

State of
Finance
Digi—
tisation

Executive *summary*

Key findings:

- 58% of finance professionals are currently upgrading their technology stack
- Enterprises use automation to manage large volumes of data; SMBs to manage resource constraints
- Top areas where finance teams are leveraging AI/ML technologies: Automation of routine tasks (55%), financial forecasting (51%), month end close processes (49%)
- 58% are worried about the impact of digitisation on their roles

The pressure is on. Following a year of layoffs and looming economic uncertainty, finance teams need to do more with less, and clunky legacy solutions just won't cut it. Organisations across industries are modernising their tech stack and - in doing so - fundamentally reshaping the role and capabilities of finance teams.

For many, this is uncharted territory. Leaders struggle to understand which tools to adopt and at what pace. More than half the finance professionals we surveyed worry about the impact digitisation will have on their job security. But when we dug deeper, findings show that most stand to benefit from the impact automation can have on their day-to-day workflows.

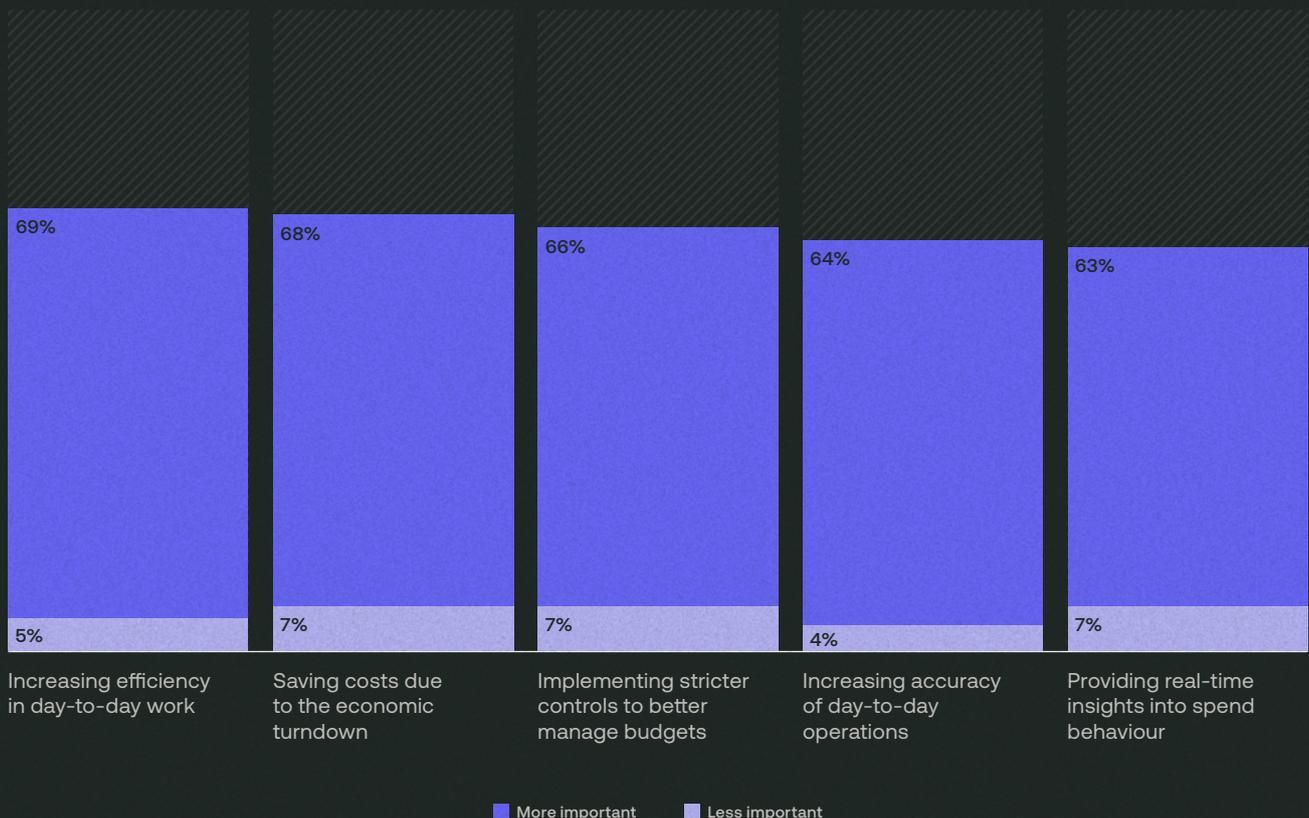
To help finance professionals understand trends in automation, benchmark their digital maturity and build a best-in-class tech stack, we surveyed 750 finance professionals in the UK, DE, and NL. For the purposes of this report, we defined small to medium-sized businesses (SMBs) as having less than 50 people, Mid-Market less than 250 employees and Enterprises as 250+ employees. Alongside their responses, we have commentary and insights from leaders in finance digital transformation at companies like N26, CharlieHR, Vertice, and more.

