

EXECUTIVE INSIGHT

A Reality Check for the Agentic AI Conversation

The non-negotiables for CFOs that want to integrate this newest tech into their finance operations.



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The promise of AI supercharging finance operations

The CFO is no longer only the steward of financial discipline; they are increasingly the growth enabler of the enterprise. AI cost and deployment are now capital allocation decisions, and because capital is limited, the CFO's role is to direct that pool of resources toward the highest-value use cases — not only within finance, but across the business — where AI can create measurable enterprise value. Now that agentic AI has reached virtually all departments across a business, finance leaders should take a close look at what this tech actually is, what it can and cannot do, and how to make it drive the promised results.

On its face, this latest edition of AI automation speeds up processes across all financial cycles. However, instead of treating it as another finance technology project that just makes everything faster, CFOs should rather evaluate agentic AI as a capital allocation decision: Can it improve cash conversion, reduce the cost of control and help management make better capital decisions? Can it improve capital efficiency by converting more revenue into cash, lowering the cost to serve each transaction, and increasing the return on the capital invested in operations? In short, the answer is yes. With the caveat that the right emphasis must be set.

Why agentic AI isn't just another finance tech project

Finance operations need to follow rigid rules, which is why the traditional automation technologies already did an excellent job at eliminating repetitive tasks, many of which relied on manual execution. Machine learning, a by now tried-and-tested AI technology, recognises patterns, so that errors and discrepancies are flagged and information can be easily retrieved. Agentic AI goes a step further: it can interpret context, ask follow-up questions, check policies, recommend actions, and, within defined limits, execute work across systems. That ability to act across systems is what allows CFOs to scale finance operations without adding cost at the same rate, reducing the cost per transaction while maintaining control.

Gartner even predicts that by 2028, one-third of enterprise apps will have some form of agentic capabilities¹. Which is where it leaves the experimental realm and instead becomes embedded into ERPs, CRMs, treasury, procurement, and even into communication platforms such as WhatsApp and Microsoft Teams. This will profoundly reshape both the operational and economic dimensions of finance. For CFOs, the scale opportunity lies in more invoices processed, more disputes resolved, more collections actions prioritised, and more decisions supported at a lower marginal cost.



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How AI agents speed up the cash conversion cycle

Aging is expensive. Old disputes become old receivables, and old receivables become cash drag. And once AR gets too old, it is often written off, turning what should have been collected revenue into revenue leakage. To address this issue, CFOs should focus on fixing the finance processes closest to cash, since streamlining receivables creates predictable cashflow.

In detail, this means maintaining liquidity, reducing risk, and unlocking growth opportunities. More fundamentally, it means improving capital efficiency within the cash conversion cycle: collecting cash faster, reducing trapped working capital, and increasing the ROI of every dollar already earned by the business.

Here are a couple of examples of AI agents directly supporting the teams to keep the pipes clear: A sales representative wants to understand why a customer order is blocked. Instead of checking multiple systems, contacting customer service, reviewing overdue invoices and disputes or waiting for finance to respond, the sales rep can receive a real-time customer summary with an AI agent embedded in Microsoft Teams: Overdue balances, disputed invoices, credit exposure, blocked orders, and even recommendation for the next actions. Multiply this across every customer interaction, and decisions directly affecting cashflow get made faster. At scale, this reduces the cost of decision-making across the business while helping protect revenue that might otherwise be delayed, disputed, or lost.

On the AR side, AI capabilities can prioritise collections based on real-time risk and automate dispute resolution that reduces bad debts and keeps customers happier. AI agents can calculate risk ratios, recommend limits, and identify red flags before they become write-offs. This is where agentic AI moves from efficiency tool to capital-efficiency lever: fewer aged receivables, fewer write-offs, lower DSO, and more cash available to reinvest in growth.

For AP, the direct impact on cashflow is even more apparent: AI agents validate invoices against POs in real time and catch duplicate payments before they happen. Automated supplier onboarding, compliance checks and capturing early-payment discounts lower processing costs by removing friction from process snags and build stronger relationships with suppliers. By lowering transaction costs across AP and

reducing avoidable cash leakage, AI helps CFOs scale operations while improving the return generated from the company's working capital base.

Governed AI: Speed without chaos

AI agents that seamlessly interoperate across ERP, CRM, treasury, procurement, and reporting systems can transform operational processes and compress the time between signal and action.

But this acceleration, coupled with the fact that autonomous AI agents have access to sensitive workflows, significantly impacts the realities of the control environment. Clear boundaries must govern what an AI agent can recommend, what it can execute, what requires human approval, what data it can access, and which exceptions must be escalated. Every action should have an audit trail. If an AI agent validates an invoice, changes a payment status, or recommends a credit limit, it must be able to explain why. This is achieved by partitioning duties, defining approval thresholds, instituting policy checks as well as continuously monitoring that these workflows are aligned with governance standards. Once the technological governance framework is established, humans are freed up to focus on strategy, negotiation, and risk judgment. That governance is also what makes scale financially sustainable: Autonomy can reduce the cost per transaction, but only controlled autonomy protects margin, cash, and enterprise value.

Cutting through the noise

The common thread in the examples above is that each use case connects an activity to its financial outcomes. Nevertheless, too many AI business cases still rely on vague language: efficiency, productivity, better insights, enhanced experience. But since agentic AI is such an impactful technology, the ROI calculation needs to be tied to hard financial levers: Will it reduce DSO? Increase touchless invoice processing? Improve cash forecasting and protect revenue? Will it improve capital efficiency by shortening the cash conversion cycle, reducing revenue leakage from aged AR, and lowering the unit cost of finance operations?

Agentic AI capabilities can amplify the impact of the CFO by handling the repeatable, rule-based work: Gathering data, simulating scenarios and ensuring policy and regulatory adherence of all finance operations. The guiding question when considering AI automation should be “Where can controlled autonomy release cash, reduce risk and improve returns?” It should also be: “Where can AI help the business scale without scaling cost at the same rate?” Better financial outcomes are not achieved by throwing a lot of AI at the wall and seeing what sticks but by combining autonomy with accountability: Machines execute and humans decide. This is the difference between buying software and allocating capital. For the CFO, that distinction matters because the right AI investments do more than automate finance; they improve ROI, strengthen capital efficiency, and ultimately contribute to higher enterprise value.

1. “Intelligent Agents in AI Really Can Work Alone. Here’s How.” Coshow, Tom. Gartner, Oct. 1, 2024.