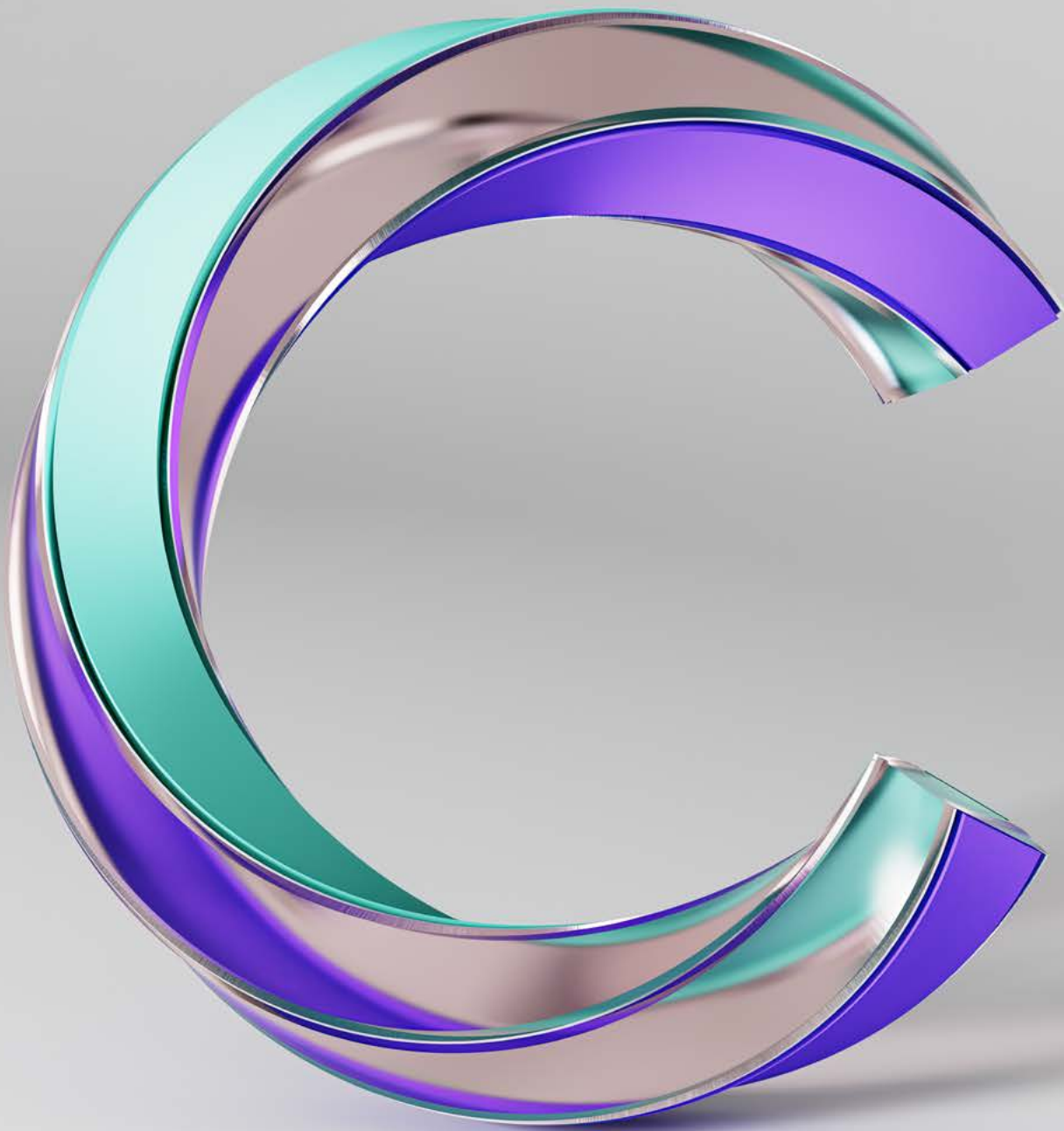




Fast track to execution

How AI-first CFOs create value

About the study

In Q1 and Q2 2026, in cooperation with Oxford Economics, the IBM Institute for Business Value surveyed 1,500 CFOs across 33 geographies and 26 industries. The study explores a central question facing finance leaders: how can organizations turn AI ambition into business results? It examines how CFOs are evolving their roles, redesigning operating models, governing AI, allocating capital, and enabling faster, more effective execution. In addition to survey responses, insights were drawn from a series of CFO interviews conducted in 2026. These discussions focused on how finance leaders are adapting to an era of accelerating technological change, increasing uncertainty, and rising expectations for growth, productivity, and enterprise transformation. For details, see “Research methodology” on page 41.

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Foreword

CFOs are agents of AI transformation

**James Kavanaugh**

Senior Vice President,
Finance and Operations
CFO, IBM

We have entered the era of AI execution. Done right, the technology is at the core of enterprises' operating models, powering a value creation flywheel where financial flexibility drives growth. But this execution is no easy feat. It exists at the complicated intersection of AI and portfolio optimization, capital allocation, and enterprise-wide productivity initiatives.

In this environment, CFOs must take on a new, expanded role. In addition to stewarding financial performance, they must also catalyze enterprise transformation. At IBM, we have experienced this shift firsthand. Our finance team isn't just approving or rejecting investments in new technologies. We're helping determine where to invest, which opportunities to scale, and how the enterprise creates value. We work closely with strategy, technology, and delivery teams to align people, processes, data, technology, and capital around a common set of business outcomes. We help foster a culture that embraces change, challenges established assumptions, and reinforces new ways of working.

The findings in this study reinforce what I see every day. The most effective CFOs are helping set enterprise priorities, making smart risk-taking repeatable at scale, and building the capabilities needed to translate ambition into competitive advantage. Most importantly, they recognize that these capabilities do not operate independently. Technology, talent, governance, culture, and capital allocation are part of an interconnected system and must be strengthened together.

Historically, the CFO was viewed as the guardian of stability, responsible for financial discipline and controllership of risk. Those responsibilities remain essential. But today, it's not enough for CFOs and their teams to simply evaluate decisions. They need to shape them from the start—connecting strategy to execution, insight to action, and technology to value creation. This study provides a playbook for how CFOs can move their organizations from AI ambition to disciplined execution.

Introduction

Defining execution in the AI era

As the pace of change quickens and AI investments surge, enterprises face an urgent question: How does ambition become executable? With the CEO agenda more dependent than ever on skilled capital allocation, CFOs are increasingly charged with bringing strategy to life—and at unprecedented speed.

The 2026 IBM Institute for Business Value (IBV) CFO Study reveals five key disciplines for finance leaders to most effectively execute on enterprise goals. We surveyed 1,500 global CFOs across 26 industries and 33 geographies from February to April 2026, in partnership with Oxford Economics. Our analysis shows how the finance role is expanding, and what the most successful CFOs are doing to help deliver outsize results.

Enterprises led by AI-first CFOs achieved revenue growth rates 23% higher relative to peer organizations (see “Research methodology,” page 41). What distinguishes these leading organizations is not strategy alone, but the ability to execute strategy consistently and at scale.

AI-first CFOs operate more effectively through the constraints that challenge most enterprises, including fragmented data, legacy technology, competing priorities, regulatory risk, and uncertainty around AI value creation. Finance plays a central role in overcoming those frictions by moving capital efficiently, governing decisions with discipline, and enabling the enterprise to act on insight continuously. It’s not about how much they invest in AI. It’s about how quickly the enterprise can act, how confidently it can move, and how effectively it can scale what works.

The IBM IBV’s 2026 CEO study¹ outlines five strategic plays to position the enterprise for success in the AI-first era, building off the vision put forth in *The enterprise in 2030*² study. The insights presented here form a CFO playbook to compete in an AI-first environment.

