The CFO's AI Mandate

ACCELERATING REVENUE FLOW, DECOUPLING GROWTH FROM COST

go autonomous

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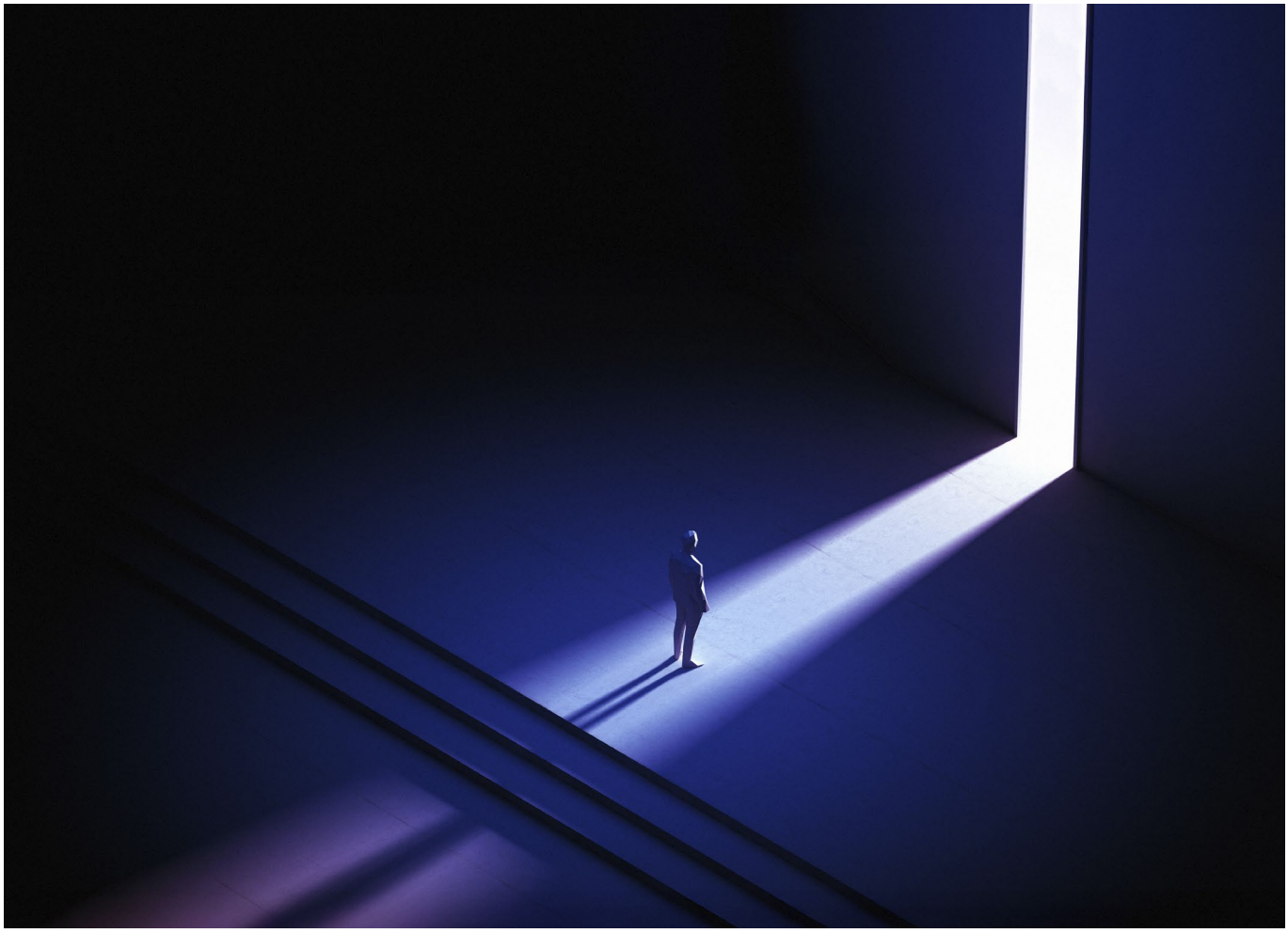


Foreword

In an era defined by rapid technological advancement and unprecedented market dynamics, the role of the Chief Financial Officer (CFO) is evolving at an extraordinary pace. Beyond traditional financial stewardship, today's CFOs are increasingly tasked with driving strategic growth, optimizing operational efficiency, and unlocking new avenues of value creation. This report, "The CFO's AI Mandate: Accelerating Revenue, Decoupling Cost," addresses this critical shift, offering a compelling vision for how Artificial Intelligence can empower manufacturing CFOs to navigate these complexities and seize the next horizon of value.