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The state of *play*

Over recent years, three clear and universal priorities have emerged for finance teams: efficiency, cost-savings, and accuracy. Finance professionals know their business leaders will judge them on the delivery of initiatives that drive success in those areas, which is why they're modernising their tech stack.

Which of the following have become more or less important to your organisation in the last 3 years?

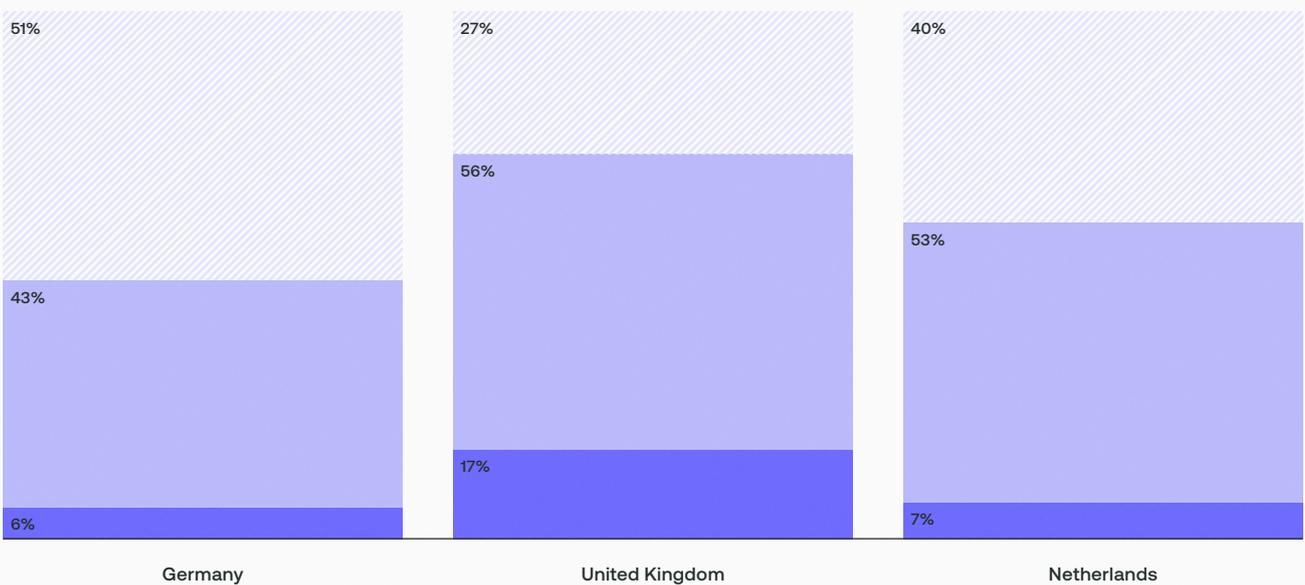


Our research confirms that finance professionals across Europe are taking steps to upgrade legacy tech, with 90% of organisations claiming their digital maturity is either developing or mature.

Across all markets, 58% say they're currently working hard to upgrade their technology stack, and this focus on technology is also reflected in the recruitment process.

Technical proficiency in modern financial software tools is the #1 most important skill when hiring.

Which of the following describe the digital maturity of your finance department?



