TRANSFORM

TMT Finance Leaders' Top Priorities Evolve as Focus Shifts to Cost Optimisation and AI

Protiviti's latest survey of finance leaders at technology, media and telecommunications (TMT) companies shows a growing emphasis on cost optimisation, digital transformation and leadership alignment. The survey also reveals a complex landscape of shifting priorities in which finance departments leverage cloud-based applications and artificial intelligence (AI) to save costs, manage risks and opportunities, and meet regulatory requirements.

Along with traditional scorekeeping functions, TMT finance leaders are being asked to provide real-time data analytics and strategic insights, as well as lead change and transformation efforts, to help their organisations improve margins and gain a competitive edge. Additionally, many are tackling their expanded responsibilities while juggling workforce- and talent-related challenges and budgetary limitations within their departments.

Top Priorities for TMT Finance Leaders
1. Financial planning and profitability analysis and reporting
2. Security and privacy of data
3. Cloud-based applications
4. Strategic planning
5. Enhanced data analytics
6. Routine reporting and closing activities
7. Leadership (within your organisation)
8. Changing demands and expectations of internal customers
9. Process improvement
10. Artificial intelligence (including generative AI)

Top priorities

Against this complex backdrop, we asked TMT finance leaders to rank their top priorities and share their perspectives on their changing mission-critical responsibilities. According to the survey, the top finance priorities for TMT companies in 2024 are financial planning and profitability analysis and reporting, security and privacy of data, cloud-based applications, strategic planning, and enhanced data analytics. These top five priorities reflect a

clear focus on technology-enabled financial planning and analysis and a growing need for rigorous financial processes integrated with key performance indicators.

Like last year and the year before, data privacy and security remain a **top five priority** (ranked **No. 2 in 2024 and No. 3 in 2023**), not only for TMT finance departments but also for other industry finance teams, underscoring the universal importance of protecting information across the board.

New cybersecurity disclosure requirements, rising threats of cyber warfare and extortion, and the soaring value of data assets continue to drive data security concerns. For instance, the telco industry has experienced major breaches, triggering intense government scrutiny on companies' ability to protect their customers' data.

AI and Cloud Integration

The survey explores the broader trend of integrating AI with cloud-based applications (**No. 3 priority**). This integration is reshaping how companies utilise cloud platforms for various functions, such as customer relationship management (CRM) and enterprise resource planning (ERP).

As several recent reports indicate, cloud services are experiencing a surge in investment, driven by AI's capability to revolutionise cloud computing by enhancing data security, automating recovery, improving collaboration and streamlining maintenance. Critically, the shift from merely using cloud-based tools to embedding AI within these applications is driving a renewed focus on updating and harmonising systems across the industry.

Is your finance organisation currently employing generative AI?

54% Yes
46% No
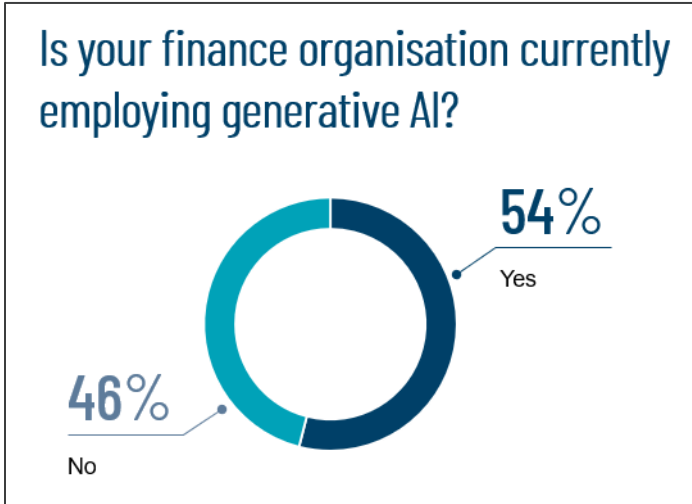
Not surprisingly, the role of AI in TMT finance departments is particularly pronounced in this year's survey, which shows AI climbing to a **top 10 priority**. According to the survey, **approximately 54%** of TMT finance leaders have deployed AI tools for a wide range of functions, led by process automation (**67%**), financial forecasting (**57%**), expense management (**39%**) and risk assessment and management (**39%**).