We delve into three pivotal levers that AI makes newly available, enabling a profound transformation in how manufacturing companies manage their financial and operational landscapes. From accelerating cash conversion cycles and decoupling growth from escalating costs, to achieving unprecedented levels of process transparency and fine-tuning business operations for optimal financial performance, AI presents a powerful mandate for the modern CFO.

This document explores how Go Autonomous, at the forefront of Autonomous Commerce since 2020, is enabling global leading manufacturers and B2B distributors to digitize, streamline, and accelerate commercial operations. Autonomous Execution Fabric powered by proprietary fusion AI model ensures hallucination-free execution of B2B transactions, even within the most complex technological landscapes and enterprise procedures. We invite you to discover how these advancements can empower your organization to unlock significant value and redefine financial leadership in the age of AI.



At a glance

A new technological, Autonomous Execution Fabric, is enabling CFOs of manufacturing companies to unlock the next value horizon by utilizing three previously unavailable levers.

I. **Accelerate cash conversion by days or weeks** (not invoice automation), unlocking significant value in released working capital. This addresses the challenge of optimizing decentralized order-to-cash processes.

II. **Lower cost-to-serve and decouple growth from cost** scale business without increasing FTEs in areas like customer service and inside sales, overcoming the reliance on undocumented expertise and tacit knowledge. This can lead to substantial reductions in cost-to-serve and error costs.

III. **Reduce process variance** and digital transformation by taking over existing processes, including their imperfections, and providing transparency. This allows CFOs to fine-tune business operations for desired financial performance.

About Go Autonomous

Go Autonomous has been leading the category of new software infrastructure category of Autonomous Commerce since 2020. Global leading manufacturers and B2B distributors use the platform to digitize, streamline, and accelerate commercial operations including quote and order intake. Proprietary fusion AI model provides hallucination free execution of B2B transactions within complex technological landscape and procedures of large enterprises.

I – You reap what you sow

Speed up cash conversion cycle and unlock the overseen potential at the start



Key points

- CFOs in manufacturing companies consistently prioritize improving working capital. Even a one-day reduction in the cash conversion cycle can free up millions of dollars in working capital.
- While invoice automation and optimizing Accounts Receivable / Accounts Payables terms are a common focus for many organizations due to direct CFO oversight, the initial stages of the order-to-cash process (e.g. quote and order intake) are often decentralized and vary significantly across countries and divisions. This makes them traditionally harder to optimize and consequently, they receive less attention.
- Autonomous Commerce digitizes commercial operations across divisions and countries, accelerating cash conversion cycles by days or even weeks, unlocking millions in value. Without its deployment, companies leave millions in value pocket untapped.

For CFOs of manufacturing companies, optimizing the cash conversion cycle is paramount as it directly impacts liquidity and profitability. Even marginal improvements, such as a one-day reduction, can unlock millions in working capital, which can be reinvested or used to strengthen financial resilience.

Exhibit 1. **Locked Working Capital, $M**

Assuming 80% COGS / Revenue ratio

Cash Conversion Cycle	$1Bn revenue	$5Bn revenue	$10Bn revenue
40 days	$88M	$438M	$877M
50 days	$110M	$548M	$1,096M
60 days	$132M	$658M	$1,315M
90 days	$197M	$986M	$1,973M

While optimizing Accounts Receivable (AR) and Accounts Payable (AP) terms is a common focus due to direct CFO oversight, the crucial initial stages of the order-to-cash process- - specifically order intake - often lack centralized strategic attention. This segment is characterized by significant decentralization and varies widely across countries and divisions, making it harder to optimize. Consequently, these critical initial steps receive less strategic focus and investment, impacting data accuracy, processing speed, and overall operational efficiency. Addressing this disparity requires elevating the importance of order intake optimization.

Exhibit 2. **You reap what you sow.**

Order intake process and practices are among the key causes for an unnecessary prolonged cash conversion cycle.