- Early Stage**
Limited automation and integration; lack of real-time reporting capabilities; some resistance to change.
- Developing**
Workflow automation tools are implemented to streamline operations; progress in system integrations; exploration of emerging technologies; still in the process of expanding and refining digital capabilities.
- Mature**
Most routine financial processes are fully automated; advanced reporting and analytics tools provide real-time and predictive insights into financial performance; systems and applications are fully integrated; emerging technologies are actively employed and strategically used.

By all accounts, finance professionals are well on their way to experiencing unprecedented levels of efficiency, accuracy, and strategic focus thanks to automation and technological advancements.

But our findings tell a slightly different story.

“Heading into 2024, companies are going to be firmly focused on improving operational efficiency. This means that the key to driving adoption of any tools, especially digital finance tools, is going to be focusing on how changes will improve the productivity and efficiency of a team.”



MATT BARNARD
VP OF FINANCE



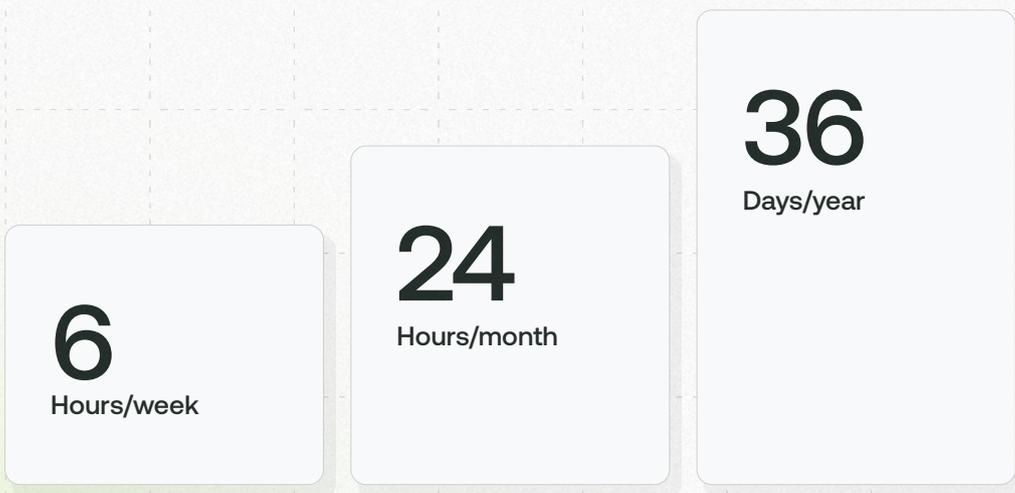
Old habits die hard

The finance software landscape has evolved rapidly over the last several years, and hundreds of solutions have emerged to help teams reduce manual work, improve accuracy, and build better financial models.

But still, **one in three finance teams still rely on traditional spreadsheets for budgeting, tracking, and forecasting**. Using spreadsheets for accounting purposes also remains standard practice for 22% of those surveyed.

This reliance on old technology means the average finance team spends six hours on manual, administrative tasks every week¹. Close to 16% dedicate more than 10 hours to these activities.

A Gartner study of finance digitisation stated that, 'CFOs are increasingly being asked to reconsider how to use technology to optimise finance operations; however, a long-term digitalization strategy is needed to support coherent finance technology investments, which is something many CFOs lack...When senior finance leaders understand the technology needed to evolve the organisation, their company will move twice as fast on digital transformation.'



¹ Time spent on manual tasks for the average finance team.

Bridging the gap between traditional finance practices and modern digital solutions can be a daunting task for CFOs. Despite the potential for significant improvements in efficiency and competitiveness, the pace of change in the market can be intimidating, the upfront costs can seem daunting, and the process of implementing new technologies, processes, and systems can be overwhelming. On the other hand, accountants, controllers, and other finance professionals may fear a steep learning curve, and be unsure of the impact to their workflows and job security.

Perhaps that's why the majority of organisations haven't yet taken advantage of available tools to automate financial processes.

Overwhelmingly, **less than half of finance teams have automated standard processes.**

Which of the following financial processes have been automated?