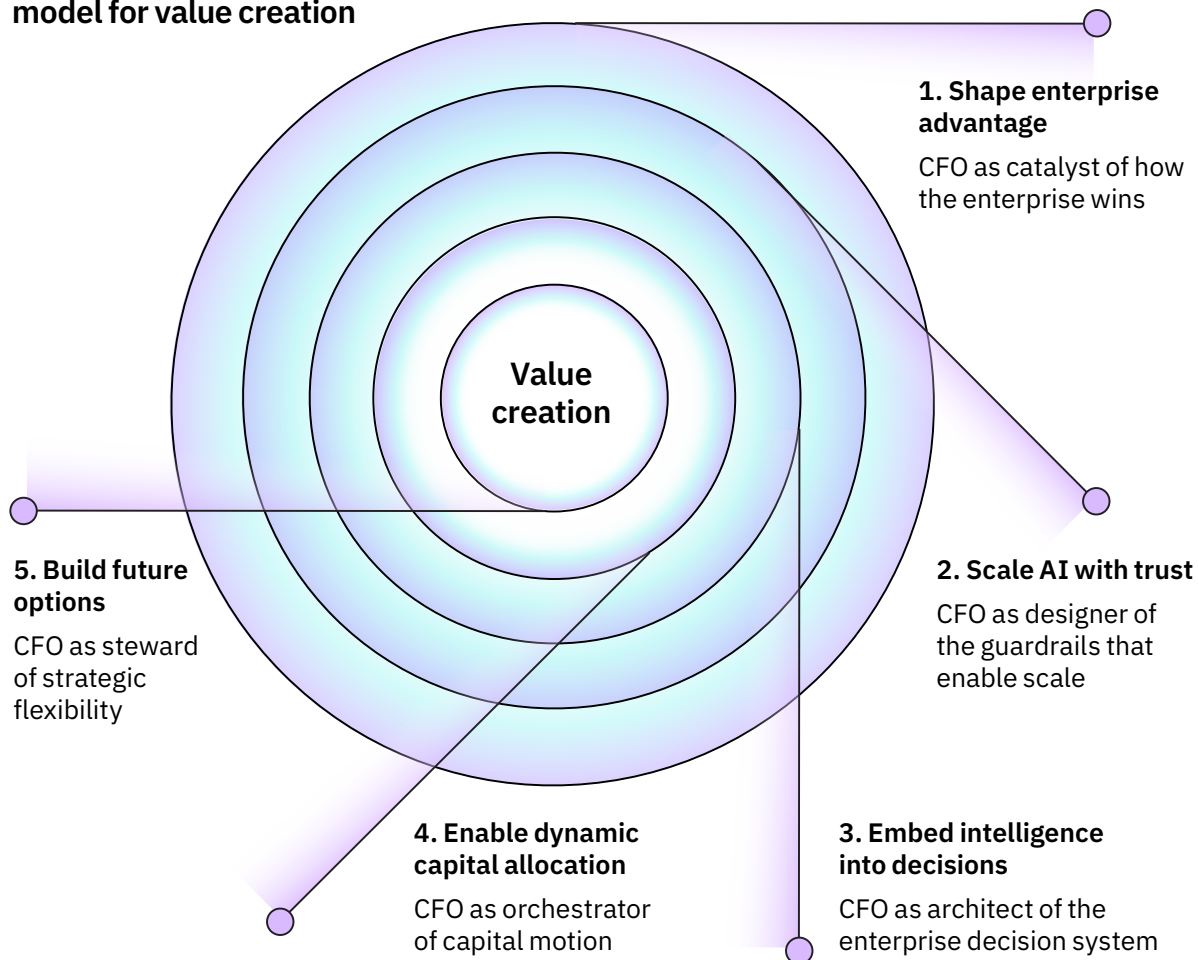
“The CFO role is so much more than what I once thought it was. I’ve had to evolve. It’s been an intense journey, but worth every step.”

Erika Taurel

CFO, Lummus Technology, US

While each discipline addresses a distinct execution challenge, they are most powerful when approached as an integrated system. Enterprise advantage, governance, intelligence, capital allocation, and optionality reinforce one another. Together, they form the CFO operating model for the AI-first enterprise, connecting strategic ambition, investment decisions, and outcomes.

The CFO operating model for value creation



This is the new CFO leadership mandate: make enterprise transformation executable. In the AI era, finance cannot simply evaluate investments after decisions are made. It must help shape enterprise advantage, establish the guardrails that enable AI to scale, embed intelligence into decisions, move capital as evidence changes, and preserve flexibility for uncertain futures.

The CFOs who thrive in the AI-first era will not be defined by how much they invest in transformation, but by how effectively they make it real. Leading CFOs help their organizations act faster, adapt more quickly, and execute more consistently in an increasingly uncertain environment. That is the CFO playbook for turning the CEO agenda into measurable value and competitive advantage.

Perspective

The AI-first CFO

Enterprises led by AI-first CFOs achieved revenue growth rates that were 23% higher relative to peer organizations from 2022 to 2024. Our research defines these CFOs. They stand out across five disciplines: shaping advantage, governance, intelligence, capital motion, and building optionality (see “Research methodology,” page 41). Together, these capabilities enable finance to operate not simply as a control function, but as a system that helps the enterprise execute strategy at speed. The payoff is measurable:

- **Clearer enterprise direction.** AI-first CFOs are 39% more likely than peers to say their organization has developed a clear, enterprise-wide strategy, reflecting coherent trade-offs across capital, risk, and growth priorities.
- **More consistent execution.** AI-first CFOs are 18% more likely than peers to report effective execution of enterprise strategy, demonstrating the ability to turn intent into coordinated action.
- **Faster capital allocation.** AI-first CFOs approve funding for new AI initiatives 15% faster than peers, demonstrating the ability to convert insight into action without delay.

“Adding value, servicing, delivering good work, and providing information support—that’s how you earn the right to steer and advise.

Stefan Dörfler

CFO, Erste Group, Austria

“It’s not that the traditional role has disappeared. Rather, we’ve added a new layer of strategic capability on top of it.”

CFO, major electronics company, Japan

“Be open to spending some money without ROI certainty. It’s absolutely necessary today, in terms of strategic ambition and the ability to quickly pursue AI opportunities that enable growth.”

Lindsey Crossland

Group CFO, KPMG UK, UK

The CEO play: Rethink the C-suite.

Execution discipline #1

Shape enterprise advantage.

CFO as catalyst of how the enterprise wins

Why this matters: The ability to align leadership, capabilities, and resources with the right opportunities creates new value.

“The key question will be: How can we create new businesses using AI?”

Koichi Takahashi

Member of the Board and Senior Executive Officer,
CFO, Daikin Industries, Japan

In an AI-first economy, change is ongoing, not episodic. As the boundaries that separate strategy, technology, operations, and talent blur, decisions that were once made independently are becoming increasingly interconnected.

This shift is expanding the CFO mandate. Instead of focusing solely on stewardship, control, and financial performance, finance leaders are increasingly shaping enterprise direction. Our research shows CFO responsibilities are extending into enterprise technology and AI leadership, portfolio management, and business model and growth strategy design (see Figure 1). Finance is increasingly involved not only in measuring performance, but in helping determine how value is created. CFOs help align leadership, capabilities, and resources with the opportunities most likely to create long-term value. Finance is becoming the connective tissue between strategic ambition and enterprise execution.

“Finance needs to bring analytics and insights together to enable the business to make better decisions. And then we need to get out of the way and let the business do what it needs to do.”

Erika Taurel

CFO, Lummus Technology, US

CFOs expect this trend to accelerate. By 2030, most CFOs say they will have greater responsibility for shaping operating models, organizational structures, workforce strategies, and enterprise value creation. Many also expect their role to extend beyond financial control toward designing the financial and ethical guardrails that enable AI adoption at scale.

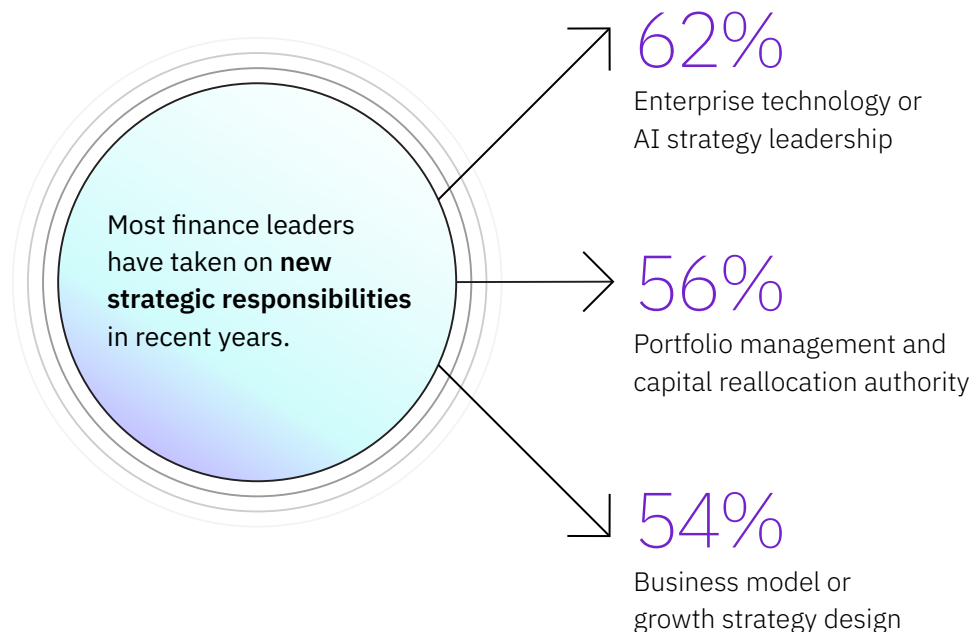
In effect, CFOs are reinventing their leadership role. Increasingly, they are helping shape how the enterprise prioritizes opportunities, allocates resources, manages trade-offs, and converts strategic ambition into measurable results.

CEO expectations reinforce this evolution. Most CFOs agree that CEOs will increasingly look to finance to play a leading role in scaling AI-enabled productivity, redesigning finance for AI native operations, and strengthening AI governance and risk oversight over the next three years.

The defining challenge is not funding innovation. It is deciding where the enterprise can create sustainable value and then focusing efforts accordingly. The CFO's role is to ensure investments don't simply fund change—they build the capabilities that create long-term value and competitive advantage.

FIGURE 1

The CFO role is expanding



Q: Over the past two years (2024-2025), in which areas has the CFO role expanded in your organization?

“For finance, asking the right questions about AI is now a core capability.”

Senior Vice President and CFO, leading automaker, China

What AI-first CFOs do

No single initiative distinguishes AI-first CFOs. Rather, they stand out through their ability to shape enterprise direction and create the conditions for successful execution.

Our analysis shows that these CFOs distinguish themselves by helping define the enterprise agenda before capital is allocated (see Figure 2). Rather than evaluating business cases after opportunities emerge, they help identify which business models, value pools, ecosystem opportunities, and AI-enabled growth platforms warrant enterprise-level commitment. They play a more active role in shaping where the enterprise chooses to compete and how aggressively it should pursue new opportunities to create long-term value.