Order entry step	Complication	Business outcome	Impact on cash conversion cycle
Identifying order request in the inbox	Customer service teams are overwhelmed with amount of requests often reaching millions per year	Delayed order intake with emails idling in the inbox	**Average 6 hours to 1 day** (extreme cases are in the range of 7-40 days)
Email order entry	Average purchase order placement requires 40-90 clicks per order across 3-5 systems	Often errors leading to returns, complaints, and re-invoicing	**30-90 days** per order with errors
E-commerce order intake	80-90% of e-commerce solutions do not have real-time product availability	Delayed order fulfillment for 70-100% of order received via webshop and blocked for manual review and release	**1 day**
Credit blocks	It is not unusual for customers are overextending their credit limits	Delayed order fulfillment for 25-45% blocked in finance department due to customer's credit block	**1-2 day** for blocked orders

> But when we saw the numbers, when management saw the numbers, 54 days in throughput time, almost 0% automation and the sheer amount of customer care staff working, handling orders, everybody knew that now is the time to really do something about it, into it.

Anders, CIO, Nilfisk

Autonomous Commerce digitizes commercial operations across divisions and countries, and addresses the above challenges saving days and in some cases weeks in cash conversion cycles from manufacturing, unlocking millions in value. Autonomous Commerce Platform:

- Connects to systems of intake like inboxes, ticketing systems, CRMs, identifies intent of the customer to place an order, initiates order execution autonomously the second it arrives in the inbox
- Integrates with ERP and absorbs tacit knowledge of employees so to execute on orders safely reducing rework, errors, returns, and complaints
- Supports e-commerce, EDI, portals, whatsapp, and other channels to execute on the orders the same way humans are doing it today to autonomously release orders into fulfillment
- Either notifies finance departments and / or customers proactively in a desired way or is allowed to deblock orders autonomous within the company's guidelines and thresholds

Below is the illustrative calculator of the amount of locked capital manufacturers have and the opportunity at stake to digitize the order entry in the autonomous way.

Exhibit 3. **Released Capital, $M**

Assuming 80% COGS / Revenue ratio

Reduction in CCC	$1Bn revenue	$5Bn revenue	$10Bn revenue
-1 day	$2.2M	$10M	$21.9M
-5 days	$11.0M	$54.8M	$109.6M

CFOs who champion AI initiatives are moving beyond basic invoice automation. They're extending AI's influence across the entire value chain, beginning with the order entry process. While this may involve navigating organizational complexities and inefficiencies, it often uncovers significant hidden value. Companies that fail to digitize their order entry funnel are missing out on a substantial opportunity for growth and optimization.



II – From tacit knowledge to tangible impact

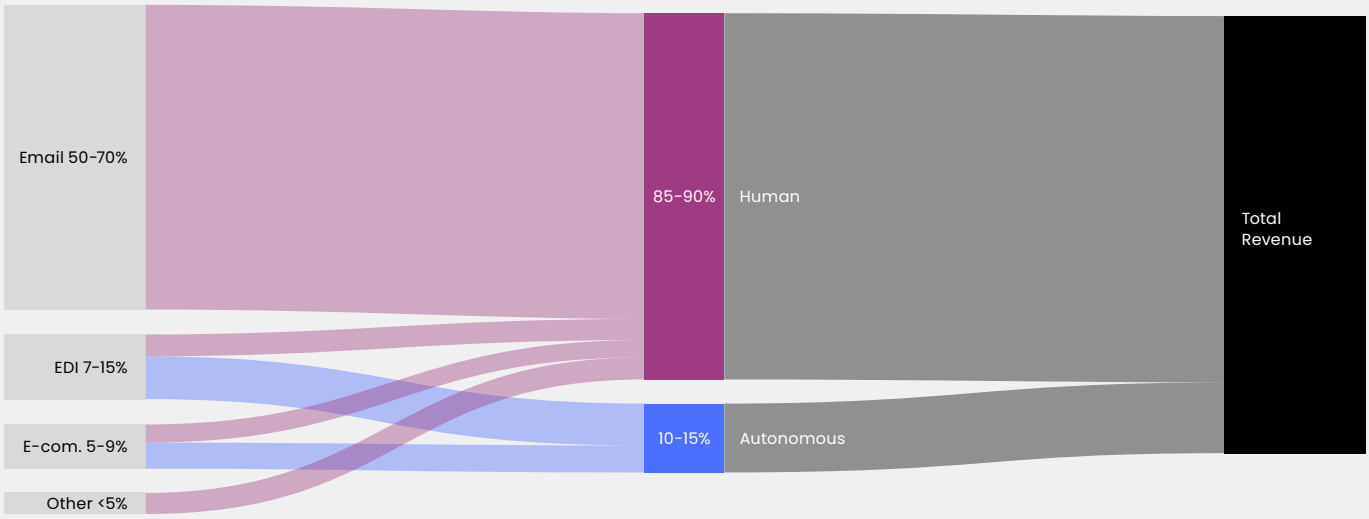
Lower the cost-to-serve by digitizing tacit knowledge to enable full autonomy of execution