43%

Accounts payable processing

39%

Data entry and reconciliation

36%

Budgeting and forecasting

34%

Regulatory compliance processes

37%

Employee expense management

41%

Accounts receivable management

37%

Cashflow management

52%

Payroll

This begs the question: what does a digitally mature finance organisation actually look like...and what steps need to be taken to get there?

What is *‘finance digitisation’,* really?

In its simplest form, finance digitisation is part of a strategic transformation within an organisation. It leverages technology to enhance the efficiency, accuracy, and cost-effectiveness of the processes used within the finance function.

It’s worth noting that digitising for the sake of reducing headcount will result in long-term consequences, particularly in areas of finance where automation is no substitute for highly skilled institutional knowledge.

Progressive organisations will view digitisation as an opportunity to elevate the strategic focus and impact of the department and the people within it, not replace them.

Today, the same roles are needed within a finance team as they were a few decades ago. Digitisation just makes it possible to manage the same workload with less need for manual intervention.

What should be digitised?

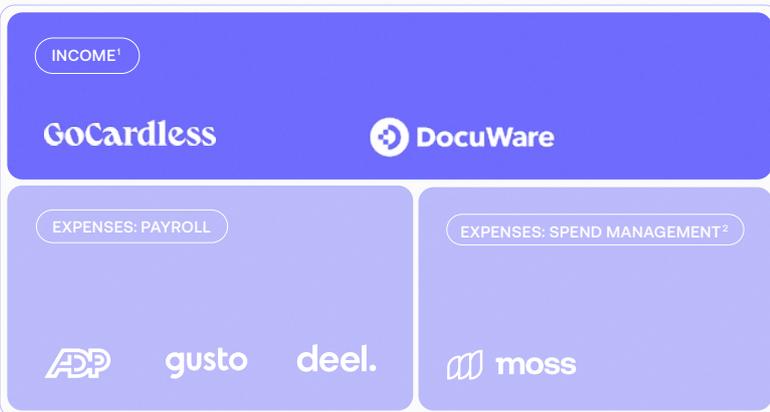
The simple answer: Any process where a person is required to transfer data between two systems.

In the case of invoice creation, for example, all necessary information is likely to be readily available within the CRM system. Sales staff are responsible for the client and project master data so the creation process should be automated via APIs and data lakes. Having a person act as an intermediary between the CRM and the invoice creation tool is a poor use of resources.

Likewise, automating expense management including report creation, approval workflows, and reimbursement can help businesses enforce policy compliance, reduce processing time, and gain better visibility into spending patterns. Integration with corporate credit cards and receipt scanning technology can further enhance efficiency and accuracy.

We asked finance professionals across industries to share their ideal finance tech stack, and visualised that as an integrated and automated workflow.

Workflows



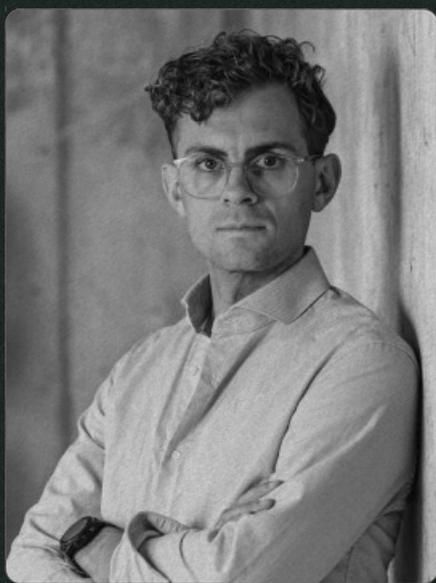
Data



¹(including Accounts Receivable, Point of Sale & Collection)

²(including Accounts Payable, Employee Expenses (Cards & Out of Pocket) & Procurement)

“As the classical separation of skill sets—for example between Accounting and Controlling—becomes more fluid, there is a natural adoption of more digitised tools and functions.”



ARNO RUBEN SCHLEUSSNER
VP OF FINANCE

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N26
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Snapshot of today's finance tech stack

According to our research, across all markets, the most common tools in today's finance tech stack are accounting software (65%), payroll software (63%), accounts payable (invoicing) automation software (52%), spend management software (51%), and budgeting and forecasting software (49%).