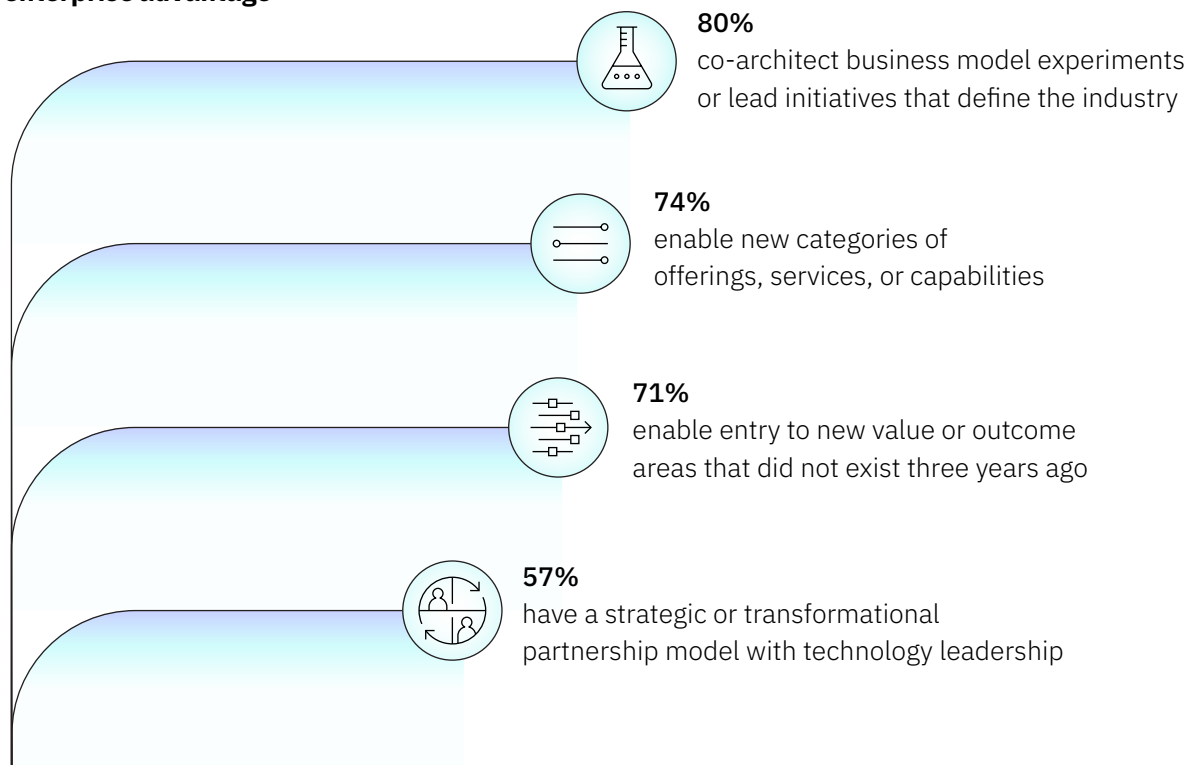
For example, AI-first CFOs are twice as likely as other CFOs to help design enterprise-wide business model experiments or lead initiatives that define the industry. They are significantly more likely to enable new categories of offerings, services, or capabilities.

AI-first CFOs are also far more likely to operate as strategic partners in enterprise decision-making, helping shape long-term priorities and capability investments. This influence is reinforced through close collaboration with technology leadership, allowing business, technology, and investment decisions to reinforce one another. The result is more durable advantage that continues even under changing market conditions.

The impact extends beyond enterprise performance. AI-first CFOs are more likely to position their organizations as market shapers, enabling entry into entirely new value pools and redefining how value is created, delivered, and governed.

FIGURE 2

How AI-first CFOs shape enterprise advantage



Q: How would you characterize the CFO–Technology (CTO/CIO/CDO) partnership in your organization?; Q. Over the past two years, to what extent has finance helped position your organization as a shaper of its operating environment in the following ways?; Q. What best describes finance’s role in business model reinvention?

“I see my job as being a loyal, challenging sparring partner to the CEO.”

Stefan Dörfler
CFO, Erste Group, Austria

“Just as important as adding new capabilities is the ability to let go of those that no longer create value. We need to do both with urgency.”

Yasuhiro Iseyama

Senior Executive Vice President and CFO,
Nitto Denko Corporation, Japan

“Although my business card says ‘CFO,’ the reality is that the role is much closer to being an advisor to the CEO.”

Yoshihiko Kawamura

Executive Vice President and Executive Officer, CFO,
KIOXIA Holdings Corporation, Japan

How to build the discipline

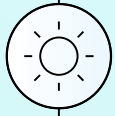
Many organizations struggle to sustain transformation because strategic priorities compete for funding, leadership attention, and scarce execution capacity. Business units often advance competing initiatives while incentives remain tied to existing businesses. As a result, enterprises generate more opportunities than they can pursue.

Shaping enterprise advantage is not about generating more ideas. It is about creating a repeatable process for deciding which opportunities matter most. The objective is to align leadership around a small number of enterprise-level bets and continuously reassess them as conditions change.



Immediate (0-30 days)

- Establish a weekly Enterprise Advantage Forum (CEO, CFO, CTO/CIO) to review strategic priorities, emerging opportunities, and enterprise trade-offs, ensuring leadership alignment around the highest-value opportunities.
- Standardize an enterprise advantage one-pager that defines the value opportunity, strategic rationale, success metrics, learning milestones, scale criteria, and stop conditions.
- Define enterprise trade-off rules to prevent resources from being spread across competing priorities without a clear source of differentiation.



Near term (30-120 days)

- Convert individual initiatives into a staged enterprise advantage portfolio with explicit criteria tied to funding, scaling, and resource commitments.
- Establish a single enterprise advantage scorecard so strategic priorities translate into coordinated action rather than functional competition.
- Conduct an ecosystem and value-pool review to identify where the organization should build, buy, partner, or exit.



Longer term (120-365+ days)

- Institutionalize a recurring advantage review cycle with published decisions, making portfolio shaping and strategic prioritization continuous rather than episodic.
- Shift the finance talent mix toward portfolio strategy, enterprise value creation, ecosystem economics, and business model innovation.

KPIs to track progress

- Percentage of strategic initiatives supported by an enterprise advantage one-pager
- Time from opportunity identification to first funding decision
- Number of initiatives stopped and average time-to-stop
- Percentage of portfolio with explicit learning milestones and scale criteria

The CEO play: Customize your AI mix,
not just your AI models.

Execution discipline #2

Scale AI with trust.

CFO as designer of the guardrails enabling scale

Why this matters: Strong governance allows
scale without sacrificing control or value.

“Governance enables safe AI adoption.
Before scaling tools, put the right
oversight in place.”

Lindsay Crossland
Group CFO, KPMG UK, UK

Enterprises are now expanding AI from analysis into execution, retooling workflows, operating models, and value chains. But scaling AI safely requires rock-solid governance. It enables performance and determines whether organizations can move fast without losing control, confidence, and credibility.

This challenge is intensified by growing AI complexity. By 2030, most organizations will primarily be using smaller, customized models as CEOs shift to a hybrid AI strategy encompassing foundation models and specialized models based on specific business requirements. The goal is differentiated competitive advantage.

Creating this advantage at scale introduces a leadership challenge that cannot be delegated. What should AI be allowed to do, and under what conditions? Who is accountable when problems occur? Governance provides the answer not by eliminating risk, but by enabling intelligent risk-taking at scale.

Today, organizations remain selective about where AI can operate autonomously. AI is increasingly trusted to execute lower-risk activities, but confidence drops sharply as decisions become tied to capital allocation, fiduciary responsibility, and strategic exposure. The challenge is not technological capability. It is establishing the governance, accountability, and decision frameworks required to safely expand autonomy.

The result is a fragmented operating model. Insight can move quickly. But decisions remain constrained.

Fundamentally, this signals a governance gap and an opportunity for CFOs to lead. In AI-first enterprises, governance is not a compliance layer bolted onto decisions. It becomes the permissioning system that makes speed safe, experimentation repeatable, and innovation scalable. AI-first CFOs close the gap between speed of insight and execution by designing governance that is safe enough to extend and clear enough to trust.

As AI becomes more deeply embedded in operations, expect the finance function and governance oversight to converge. By 2030, most CFOs expect their role to involve designing financial and ethical guardrails for AI. CEOs are reinforcing that mandate, increasingly expecting finance to lead or contribute to AI governance and risk oversight.

“Governance must enable use, not restrict it.
The priority is establishing clarity on boundaries
so AI adoption can expand safely.”

Hisako Takada

Senior Executive Officer and CFO, Advantest, Japan

What AI-first CFOs do

AI-first CFOs engineer governance as an operating architecture, not a compliance layer. This allows autonomy to expand without eroding trust as AI scales. By defining and continuously adjusting financial, compliance, and ethical thresholds in partnership with technology leadership, AI-first CFOs establish clear boundaries within which AI-enabled decisions are allowed to execute (see Figure 3). This allows finance to manage risk in motion, rather than after the fact.

FIGURE 3

AI-first governance practices

90%

of AI-first CFOs allow AI to play an active role in investment, divestment, and M&A decision processes within defined financial and risk guardrails

79%

co-design AI governance, decision rights, and risk thresholds with technology leaders

79%

assess second-order effects of AI transformation (e.g., regulatory, workforce, societal impact)

70%

define and continuously adjust risk, compliance, and ethical thresholds to enable AI use while managing risk

Q: To what extent is AI used to accelerate and improve investment, divestment, and M&A decisions?; To what extent does finance collaborate with technology leaders on the following activities?; To what extent does finance assess second-order effects of AI transformation (e.g., talent displacement, regulatory exposure, unintended use)?; To what extent does finance design guardrails and funding mechanisms that support AI use while managing risk?

