Services Finance functions have adopted robotic process automation more than others, with 24 percent classifying themselves as very mature, compared to 19 percent cross-industry. 57 percent report they are mature of very mature in utilizing RPA.



### Where is your organization's Finance function in terms of adopting and deploying artificial intelligence (AI) and machine learning (ML)?

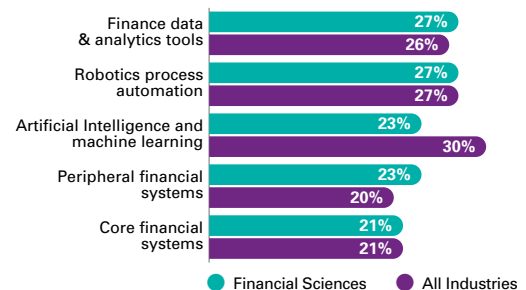
Financial Services Finance functions also report greater maturity levels in deploying AI and ML than peers in other industries, with 67 percent mature or very mature in AI and ML, compared to 60 percent in other industries.



## Cloud

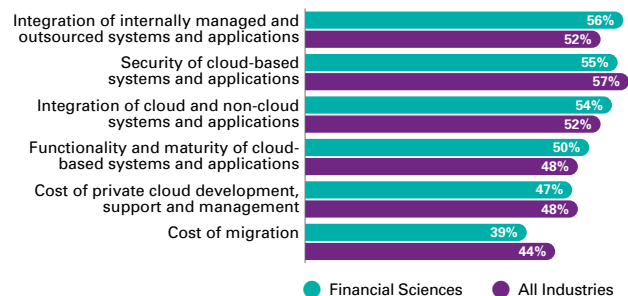
### What is your Finance organization's approach on the adoption of cloud-based solutions for the following technologies? (Focused on cloud)

Financial Services companies are generally equally likely as others to utilize cloud across most major types of Finance systems. The exception is utilizing cloud in AI and ML, where Financial Services relies upon cloud less than others (23% vs. 30% for all industries).



### What are the key challenges to your organization adopting cloud-based solutions for Finance applications and systems?

Financial Services companies generally face similar challenges as other industries in making greater use of cloud-based solutions for Finance systems, with integrating internal and outsourced solutions (56%) and the security of cloud-based systems (55%) topping the list.

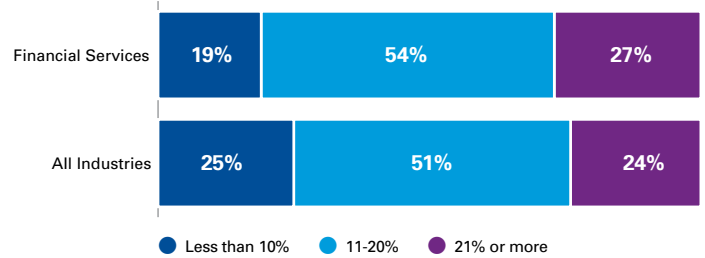




## Talent

### What proportion of your Finance workforce do you expect to be significantly impacted by automation in the next 2 years?

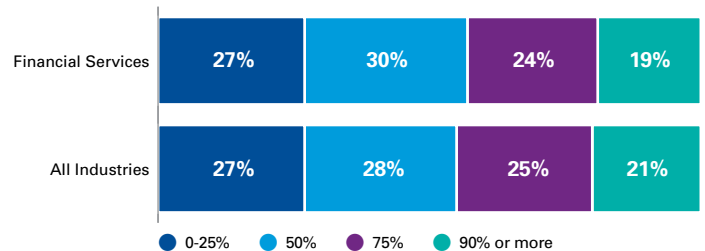
Financial Services companies anticipate a greater proportion of their Finance workforce to be impacted by automation in the next two years than other industries, with 27 percent expecting more than 20 percent, and 81 percent expecting more than 10 percent of Finance staff to be affected.



## Service Delivery Model

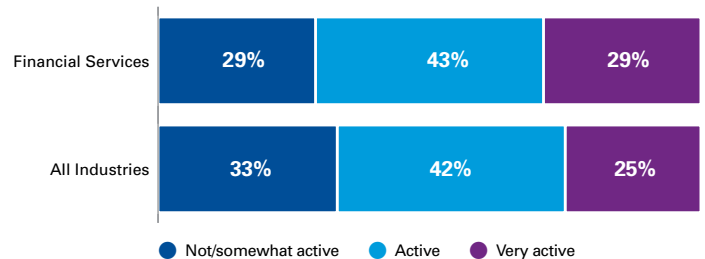
### What percentage of your organization's Finance staff impacted by automation will be retrained/reskilled for new roles as opposed to being made redundant?

Financial Services companies' plans for retraining/reskilling Finance staff impacted by automation mirrors that of other industries. Nearly half report they will reskill more than 75 percent or more of impacted staff, perhaps an overly optimistic expectation.



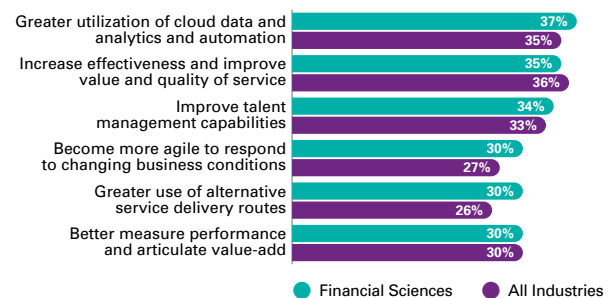
### How active is your organization in overhauling its Finance service delivery model?

Financial Services companies are highly active in overhauling Finance service delivery models to adapt to changing business conditions, slightly more so than others. 71 percent are actively or very actively redesigning delivery models.



### What are the most important new capabilities your Finance organization will introduce as a result of its Finance service delivery model overhaul? (top 6)

When redesigning service delivery models, Financial Services companies focus on utilizing advanced technologies, increasing quality of service, and improving talent management capabilities, also the top three goals cross-industry.



Source: Future Ready Finance Survey 2019, KPMG International

**Financial Services Finance organizations generally lead those in other industries in supporting overall business objectives, adopting next-generation automation technologies and utilizing data and analytics to generate value-added insights. However, they also expect a higher proportion of Finance staff to be impacted by automation than other industries. This reality requires a proactive, comprehensive approach to reskilling existing staff and sourcing needed next-generation skills.**

[kpmg.com/us/FutureFinance](https://kpmg.com/us/FutureFinance)

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