But the technology needs of an organisation will vary according to a number of factors and nuances. Looking at our data, there are clear differences in maturity based on company size, with enterprise organisations consistently using the most automation and those in the Mid-Market category using it the least. And it makes sense.

Large organisations face multiplied complexities in managing vast data volumes, intricate financial structures, and diverse global operations.

Automation streamlines these processes, reducing errors, boosting efficiency, and freeing up valuable team bandwidth for strategic tasks.

On the other end of the spectrum, **SMBs tend to leverage automation to help manage resource constraints, including manpower.** And, because SMBs (specifically start-ups) tend to have cultures that embrace technology and innovation, when they do adopt digital solutions, they don't struggle with resistance from staff or technical compatibility issues in the same ways a larger or more established company might.

Across the board, though, **payroll, accounts payable processing, and accounts receivable are the most likely to be automated.** That's because all organisations - regardless of size - experience the same challenges with these processes. They're repetitive, prone to error, and inefficient cashflow management and payment delays can cause serious problems for customer/vendor relationships.

Which of these financial processes have been automated?

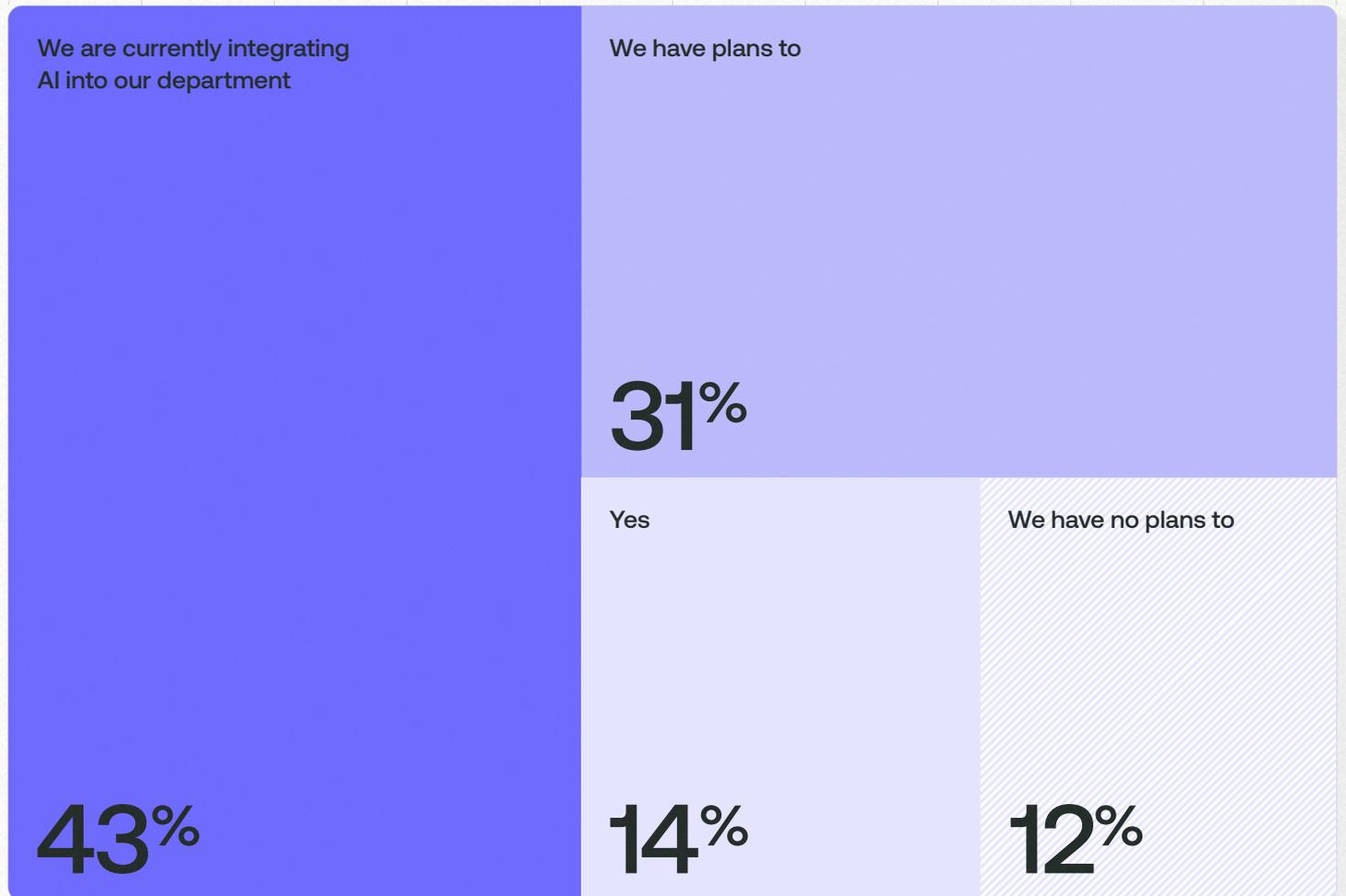
	SMB	Mid-Market	Enterprise
Accounts payable processing	42%	37%	57%
Data entry and reconciliation	43%	36%	52%
Budgeting and forecasting	40%	41%	44%
Regulatory compliance processes	43%	42%	32%
Employee expense management	40%	40%	47%
Accounts receivable management	43%	37%	53%
Cashflow management	43%	39%	43%
Payroll	45%	37%	62%