“The question I constantly think about is:
Where should the boundary lie between
human work and AI-driven work?”

Atsuko Murakami

Director, Senior Managing Executive Officer, CFO and
Head of Corporate Division, Rapidus Corporation, Japan

Leading CFOs are also more likely to broaden governance beyond model behavior. AI-first CFOs systematically assess second-order effects, including regulatory exposure, workforce impact, and unintended use. This ensures governance keeps pace with potential downstream consequences of deploying AI at enterprise scale.

Crucially, AI-first CFOs design governance to enable safe autonomy, not to manage experimentation. When decision boundaries, escalation paths, and accountability are explicit, leaders can delegate authority as decisions move closer to real time, reducing hesitation that would otherwise slow execution.

Because they’ve made autonomy safe at scale, AI-first CFOs are more likely to operate in environments with decisive accountability when AI initiatives underperform or create unintended risk. Our analysis finds they are 40% more likely than peers to resolve AI-performance issues through joint governance structures spanning finance, business, and technology. Other organizations have isolated governance—or none at all.

This governance environment signals AI is scaled as a trusted enterprise capability, rather than locked in isolated use cases.

“AI is testing and pushing on boundaries.
It’s going to unlock the future.”

Erika Taurel

CFO, Lummus Technology, US

“Traditionally, I have viewed the CFO as the guardian
of corporate governance. That responsibility remains
important. However, if we focus exclusively on that role,
growth becomes difficult to achieve.”

Yasuhiro Iseyama

Senior Executive Vice President and CFO, Nitto Denko Corporation, Japan

How to build the discipline

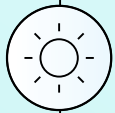
Governance frequently lags AI adoption, limiting value creation. Organizations often lack clear decision rights, accountability structures, and escalation paths for AI-supported decisions. Concerns about compliance, risk, and explainability can create hesitation, hampering the ability to scale successful use cases beyond isolated pilots.

To close the confidence gap limiting AI autonomy and scale, redesign governance as a permissioning system. Clarity of thresholds manages risk while enabling speed of execution.



Immediate (0-30 days)

- Publish an enterprise autonomy map: where AI can act without pre-approval, where it can recommend but not execute, and where human judgment is mandatory.
- Define and operationalize risk, compliance, and ethical thresholds (and how they are updated), so governance is a living system rather than a static policy.
- Clarify accountability across the pilot–scale–run lifecycle—including who owns pause, override, and shutdown decisions—so delegation does not stall due to ambiguity.



Near term (30-120 days)

- Embed governance directly into scaling gates. Every AI initiative moving to scale must specify decision rights, escalation triggers, auditability, and acceptable failure modes. This aligns with the 90% of AI-first CFOs who enable autonomous decisions within defined thresholds.
- Standardize second-order impact assessments (regulatory, workforce, unintended use) as a required element of AI investment decisions.
- Conduct an autonomy expansion review to increase AI decision authority only where thresholds, monitoring, and accountability have proven stable.



Longer term (120-365+ days)

- Automate threshold monitoring. Set up alerts for drift, exceptions, and policy violations, and route actions to the appropriate escalation path.
- Standardize governance artifacts. This should include autonomy maps, threshold libraries, and accountability matrices to support consistent scaling across business units and use cases.

KPIs to track progress

- Percentage of AI initiatives with explicit thresholds and escalation triggers
- Number of threshold updates executed per quarter
- Percentage of underperformance or risk events with accountability clarified within 48 hours
- Number of autonomy expansions approved
- Time from exception trigger to resolution decision (pause, override, continue)

Case study

From complexity to productivity: IBM unlocks new value through AI³

IBM faced obstacles similar to many large enterprises. Across the business, analysts were buried in repetitive tasks instead of delivering insights. In IT, for example, support desks were overwhelmed with routine tickets, such as resetting passwords. In supply chain, the business faced increasing volatility and highly fragmented data resulting in slow, manual decision-making and limited end-to-end visibility. Teams also struggled with delayed access to accurate, up-to-date information across supply chain, sales, and finance systems, resulting in inefficiencies, poor coordination with stakeholders, and an inability to identify and mitigate risks promptly.

Overall, there was less time for strategic work, as employees were bogged down with tedious tasks. IBM's goal was to create a blueprint for enterprise-wide productivity using AI, hybrid cloud, and automation, along with strategic partner technologies and consulting expertise. At the core of this transformation was an executional framework that enabled IBM to scale change across the enterprise in four ways.

First, the business committed to eliminating complexity and simplifying workloads, automating repetitive tasks and embedding AI into workflows. Second, IBM used an agile delivery model with the goal of releasing Minimum Viable Products (MVPs) roughly every two weeks, emphasizing progress over perfection. Third, every initiative was measured for business outcomes. Finally, a CEO-led steering committee reinforced accountability and cultural change, while employees were empowered to challenge existing processes and develop ways to apply AI to their daily work.

By leveraging key enablers, including AI and other technologies, IBM realized US\$4.5 billion in productivity gains. With a goal of streamlining work and scaling faster decision-making, teams designed more than 155 AI use cases for core functions. "At IBM, we made ourselves the first client, proving that transformation at enterprise scale delivers significant measurable value," says Joanne Wright, Senior Vice President of Transformation & Operations.

During the initial three months of implementing an automation solution, the finance team observed an approximately 90% reduction in cycle time across journal processing and related workflows. That translated into US\$600,000 possible annual cost savings for finance.

Supply chain and procurement saved approximately 26,000 hours annually in procurement with data, AI, and automation. Since 2022, IBM's supply chain organization has achieved significant logistics cost reductions—approximately 30% over three years. IT has also created new value through AI and automation tools. Standard support tickets were cut by 56% from 2022 to 2024 through automation of routine IT tasks, and AI agents were able to resolve 86% of queries. Changes delivered an initial US\$18 million cost reduction and continue to yield ongoing annual cost avoidance.

The CEO play: Orchestrate intelligence—human and artificial.

Execution discipline #3

Embed intelligence into decisions.

CFO as architect of the enterprise decision system

Why this matters: Intelligence creates value only when it informs decisions.

“Going forward, we want to delegate generating forecasts to AI and shift human effort toward higher-level decision-making.”

Koichi Takahashi

Member of the Board and Senior Executive Officer,
CFO, Daikin Industries, Japan

In the new AI era, intelligence is no longer scarce. What now differentiates the enterprise is whether it is designed to turn both human judgment and machine insights into advantage, at speed. For CFOs, the imperative is to integrate intelligence across functions to shape enterprise decisions consistently, at scale.

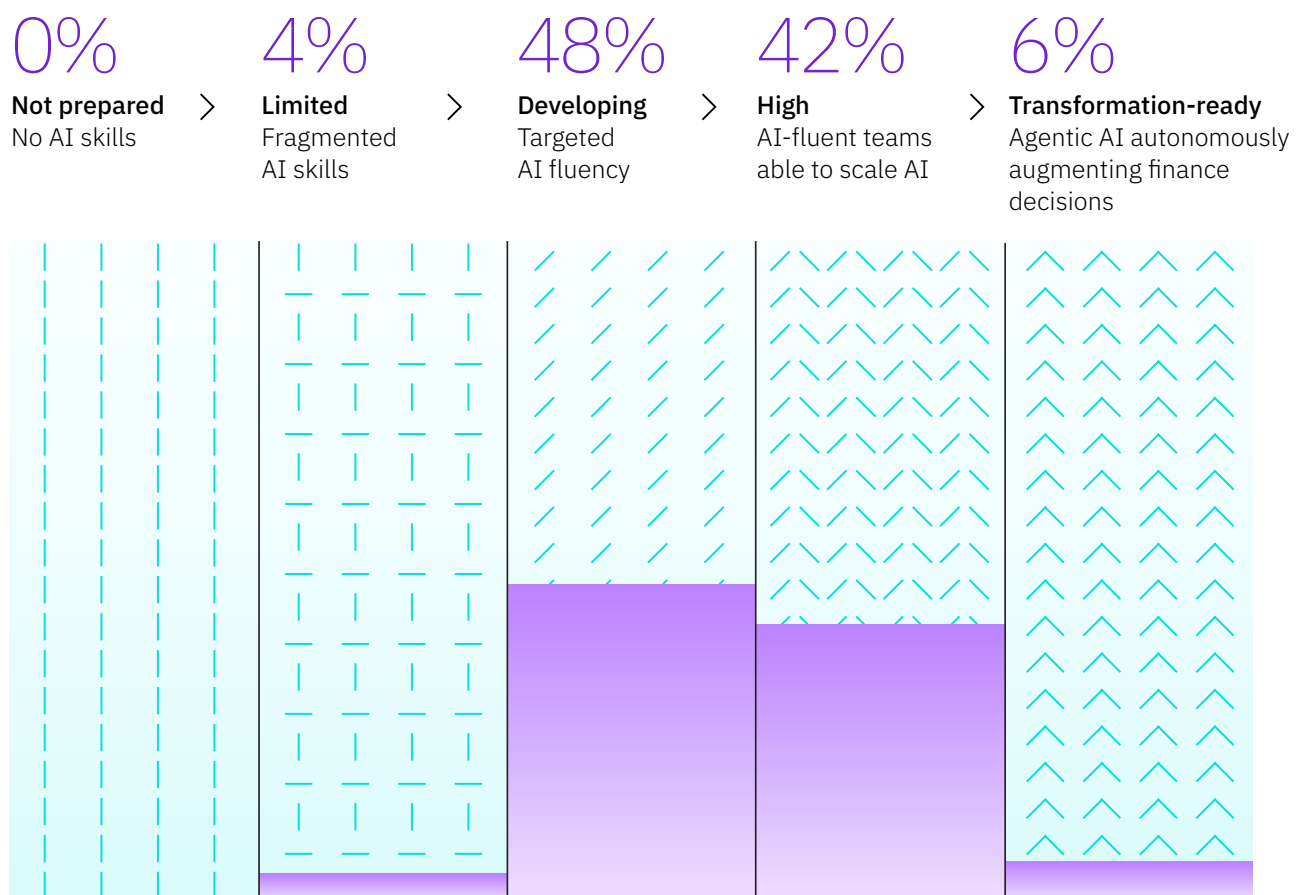
Many businesses assume the major constraint on AI-first transformation is funding or technology. In practice, it is decision design. When the enterprise cannot reliably connect real time data, predictive insights, and decision accountability across functions, leaders are left debating numbers, reconciling signals, and delaying action while operating conditions change.