Key points

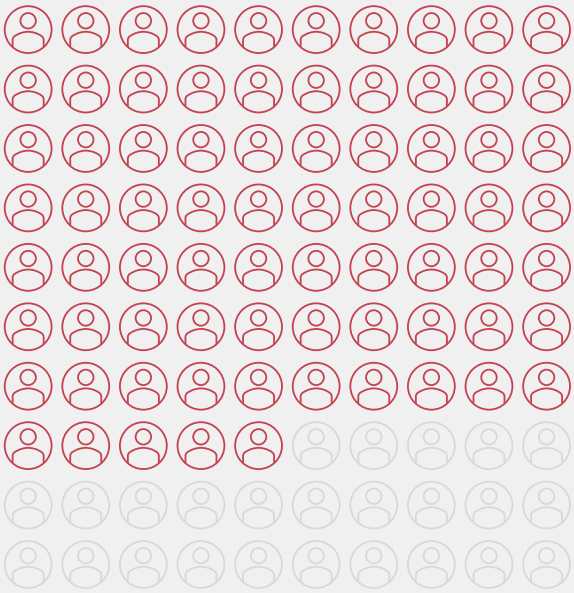
- Scaling a business can be FTE intensive in areas like customer service or inside sales – a central concern for CFOs seeking to protect profitability.
- Historical efforts to digitize B2B transacting often fell flat due to inability to tackle intrinsic complexity of B2B operations and or deal with significant reliance of tacit knowledge of the employees (undocumented expertise)
- Companies applying AI with such capabilities and the applicable methodology can reap up to 40% lower cost-to-serve, 55% reduction in error costs, and explore strategic initiatives like reshoring and winning back the long tail of customers.

Despite common belief, **B2B commerce is still 90% manual** – the email channel is fully manual, e-commerce orders require manual review and release, EDI is often unscalable, fragile, and frequently breaks on order changes and exceptions.

Exhibit 4. **Revenue split by channel and respective autonomy rate for a typical manufacturing company, %**



- **Email** continues to be the primary channel for B2B revenue, accounting for an average of 50-70% across industries, a fact often overlooked. This crucial channel is, in most cases, entirely manual.
- While **e-commerce** aids sellers in order capture, it falls short in execution. Often, a significant majority (70-90%) of orders are immediately flagged for manual review and validation. Additionally, this channel typically accounts for only about 5-15% of total revenue. This stagnation occurs because buyers often perceive it as a redundant step, having already entered the order into their own ERP system.
- While **EDI** effectively manages initial order intake, it faces challenges with adjustment requests. These often necessitate manual processing, frequently requiring the intervention of system experts.
- Manual processes persist across other channels, including phone, fax, portals, whatsapp, etc.



75%

Customer service teams devote up to 75% of their time to administrative tasks that don't add value: managing email orders, manually reviewing and releasing e-commerce orders, resolving EDI issues, processing order changes, managing forecasts, converting quotes to orders, and handling order status requests.

Let's just take order entry as an example:

- Daily B2B transactions suffer from difficulties in identifying correct account names, sub-account numbers, and "bill to" addresses, especially with complex multinational corporations and incomplete or duplicate master data.
- The same product can have various names and SKUs across buyers, sellers, manufacturers, distributors, or industry catalogs, and even be made by different companies. Unlike B2C, this information is often managed manually in spreadsheets, reference tables, or individual B2B professionals' knowledge.
- Pricing is often customized by customer, contract, or project, with some businesses adjusting prices weekly based on volume ordered or commodities market fluctuations, while others use commitments and penalties for forecast discrepancies. Then there are payment terms.
- Complex B2B logistics, with intricate delivery terms and shipment locations, lead to high costs from contract deviations, especially in expensive, low-margin supply chains. Persistent master data challenges exacerbate these issues.