Artificial Intelligence: ready or not?

AI is causing huge disruption across industries, especially in the technology space.

Across Europe, 74% of finance teams are currently integrating or planning to integrate AI or Machine Learning into their workflows, while 14% have already done so.

The main reasons for implementation? **Supporting financial forecasting (57%) and automations of routine tasks (51%)** month end close processes (49%).



Although AI adoption has grown at an unprecedented rate, it's still in its infancy, and **12% of finance decision-makers currently have no plans to introduce AI or machine learning** into their processes at all. When asked why, almost half (44%) said it's because they don't believe it'll help their business.

“Right now with automation, it's a mixed picture, with a lot of great technology available, but at the same time, certain constraints limit full adoption. The true translation into productivity gains has yet to happen.”

ARNO RUBEN SCHLEUSSNER
VP OF FINANCE, N26

N26

Middle management – who tend to be younger and more familiar with the practical applications of AI – have a clearer view of how it might help their business. Instead, they're apprehensive because of a skills and training gap amongst employees, with 1 in 4 (24%) citing that as their reason for holding off on the adoption of AI. Just 6% of senior leadership shares their concern.

Naturally, perceptions will change as technology matures and case studies showcase AI successes stories. There are already a number of examples that demonstrate how AI can help finance teams improve efficiency and accuracy.

Artificial Intelligence can:

Improve fraud detection and security

- Analyse massive datasets to identify unusual patterns
- Identify suspicious transactions in real-time
- Predict and prevent new fraud schemes
- Automate tasks like data analysis and report generation to streamline investigations
- Personalise fraud detection based on individual customer behaviour
- Automate compliance processes

Automate manual workflows

- Extract data from invoices, receipts, and other documents
- Classify and categorise financial documents
- Automate transaction matching and reconciliation across different systems
- Handle tasks like invoice approval, payment processing, and collections, streamlining payment cycles and improving cash flow
- Generate financial reports

Streamline controls and oversight

- Perform automated testing of internal controls
- Process and analyse large datasets from various sources, providing finance teams with deeper insights into financial performance and control effectiveness
- Generate comprehensive reports to streamline oversight processes
- Propose tailored rules tailored for specific operational environments to better manage corporate spend

Automation wishlist

Ultimately, finance teams are focussed on streamlining processes, reducing manual effort, and enabling better decision-making. So, what processes are they most keen to automate that aren't already? Just about everything...and in equal measure.

Which of the following do you believe should be automated, but isn't yet in your organization?

38%

Accounts payable processing

40%

Data entry and reconciliation

41%

Budgeting and forecasting

40%

Regulatory compliance processes

40%

Employee expense management

35%

Accounts receivable management

38%

Cashflow management

31%

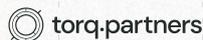
Payroll

This overwhelming desire to automate underscores the many benefits of digitisation.