The gap between the current state of finance organizations and truly integrated intelligence is clear. About half of CFOs report that finance has “well developed” or “highly developed” intelligence capabilities across areas such as strategic decision-making, real-time operational data integration, and market opportunity anticipation. But most finance organizations remain in the early or partial stages of AI-readiness. Only 6% report operating at a level where AI is consistently embedded into finance workflows and decision-making at enterprise scale (see Figure 4).

In other words, few organizations have embedded AI consistently into enterprise-wide workflows. Insight exists, often confined to select roles or use cases. But it does not yet move the enterprise.

FIGURE 4

Finance's AI-readiness level



Q: How prepared is finance to deploy and scale AI (traditional, generative, and agentic) within the function to better support the enterprise?

What AI-first CFOs do

Integrated human-artificial intelligence should become the shared enterprise backbone, not a finance-only upgrade. AI-first CFOs understand this. They redesign how finance operates, going far beyond tool and platform upgrades so that intelligence scales across workflows and decision processes.

This evolution is fundamentally built on confidence in scaling AI, not funding levels or a willingness to experiment. At organizations with AI-first CFOs, strong data infrastructure, real-time integration, and active AI use combine to ensure intelligence can be trusted and acted on across the enterprise (see Figure 5).

Crucially, this includes a move toward AI-native finance and operating models where planning, funding, and control processes are designed to work with AI, not around it. Instead of layering AI onto legacy workflows, AI-first CFOs redesign processes so insight is produced and acted on continuously without manual reconciliation or procedural handoffs. These finance leaders are 62% more likely than their peers to operate in environments where intelligence is embedded into roles, workflows, and operating cadence—eliminating friction and enabling consistent execution as AI scales.

This is how integrated intelligence translates into enterprise action, at speed.

FIGURE 5

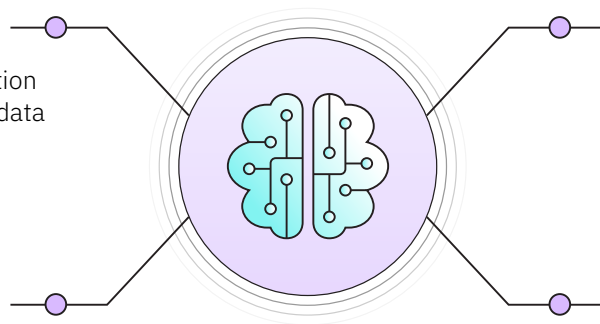
How AI-first CFOs redesign finance to scale integrated intelligence

86%

drive confident AI adoption and scaling enabled by data infrastructure

79%

have high preparedness to deploy and scale AI



77%

have real-time financial and operational data integration across business units

74%

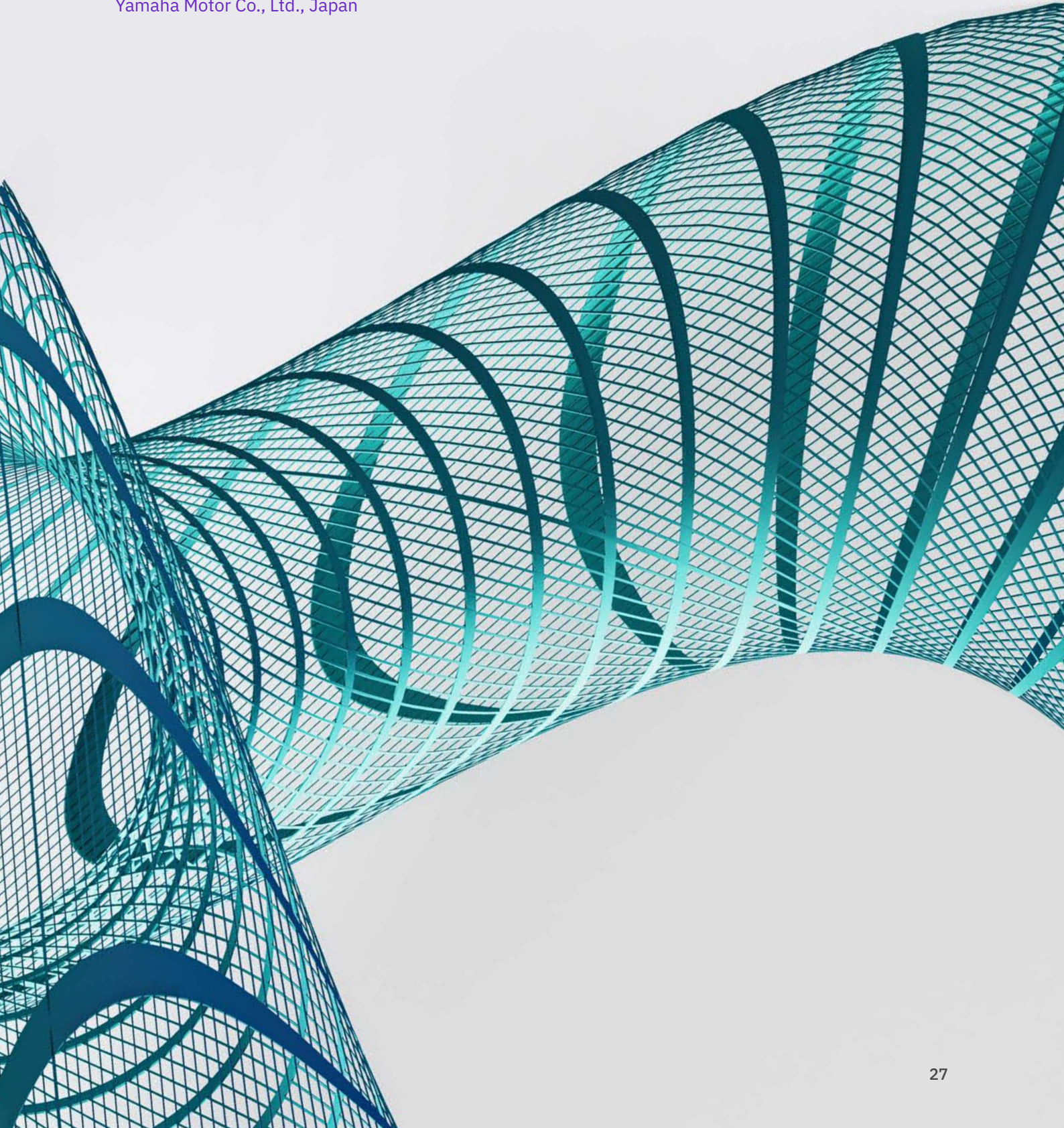
actively leverage automation and AI to enhance processes and outcomes

Q: How would you rate finance's data and intelligence capabilities across the following areas?; How prepared is finance to deploy and scale AI (traditional, generative, and agentic) within the function to better support the enterprise?; To what extent does finance staff actively leverage automation and AI tools to enhance processes and outcomes?

“If relevant data can be generated quickly and provide some indication of what lies ahead, we can make decisions proactively rather than reactively.”

Mitsuru Hashimoto

Executive Officer, Chief General Manager,
Corporate Planning & Finance Center,
Yamaha Motor Co., Ltd., Japan



How to build the discipline

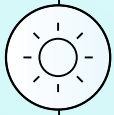
The challenge is rarely lack of data or analytics. Most organizations already generate more information than leaders can effectively absorb. A common barrier to institutionalizing integrated intelligence is fragmented data, inconsistent definitions, reconciliation work, and unclear ownership that weakens confidence in AI-generated insights and slows decisions.

Removing this obstacle is not a technology project. It is a leadership decision to redesign the enterprise so that AI capabilities are embedded where high-value decisions occur.



Immediate (0-30 days)

- Identify three to five highest-value enterprise decisions (such as capital allocation, pricing, risk exposure, capacity). Define the minimum datasets and common definitions required to embed AI into those decisions.
- Baseline where AI insight is and is not embedded in finance workflows; identify reconciliation handoffs that slow decisions.
- Assign explicit decision ownership so intelligence is tied to action, not analysis, with named decision owners accountable for acting on AI-generated signals.