AI use cases across TMT vary from complex to simple tasks. For example, one tech company is using AI to automate the cash application process for lockbox payments. While this example may seem mundane compared to more sophisticated AI applications, it illustrates the real-world impact of AI in streamlining financial processes

and reducing manual workload and the potential for human error. This kind of process automation not only saves money but also allows finance teams to reallocate resources to more strategic tasks.

Furthermore, AI's integration into finance functions and strategic planning is reshaping workforce engagement, offering tech-savvy roles that appeal to younger employees while fostering intergenerational learning.

Cost Optimisation

Cost optimisation is a huge concern for TMT finance leaders in terms of not only how they manage their departments but also the broader organisation. This issue is particularly acute in the TMT industry group, where there's more pressure to balance growth initiatives with cost control due to rapid innovation, intense competition and changing customer expectations. The reality is that finance departments must do more with varying levels of resources, which can be challenging depending on funding availability.

According to the survey, companies have achieved considerable progress in cost optimisation in areas like cloud utilisation (**68%**), technology rationalisation (**67%**) and AI and machine learning (**47%**). This focus on digital tools aligns with broader efforts to streamline costs and enhance operational efficiency.

In which of the following areas have you achieved meaningful, measurable progress in cost optimisation over the past year?	
Utilisation of cloud-based systems	68%
Technology rationalisation	67%
Artificial intelligence and machine learning	47%
Third-party spend risk assessment	39%
RPA and automation tools	34%
Headcount reduction	32%
Offshoring, outsourcing and/or BPO	29%

Here too, AI offers unique opportunities to both reduce costs and increase profitability — and already, the more digitally adept TMT industry group is taking advantage of it. According to the survey, approximately **47%** of TMT respondents, who are more digitally adept, reported substantial cost reductions from AI implementation, a notable contrast with the **21%** reported across other industries.

Other Notable Trends

ESG — Although still among the top 15 priorities, ESG (**ranked No.1 in 2023**) did not make the top 10 for TMT finance leaders this year, likely due to the sector's longstanding engagement, familiarity and growing comfort with sustainability and a focus on more immediate concerns like security and privacy of data and cloud-based applications.

Many TMT firms have been addressing ESG-related matters for an extended period, which has led to more mature practices and, consequently, a shift in focus toward other strategic priorities. Regulatory pressures continue to shape ESG efforts, particularly for publicly traded TMT companies, which face stricter requirements from bodies like the European Union and the U.S. Securities and Exchange Commission (SEC).

Leadership — Mentoring and supporting managers and staff, maintaining company culture through all the changes, and championing the organisation's vision and strategy emerged as a priority issue (**ranked No. 7**) in this year's survey. This is also not a surprise; it supports previous surveys that show TMT executives view culture, leadership challenges, and succession planning as top risk issues.

What Do the Findings Mean?

The TMT respondents to this survey were a nearly even split between public and private companies, with a slightly higher proportion of public companies (**approximately 54%)** than private ones. This demographic detail played a role in shaping survey results, as public companies are more likely to prioritise regulatory compliance and transparency-related concerns, such as data privacy and security.

Preparedness was another factor that influenced how some TMT companies approached certain topics. For instance, companies with longer exposure to ESG or AI technologies showed a higher level of readiness to tackle these issues, resulting in differing priorities compared to newer adopters.

As TMT companies mature in AI adoption, we expect that finance leaders' priorities and their approach to managing risks, costs and opportunities will continue to evolve. The challenge for organisations is to bridge the gap between expectations and capabilities while leveraging AI to meet evolving internal and external demands

To learn more, read our research report, *Transform: Assessing CFO and finance leader perspectives and priorities for the coming year*, available at www.protiviti.com/financesurvey.

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