All of these processes are notorious for the high levels of manual intervention required and the scope for error, not to mention the repetitive and unfulfilling nature of the work for team members. Automation allows them to re-focus their time and expertise to drive better business outcomes and improve wellbeing at work.

“The most obvious benefit [of automation] is increased efficiency and reduced costs as a consequence, but in my opinion what's often overlooked is employee satisfaction. Manual processes are very tedious, prone to errors and usually do not increase happiness at the workplace.”

ROMAN FINKE
MANAGING PARTNER, TORQ PARTNERS



It's not you, *it's me...*

Despite the many benefits of digitisation, it's not uncommon for finance teams to face challenges when implementing new technology and processes. But, according to our research, only one of the top four challenges (integration and compatibility issues) is related to the technology itself.

What challenges have you faced when upgrading your tech stack?

- Time needed to implement new tools **31%**
- Integration and compatibility issues **28%**
- Lack of relevant tech knowledge and/or training in department **26%**
- Resistance to change among staff **25%**

To reduce the time required to implement and minimise integration and compatibility issues, we recommend partnering with cloud-based vendors who offer pre-built integrations. But what about resistance to change?

Unsurprisingly, middle management and senior leadership have different perspectives on the biggest pain points associated with digitisation. Middle management – who tend to focus more on execution – are almost twice as likely to cite a lack of relevant knowledge and/or training compared to senior leadership as their biggest barrier. On the other hand, senior leadership – who tend to focus on strategy – are twice as likely to say changing or uncertain business needs compared to middle management.

Irrespective of seniority, it's clear finance professionals need to focus on people when driving digitisation.

But over half **(58%) of all respondents are worried about the impact of digitisation on their roles within the finance department.** This drops to just 37% when we isolate senior management.

That means organisations need effective internal strategies to align management thinking with employee perception.

But, when implemented thoughtfully, new technology enhances human capabilities instead of replacing them, allowing finance professionals to focus on strategic, value-added tasks.

Are you concerned about the impact of digitisation on job security within the finance department?

42%
Not at all

58%
Yes

How to choose the right technology?

We've already shared what the ideal tech stack looks like, but it's important that you evaluate solutions to ensure they're right for your finance team and your organisation.

Our research revealed that the top criteria for deciding which technology to adopt was related to how easy it was for team members to implement and use.

When upgrading finance tools, what's most important to you?

39% The new tool is intuitive / easy to use

39% Ease of implementation and/or compatibility with current tools

35% It fulfils multiple necessary functions

29% The tool has a modern interface

29% The tool is cloud-based

27% Staff familiarity / training with tool

26% Volume of integrations with our existing tech stack

24% Reputation of provider

16% Time to onboard

There are a number of other factors that should be taken into account, too, like strategic fit and implementation costs. We suggest using criteria that fall into the following categories: control, automation, ease of use and implementation, and trust.

Control

Finance leaders need to maintain control over their financial data and processes. New solutions shouldn't create "black boxes" where it's unclear what's happening, or lock them into vendor-specific solutions that limit flexibility. Transparency and data ownership are paramount.

Ask these questions to help you evaluate vendors:

- Can policies be easily customised and updated to adapt to changing regulatory and business requirements?
- How granular and flexible is the platform to both admin and groups of users?
- Are there dashboards or reporting tools for visualising real-time insights?

Automation

Manual tasks and workflows aren't just error-prone, they're also deeply inefficient and time-consuming. Finance leaders need solutions that automate repetitive tasks like data entry, reconciliations, and reporting, freeing up their teams for strategic analysis and value-adding activities.

Ask these questions to help you evaluate vendors:

- How many different processes can the tool automate, and what's on the product roadmap for the next 12-18 months?
- Can the tool reconcile discrepancies and provide insights into the accuracy of financial information?
- Does the technology offer workflow orchestration capabilities to streamline end-to-end processes?