Near term (30-120 days)

- Embed AI insights directly into operating forums (planning, allocation, performance) as default inputs rather than optional analysis. This aligns with the 77% of AI-first CFOs operating with real-time integration.
- Industrialize AI usage by role: define expected AI-enabled outputs such as scenarios, variance drivers, and recommendations.
- Begin redesigning organizational structures and roles to shift capacity from information assembly to judgment and orchestration. This is a critical area of action: finance involvement in redesigning structures to enable AI-driven agility and innovation increases the likelihood of operating as an AI-first CFO eightfold.



Longer term (120-365+ days)

- Scale standardized decision datasets across functions once the “decision spine” (the set of high-value decisions, aligned data, and ownership) is stable.
- Expand hybrid finance-technology roles and AI-native operating models where proven, shifting finance talent toward judgment and orchestration rather than information assembly.

KPIs to track progress

- Percentage of targeted decisions using standardized datasets
- Weekly active users of AI within finance workflows
- Percentage of roles with defined AI-enabled outputs
- Cycle time from signal detection to decision action
- Percentage of finance work hours shifted from reconciliation to decision support

The CEO play: Create an AI-agent flywheel.

Execution discipline #4

Enable dynamic capital allocation.

CFO as orchestrator of capital motion

Why this matters: AI-driven productivity requires continuous reinvestment, not static budgets.

“We must ensure that our funding capabilities can support this accelerated pace of decision-making far more effectively than they do today.”

Yasuhiro Iseyama

Senior Executive Vice President and CFO,
Nitto Denko Corporation, Japan

In the AI era, speed is no longer limited by intelligence. The paramount constraint for CFOs is capital motion. AI agents can now surface opportunities continuously, compressing planning cycles and signaling where value can be created next. Yet in many organizations, funding decisions still move at yesterday's pace, slowed by traditional budgeting and approval models built for predictability and control.

Because capital flexibility and funding agility are necessary conditions for capturing AI-driven growth, finance must ensure that productivity gains can be rapidly reinvested into the next wave of innovation and value creation. In AI-first enterprises, the CFO mandate expands from allocating budgets to continuously mobilizing capital so resources can move as signals change and new sources of growth become visible.

Our research finds that capital allocation models are evolving quickly toward data-driven, AI-enabled systems. There's a big gap out front, however (see Figure 6). Nearly half of organizations have moved toward more dynamic, data-driven allocation models. But only a small minority (6%) allow AI to recommend or execute reallocations autonomously (within guardrails).

“We set the financial limits:
We say how much external spend
and internal spend is possible.”

Stefan Dörfler

CFO, Erste Group, Austria

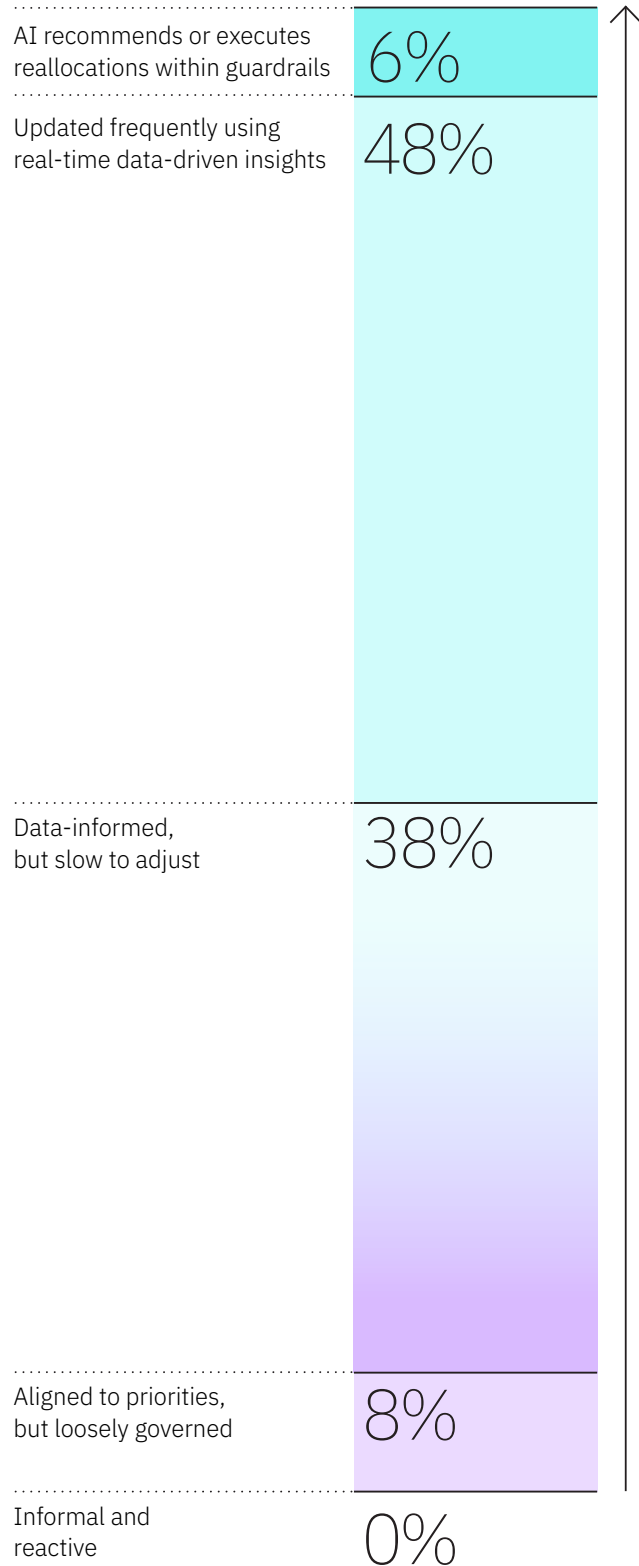
There's a similar divide in how finance helps to establish AI-driven value creation targets. Nearly half of CFOs (48%) say finance actively tracks AI-driven value creation and reallocates capital accordingly. In a much smaller group (8%), finance is leading enterprise-wide AI value ambition and has established automated investment triggers tied to results.

Dynamic capital allocation is not about identifying new opportunities. It is about ensuring resources can move once priorities are established. In AI-first organizations, capital follows value signals continuously rather than waiting for planning cycles, annual budgets, or periodic approvals. The advantage comes not from the size of the investment portfolio, but from the ability to reallocate resources rapidly as evidence emerges.

Importantly, AI-first enterprises do not simply harvest productivity gains as savings. They reinvest them to accelerate growth, innovation, and future value creation.

FIGURE 6

Capital allocation is becoming more dynamic



Q: How would you describe your organization's capital allocation model for AI and growth investments?

What AI-first CFOs do

AI-first CFOs redesign capital allocation as an execution system. They create a flywheel in which AI-driven productivity gains generate capacity for investment, and investment funds the next wave of growth and transformation. They use real-time signals, performance data, and scenario inputs to redirect resources toward the highest-value initiatives. Moving beyond annual allocation decisions, they treat funding as a dynamic capability that adjusts as priorities, risks, and opportunities evolve.

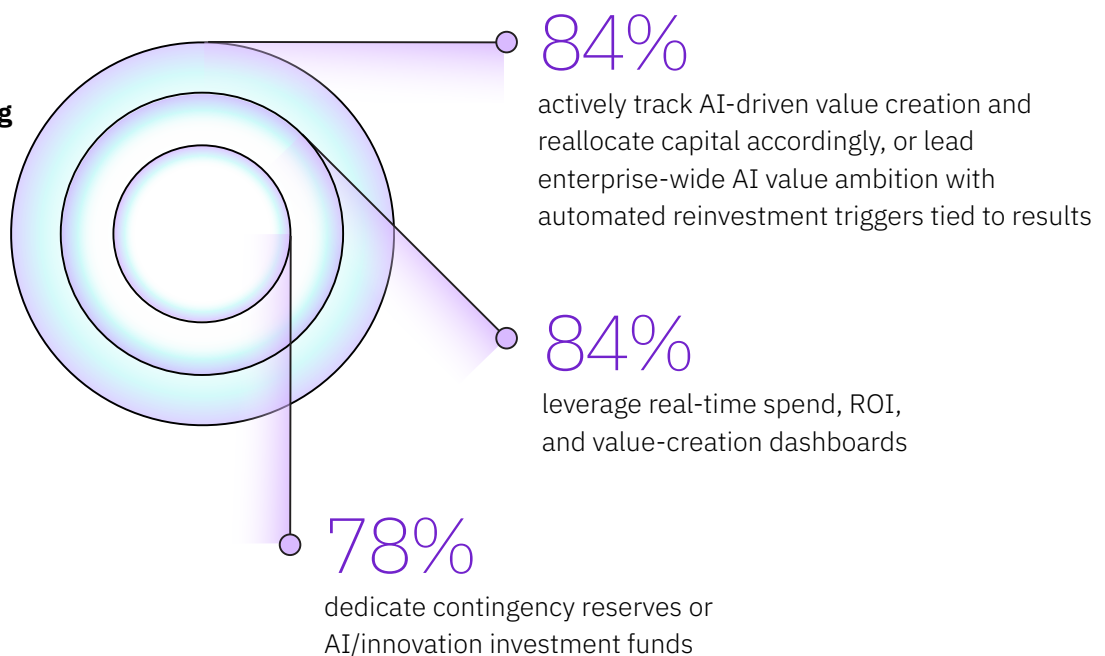
Take planning, for example. More than two-thirds (68%) of AI-first CFOs report high agility in adapting planning to business change. 83% report strong AI integration in the finance technology stack for forecasting and planning. This supports frequent refreshing of forecasts and scenarios, and triggers decisions.