Beyond knowing what to look for in various systems and which Excel files and notes to consult, each transaction relies on specific customer knowledge, often unwritten and held solely by the team. This inability to digitize such knowledge has previously hindered technological advancements from achieving true operational autonomy.

Consequently, **global manufacturers typically need to hire an additional customer service representative for every $2-5 million USD increase in revenue**. The added revenue threshold can be even lower for globally distributed or country-specific teams due to higher overhead expenses. With typical EBIT margin of 5-15% a full FTE cost bites.

Beyond the direct cost-to-serve, **manual operations incur costs due to errors**. A 3% error rate is typical in manufacturing. For example, 300,000 orders annually, with each error costing $2,500 for rehandling, reshipping, or even scrapping, can lead to annual costs of up to $20 million.

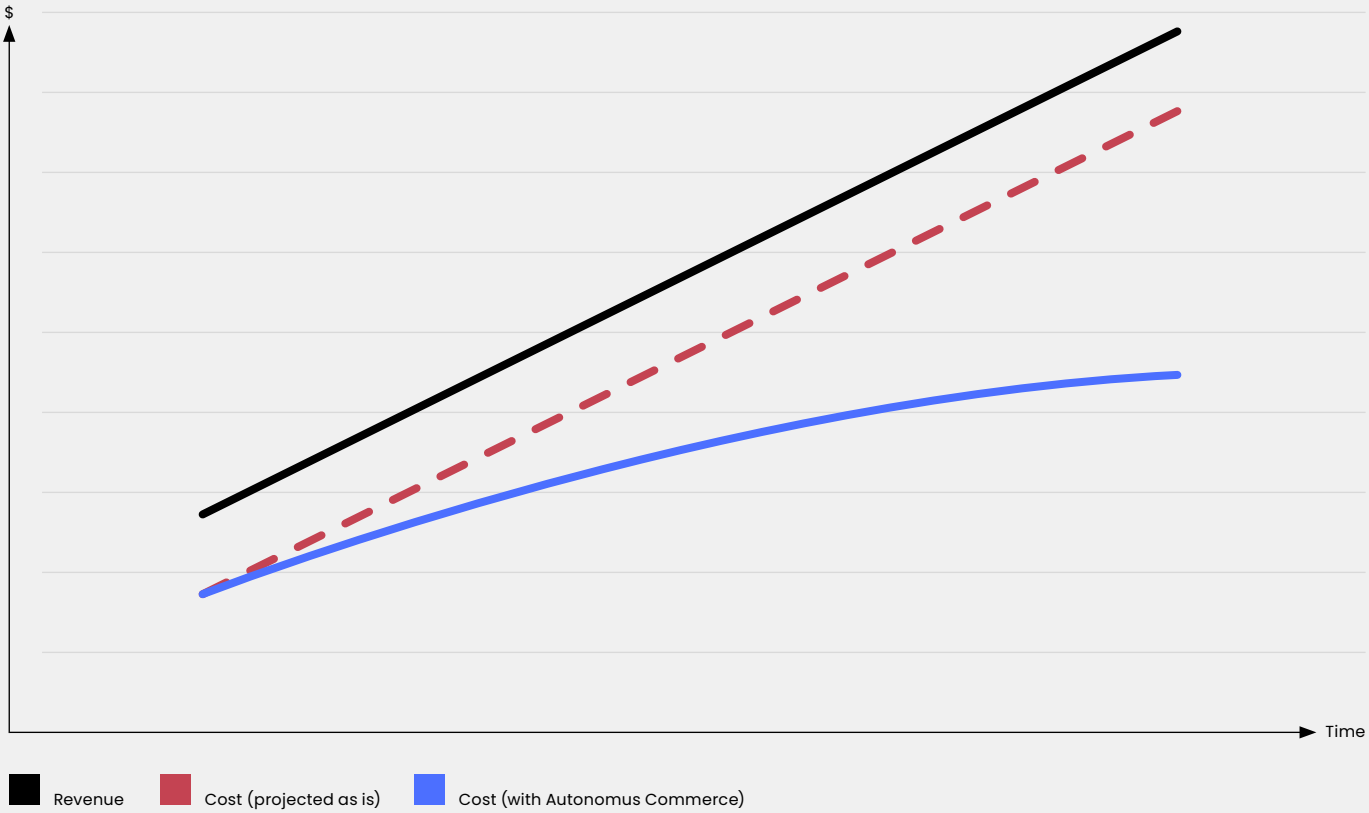
> Every time we added 1-2M EUR of revenue, we needed to expand our customer service team. It was unsustainable way of doing business.
>
> Mikkel, VP customer service, Hempel

Exhibit 5. **Cost of manual errors for a million of order lines, $M**

Cost per order line with error	1% error rate	3% error rate	5% error rate
$100	$1M	$3M	$5M
$500	$5M	$15M	$25M
$1,000	$10M	$30M	$50M

New customers, new projects, higher order volumes cause more hirings and errors. As a result, the cost line persistently pegged to the revenue line.

