

# Financial Forecasting in the Age of AI

**FEATURED TRENDS**

# NAVIGATING UNCERTAINTY

## Financial Forecasting

Today, accurate financial forecasting is of utmost importance to protect your bottom line and remain proactive amidst economic volatility. Finance teams that can harness vast data sets to drive intelligent forecasts boast stronger margins and higher productivity compared to their lagging peers.

Forecasting has undergone an impressive evolution, first relying purely on historical transactional data and human intuition to anticipate future revenues and costs. Over time, basic statistical modeling became nearly ubiquitous, with software like Hyperion and even Excel offering such capabilities. Today, the most competitive organizations leverage the power of Artificial Intelligence to forecast revenues and expenses with unprecedented accuracy, all while eliminating manual analysis.

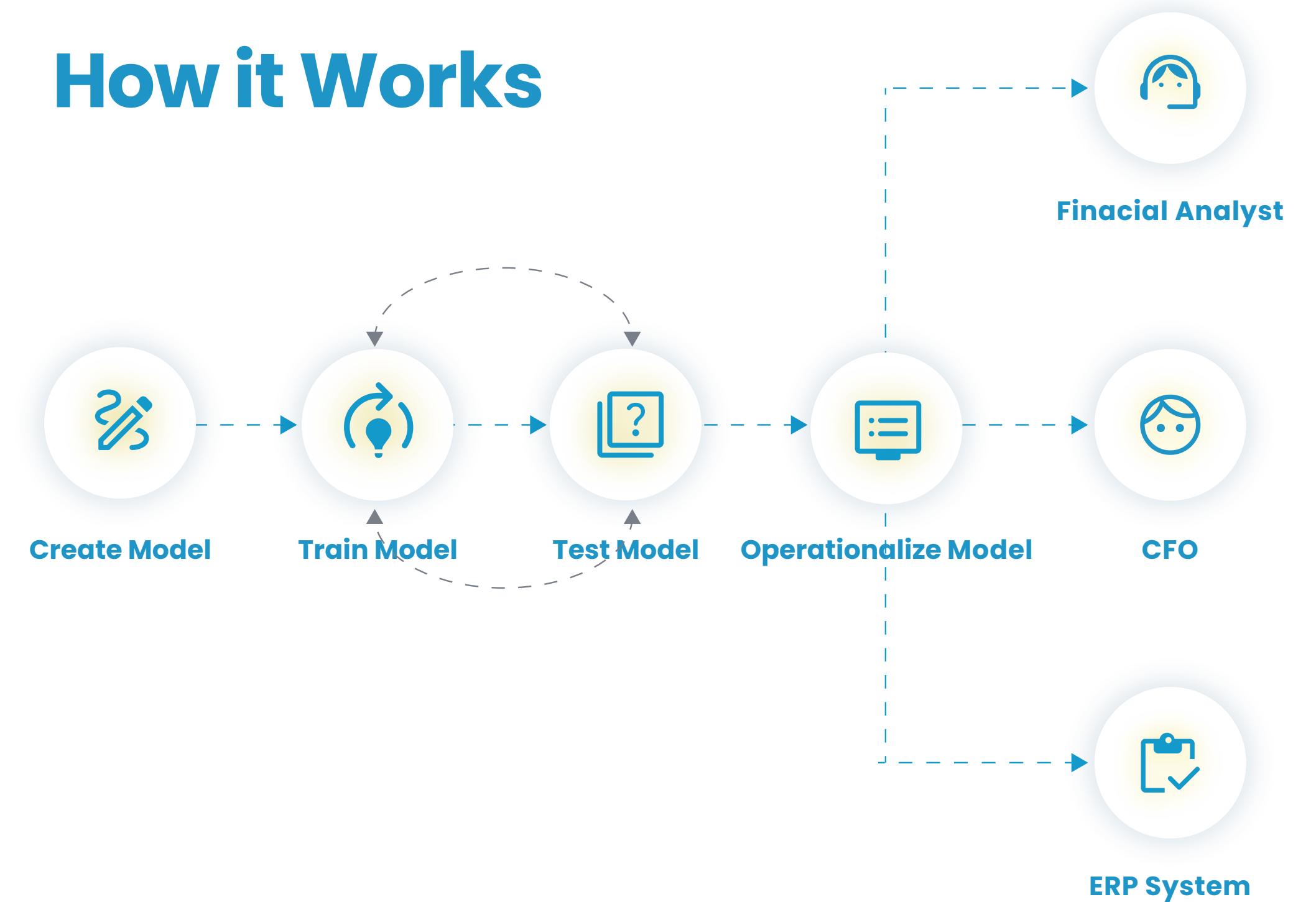
# A SCIENTIFIC APPROACH

Finance leaders who enable cultures of data-driven decisions can get ahead of internal and external volatility, planning for the future with scientific precision. Core to this is the implementation of new technologies and methods, including a subset of AI known as machine learning.

Machine learning (ML) is a technique used to automate financial forecasts, chosen because of its abilities to be highly accurate, scale, adapt quickly, and deliver results in real time.

With effective ML, dynamic forecasts are automatically delivered to team members in real time. These results can be fed into other planning tools, including MRP, ERP, and Point-of-Sale, to drive intelligent action across the enterprise.