AI-first CFOs enable continuous capital motion by removing the structural points of friction that slow funding decisions. They enable flexibility across operating and capital expenditures so initiatives are not delayed by rigid funding models when conditions shift. Compared to peers, they are significantly more likely to tie automated reinvestment triggers to results and leverage real-time value-creation dashboards (see Figure 7).

These mechanisms matter because AI-first CFOs use AI not just to analyze value, but to embed value impact recommendations directly into investment decision making.

FIGURE 7

How AI-first CFOs keep capital moving



Q: Which mechanisms enable real-time or mid-cycle reallocation toward AI and growth opportunities for your organization?; How does finance help establish AI-driven value creation targets?

“Capital allocation should operate dynamically and be reviewed continuously as opportunities and conditions change.”

Hisako Takada

Senior Executive Officer and CFO,
Advantest, Japan

How to build the discipline

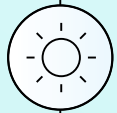
Many organizations still operate with annual budgeting cycles, fixed funding envelopes, and approval processes built for predictability rather than adaptability. These structures can slow capital movement even when new opportunities become visible.

To accelerate execution, funding must move at the speed of opportunity. The objective is not to create more investment ideas, but to reduce the friction that prevents resources from reaching strategic priorities as conditions change.



Immediate (0-30 days)

- Define capital-motion rules for mid-cycle allocation. Identify which funding categories can flex as conditions change. Establish clear thresholds, triggers, and decision rights for reallocating capital outside traditional budget cycles.
- Establish a protected reallocation pool (contingency reserve/AI fund) with explicit trigger conditions for release.
- Publish a single portfolio value dashboard so visibility precedes reallocation, with capital movement triggers visible at the portfolio and initiative level.



Near term (30-120 days)

- Replace annual planning with rolling decision cycles so forecasts become allocation triggers.
- Hardwire speed into funding pathways using pre-approved thresholds and stage-gated funding, mirroring how AI-first CFOs tie reallocation to real-time value signals.
- Enable operating and capital expenditure flexibility to support fast-moving initiatives.



Longer term (120-365+ days)

- Institutionalize a sense-decide-fund loop, with monthly and quarterly cadences.
- Automate partial reallocations where confidence and guardrails are high.

KPIs to track progress

- Percentage of AI spend reallocated mid-cycle
- Median time from trigger to funding decision
- Number of reallocations executed per quarter
- Percentage of funding able to shift across operating and capital expenditures
- Percentage of initiatives funded through stage-gated pathways

The CEO play: Expect unpredictable futures.

Execution discipline #5

Build future options.

CFO as steward of strategic flexibility

Why this matters: In volatile environments, experimentation becomes a financial capability.

“Given today’s pace of change, you have to stay alive to new opportunities. So rather than commit all investments through the budget process, keep an element of funds ready to allocate to new initiatives as they take flight.”

Lindsey Crossland
Group CFO, KPMG UK, UK

Dynamic capital allocation moves resources toward what creates value today. Building future options ensures enterprises are prepared for what may create value tomorrow. One discipline is about execution speed. The other is about strategic flexibility.

The future cannot be predicted precisely, but the best leaders prepare for it strategically. As AI accelerates technology cycles, compresses innovation timelines, and creates new business models, enterprises must be able to pivot without starting from scratch. For CFOs, this means building future options before they are needed.

This discipline is not primarily about identifying opportunities or reallocating capital. It is about preserving strategic flexibility. The goal is to create the financial, organizational, and governance mechanisms that allow the enterprise to learn quickly, test emerging opportunities, exit unsuccessful paths, and scale promising ones as uncertainty unfolds.

Many organizations find it challenging to fund experimentation as an ongoing strategic capability. Our research finds that while majorities of CFOs are evaluating the potential impact of frontier technologies (56%) or developing early investment theses (53%), only a small minority has moved into exploratory investment (18%). The issue is not lack of awareness. Enterprises may recognize future value pools without having the funding models, governance mechanisms, and stop-scale routines in place to pursue them when timing matters.

Quantum readiness illustrates the challenge. Most leaders expect that quantum computing will be commercially viable by the end of the decade. Nearly all (91%) finance organizations are either monitoring developments, assessing impacts, or building frameworks for quantum computing. Only 7% are funding pilots and embedding quantum into long-term strategy. In other words, most enterprises have an eye on the future but are not designing the mechanisms to move when it arrives.

Discrete pilot efforts are not enough. What is needed instead: an operating model in which experimentation is funded intentionally, learning compounds, and scaling what works happens quickly and consistently.

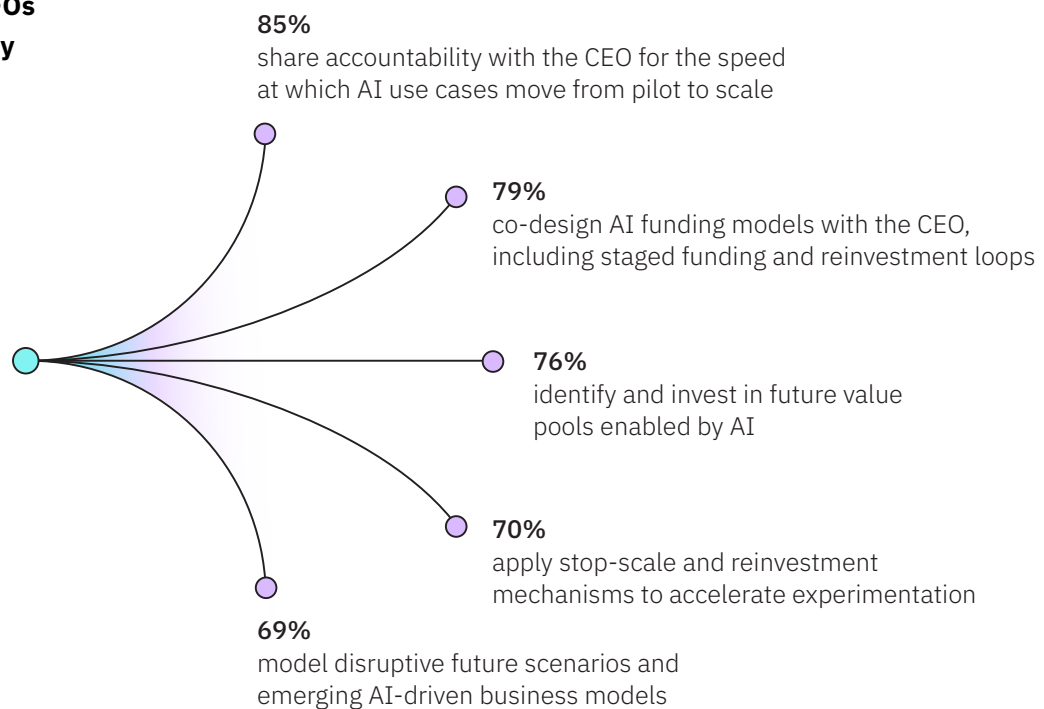
What AI-first CFOs do

AI-first CFOs treat optionality as a managed capability, whether exploring quantum computing or other new capabilities. They deliberately preserve flexibility across investment horizons, maintain funding for learning and exploration, and establish mechanisms that allow the organization to pivot as opportunities emerge. Rather than optimizing exclusively for today's priorities, they build the capacity to respond to tomorrow's possibilities (see Figure 8).

AI-first CFOs institutionalize future back planning by using scenarios as direct inputs to strategic and capital decisions. For this reason, scenarios are no longer abstract exercises. They determine where to experiment, where to invest, and where to withhold capital.

FIGURE 8

How AI-first CFOs build optionality



Q: To what extent does finance incorporate the following capabilities into future-back scenario planning and strategic decision-making?; To what extent do you and your CEO jointly enable AI execution through the following?; To what extent does finance design guardrails and funding mechanisms that support AI use while managing risk?

As a result, AI-first CFOs are 34% more likely to prioritize medium-term investments and 65% more likely to prioritize long-term investments, embedding flexibility to pivot as new AI-enabled business models take shape. This is a decisive lever: prioritizing long-term investment increases the likelihood of operating as an AI-first CFO by 25 times, our analysis finds, compared to organizations with lower rates of long-term investments. Yet most organizations still allow near-term pressures to override horizon discipline.

Critically, AI-first CFOs also co-design experimentation investment mechanics with the CEO. They jointly resolve funding and approval bottlenecks, align on stop-scale thresholds, and share accountability for pilot to scale velocity. As a result, experimentation progresses through disciplined learning cycles rather than stalling under scrutiny.

This is how finance preserves strategic degrees of freedom, even as uncertainty accelerates. The goal is clear: enable the enterprise to act early, scale what works, exit what doesn't—and avoid having to start from scratch when the environment suddenly shifts, again.

“When you grow, you also have to scale your room for failure.”

Stefan Dörfler
CFO, Erste Group, Austria

Few taking action on quantum readiness

While

91%

of finance organizations are building frameworks, assessing impacts or monitoring the technology...

...just

7%

are funding pilots and embedding quantum into long-term strategy.

“Rather than thinking in terms of individual functions, the goal is to redirect freed-up resources into areas that create differentiation.”