Ease of use and implementation

Finance teams are often busy and have limited bandwidth. They need solutions that are easy to learn and implement, with minimal disruption to their existing workflows. User-friendly interfaces, intuitive functionalities, and readily available training resources are key.

Ask these questions to help you evaluate vendors:

- What is the typical implementation timeline for the technology, from initial setup to full deployment?
- Are there pre-built integrations or connectors available to streamline integration with existing systems and databases?
- Are there built-in tutorials, tooltips, or help documentation available to guide users through common tasks or new features?

Trust

Financial data is highly sensitive. Leaders need to choose solutions from vendors with a proven track record of security, reliability, and data protection. Factors like strong encryption, regular security audits, and transparent data privacy policies are essential for building trust.

Ask these questions to help you evaluate vendors:

- What is the vendor's historical uptime percentage for the technology?
- What security measures are in place to protect sensitive financial data from unauthorised access or cyber threats?
- What kind of ongoing maintenance and support services are provided by the vendor?

“The first metric is measuring if the new tool allows the team to do more work with the same or fewer resources. This can include reductions in people costs, overhead expenses and other operating costs associated with manual tasks. Another metric is how a tool improves accuracy and reduces error rates. Being able to reconcile discrepancies can provide insights into the accuracy of financial information. Finally, you want to consider how a change impacts your customers.”

CHARLOTTE WRIGHT
CONTROLLER, VERTICE



How to measure the success of digitisation

Once you've chosen the right vendor and implemented the solution, it's essential finance teams understand how to measure success. This way, they can justify the investment, identify areas of improvement, and optimise future initiatives.

Operationally, a well-designed solution will offer noticeable time-savings. Processes will run more smoothly, and the books will be closed more quickly. But the following metrics can help you track the impact of digitization across the organisation.

Remember: you'll need to define what "good" looks like based on the specific tools you've added to your stack.

Employee and customer metrics

Employee satisfaction: Gauge employee sentiment towards the new tools and processes. Retention amongst the finance team should improve with digital maturity.

Customer satisfaction: Track customer experience improvements arising from digital initiatives

Adoption rate of new technologies: Monitor how readily employees and customers embrace and utilise the implemented solutions

Financial metrics

Cost savings: Track operational cost reductions due to process automation and efficiency gains

Productivity gains: Measure time saved by employees due to automated tasks and streamlined processes. For example, compare invoice volume to finance team headcount.

Revenue growth: Analyse how the transformation unlocked new revenue streams or improved customer acquisition/retention

Performance metrics

Improved accuracy: Quantify reductions in errors and misstatements resulting from automation

Faster processing times: Track how quickly transactions are processed and reports generated. For example, the speed of monthly closing and reporting.

Enhanced compliance adherence: Measure improvements in meeting regulatory requirements and reporting deadlines

“When it comes to tooling, think about what you’re aiming to achieve culturally—in your finance reporting and decision-making. In picking Moss as our spend management tool, I made sure the platform fit both our current and future data structures and that their product roadmap would support the growth of our business.”



SOPHIE CONAGHAN
FINANCE LEAD



How Moss *can help*

22

hours of admin work saved per month end close by AVM Solutions

HARDWARE PROVIDER



76%

more receipts auto-captured by Baby Mori

E-COMMERCE



3

finance tools consolidated into one by Florence

HEALTH TECH



200+

employees with digital spend management at 22 Pizza Pilgrims restaurants

HOSPITALITY

PIZZA PILGRIMS

£30k

Extra VAT reclaimed by Venture Beyond

HOSPITALITY

vb.

100%

user satisfaction among surveyed employees at Snocks

E-COMMERCE

SNOCKS

Moss is Europe's premier solution for end-to-end spend management, including corporate cards, expenses, and accounts payable. Tailored for SMBs navigating decentralised spending, Moss delivers unmatched real-time oversight and control to finance teams.

Trusted by 3,000+ businesses across Germany, the Netherlands, the UK, and beyond.

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Methodology

This report is based on an independent survey of 750 finance professionals conducted by OnePoll.

Publicly available third-party research was also used, with all sources cited throughout.

Midpoints and averages were used when calculating some figures and percentages may not always add up to 100% due to rounding.