## How it Works

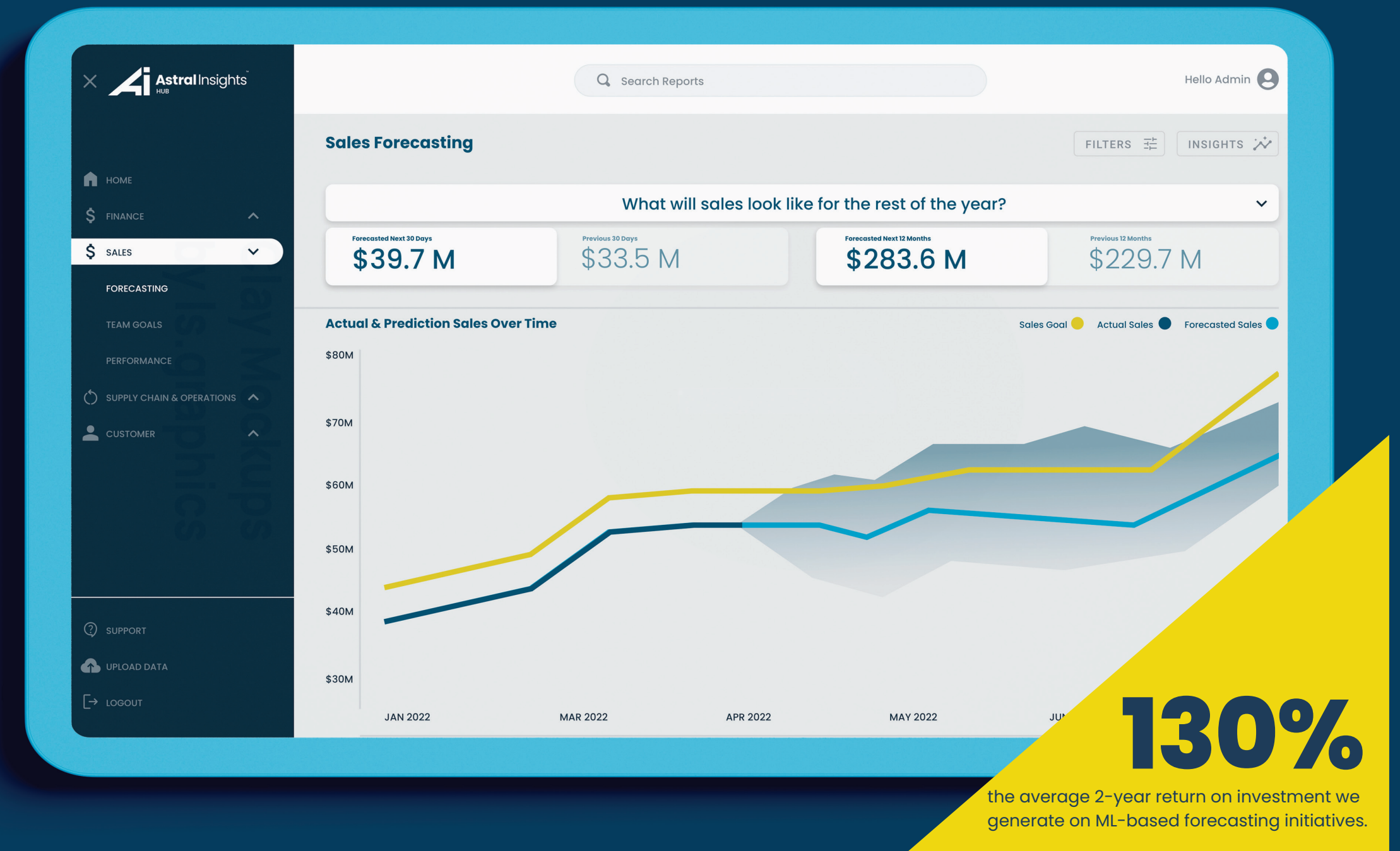


# TAKING ACTION

As AI hits its peak in the Hype Cycle (Gartner), the most competitive organizations are quickly adopting cloud-based machine learning solutions to thrive in a volatile climate. The benefits are clear, but determining where to start is often a daunting task.

The right combination of resources and expertise can quickly generate a return on investment, working iteratively to develop and deploy models that generate immediate value to your team.

Begin by tackling these “quick wins” (such as forecasting sales for a specific region or customer) and socializing the benefits early and often. Work to bring on new hires or external partners to bolster your analytical skillsets and accelerate the process.



As a trusted partner of our clients, we bring on-demand expertise, technology, and resources to quickly implement intelligent forecasting solutions. The result? A sustainable boost in team productivity and profitability.

# APPENDIX

## Additional Resources:

**Gartner AI Hype Cycle:**

<https://www.gartner.com/en/articles/the-4-trends-that-prevail-on-the-gartner-hype-cycle-for-ai-2021>

**HBS – Financial Forecasting with Machine Learning:**

<https://scholar.harvard.edu/linh/financial-forecasting-using-machine-learning>

**ResearchGate – Machine learning for financial forecasting, planning, and analysis:**

[https://www.researchgate.net/publication/357097046\\_Machine\\_learning\\_for\\_financial\\_forecasting\\_planning\\_and\\_analysis\\_recent\\_developments\\_and\\_pitfalls](https://www.researchgate.net/publication/357097046_Machine_learning_for_financial_forecasting_planning_and_analysis_recent_developments_and_pitfalls)

**Algorithm-X Lab – 10 Applications of machine learning in finance:**

<https://algorithmxlab.com/blog/applications-machine-learning-finance/>

**Towards Data Science – Machine learning in finance:**

<https://towardsdatascience.com/machine-learning-in-finance-why-what-how-d524a2357b56>

# CONTACT US

Get in touch to learn more about the applications of machine learning to core business initiatives, answer key questions, or schedule a session to discuss your team's challenges and objectives.

## Key Contacts



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