Mitsuru Hashimoto

Executive Officer, Chief General Manager, Corporate Planning
& Finance Center, Yamaha Motor Co., Ltd., Japan



How to build the discipline

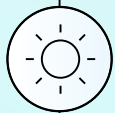
Most organizations recognize emerging opportunities but struggle to act on them consistently. Near-term performance pressures, uncertain economics, and competing investment priorities often crowd out exploratory investments before they have time to mature.

Building future options is not about funding isolated experiments. It is about creating a system through which experimentation, learning, and scaling are governed strategically and financially. The objective is to preserve strategic flexibility by funding exploration, establishing clear stop-scale mechanisms, and maintaining the ability to pivot when conditions change.



Immediate (0-30 days)

- Set explicit investment horizons (short, medium, long) and clearly define what is protected from short-term performance pressure.
- Establish a dual-track funding model that separates exploration funding from scale funding. Publish clear criteria for moving initiatives between tracks.
- Define stop-scale thresholds upfront so decisions are made based on evidence, not advocacy; define what qualifies as evidence for scaling versus termination.



Near term (30-120 days)

- Run the exploration track as rapid learning cycles with explicit milestones. Require stop decisions as part of the cadence, mirroring the 85% of AI-first CFOs who share accountability for pilot-to-scale velocity.
- Operationalize future-back scenarios as inputs to capital allocation, covering regulatory, ethical, and business-model disruption.
- Translate frontier readiness (such as quantum-enabled models) into concrete preparedness actions across investment, risk, and governance.



Longer term (120-365+ days)

- Scale what works with integration milestones and value targets.
- Maintain a standing optionality capability: continually refresh scenario-driven investment theses and keep exploration funded even under short-term pressure. This is how AI-first CFOs prioritize medium- and long-term investments.

KPIs to track progress

- Percentage of spend allocated by horizon (short-, medium-, long-term) versus target
- Number of exploration initiatives per quarter and average learning-cycle time
- Stop-rate and average time-to-stop
- Percentage of scale decisions backed by clear evidence
- Readiness progression across future-business-model frameworks over time

Research methodology

Executive survey

Conducted by the IBM Institute for Business Value in cooperation with Oxford Economics, this survey includes responses from 1,500 CFOs and equivalent senior finance leaders. Respondents represent organizations across 26 industries and 33 geographies.

Performance analysis

To identify characteristics associated with stronger business outcomes, a composite performance measure was developed using respondents’ assessments of organizational growth, efficiency and productivity, agility and adaptability, and risk preparedness relative to competitors.

This measure was used to examine which organizational capabilities, leadership practices, and investment approaches are most closely associated with stronger business outcomes.

Analytical approach

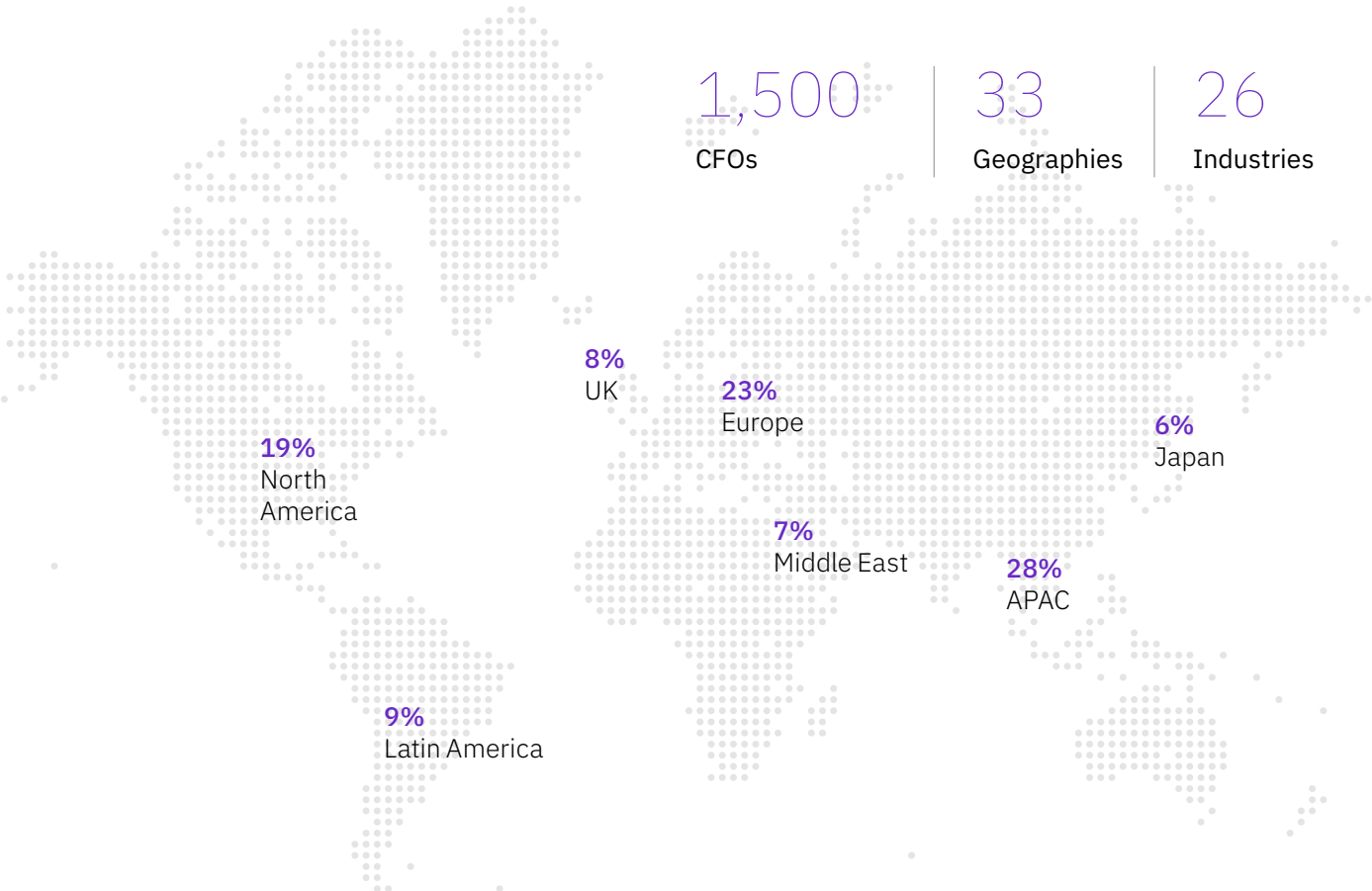
Analysis was conducted in multiple stages.

First, descriptive statistics were used to understand overall response patterns, identify leading practices, and evaluate differences across respondent segments.

Second, cross-tabulation and comparative analyses were used to examine relationships between business outcomes and organizational capabilities.

Third, predictive modeling was used to identify the characteristics most closely associated with stronger business performance. Variables analyzed included investment allocation practices, organizational transformation capabilities, finance involvement in strategic decision-making, AI maturity, funding agility, governance mechanisms, and data capabilities.

An initial logistic regression approach was evaluated and subsequently supplemented with machine learning methods to assess the relative influence of potential performance drivers. Random Forest models were used to capture nonlinear relationships and interaction effects among variables while improving predictive stability.



*Percentages may not sum to 100% due to rounding.

Bringing the CEO agenda to life

This report's five-part CFO playbook is directly aligned to the strategic plays we recommended in our 2026 CEO Study. Finance leaders play an increasingly strategic role in catalyzing enterprise-scale change. CFOs who redesign how capital moves, decisions are governed, and intelligence is embedded will determine whether their business is positioned to win in 2030.

 The CEO play	 The CFO execution discipline → Why this matters
Rethink the C-suite for speed and clarity.	Shape enterprise advantage. The ability to align leadership, capabilities, and resources with the right opportunities creates new value.
Customize your AI mix, not just your AI models.	Scale AI with trust. Strong governance allows scale without sacrificing control or value.
Orchestrate intelligence—human and artificial.	Embed intelligence into decisions. Intelligence creates value only when it informs decisions.
Create an AI-agent flywheel.	Enable dynamic capital allocation. AI-driven productivity requires continuous reinvestment, not static budgets.
Expect unpredictable futures.	Build future options. In volatile environments, experimentation becomes a financial capability.

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Redefining the tech leader's mandate: Building the IT foundation for agentic IT at scale.
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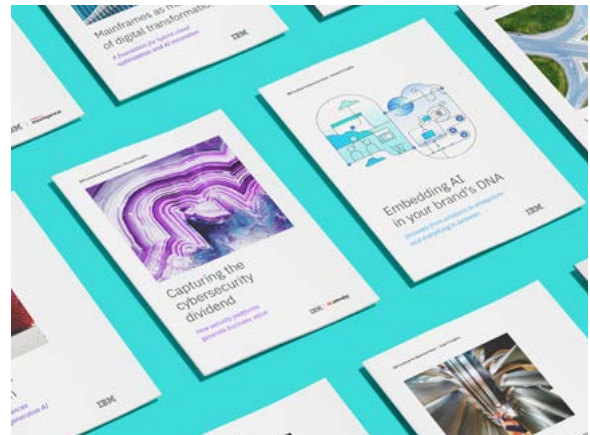
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Notes and sources

- 1 "2026 CEO study: Rewiring the C-suite—the fast track to 2030." IBM Institute for Business Value. May 2026. <https://www.ibm.com/thought-leadership/institute-business-value/en-us/c-suite-study/ceo>
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- 3 "Productivity with AI and innovation." IBM case study. Accessed July 6th, 2026. <https://www.ibm.com/case-studies/ibm-client-zero>

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