Exhibit 6. **Decoupling growth and cost with Autonomous Commerce**



The Autonomous Execution Fabric can execute transactions end-to-end, fully autonomously, offering companies significant operational leverage. AI can identify customer intent, capture data in any format, manage the exceptions above, utilize digitized tacit knowledge, and execute transactions across all channels. As a result, 40% lower cost-to-serve, halving errors.

Think beyond cost savings. The Autonomous Commerce provides manufacturing companies with strategic levers they previously lacked the capability to utilize.

Bringing back the long tail of customers

The perpetual challenge of cost-to-serve intensifies when dealing with a large number of diverse, often smaller, customers. To mitigate this, manufacturers frequently empower distributors to handle these customer interactions.

This leads to foregone margins and, more critically, the loss of direct customer relationships.

An Autonomous Execution Fabric reduces customer maintenance costs, enabling companies to engage directly with smaller customers.

Reshoring customer relationships

Manufacturers frequently relocated their customer service teams to more cost-effective regions to combat margin pressure.

This, however, introduced further complications, frequently extending the cash conversion cycle and, more importantly, diminishing the customer experience.

With an Autonomous Execution Fabric, companies can transform customer service from a transactional administrative function into a trusted customer advisory role, enabling them to afford reshoring customer relationships.

During periods of growth, companies can avoid new hires. However, in times of business uncertainty and instability, a digital execution fabric that scales on demand is even more essential.

AI-native CFOs harness new technology as a strategic tool to decouple growth from cost. By introducing an autonomous execution fabric which absorbs tacit knowledge of the workforce, they redesign historically complex areas like B2B transacting and customer service, moving beyond marginal improvements to unlock entirely new possibilities. Beyond the efficiency gains, such as 40% lower costs and millions saved in reduced errors, CFOs can also pursue strategic initiatives including reshoring and re-engaging long-tail customers.



III – Flip the script

Reduce process variance digitizing the process first

Key points

- For CFOs, reducing process variance and streamlining operations have become essential tools to drive efficiency and improve the cost-to-serve.
- However, traditional digital transformation's two-step approach – first optimize, then digitize – is resource-intensive and often obsolete, resulting in compromised customer experience or financial performance.
- AI flips this dynamic. Instead of requiring full optimization upfront, AI can take over the execution of the processes as they are, including their imperfections, while providing end-to-end transparency of decisions and actions.
- Given that processes are digitized, change management becomes solution configuration in Autonomous Execution Fabric instead of a myriad of workshops and CFOs get direct operational leverage to finetune business operations to achieve desired financial performance.

> We have a lot of complexity in the types of products we put in a mix. That means that our ordering process has to cater to all these different types of products and the quality approval for those and the different delivery requirements and obligations associated with that.

Christa Nielsen, VP Operations and COO Nordics, UK & Baltics at Mediq.

Traditional process mining and variance assessment is about user clicks in the systems. A whole software category has been built on this concept.

The significant unaddressed hurdle, however, lies in the unarticulated processes, actions, and cognitive effort undertaken by individuals. Consider, for instance, a customer service representative makes up to 50 decisions **before the order is even entered into the system**.

What is the right account and sub account? Can the goods be delivered to the requested address? What to do in case of a price discrepancy between the request and the ERP? What about packaging and minimum order quantity satisfaction? How to convert industry code into a company's SKU? Which warehouse to choose? The list goes on.

A typical approach to removing process variance in these scenarios often consists of **three impossible steps**. Unsurprisingly, most such transformations fail. Spending too little time on the initial data foundation (Step 1) leads to a superficial understanding, while spending too much time can render the data outdated by the time Step 1 is complete. This inevitably causes the design of the "to-be state" (Step 2) to fail, leading to organizational resistance and numerous exceptions in change management phase (Step 3), ultimately bringing the organization back to square one.

1

First impossible step

Register all process variations often involving 100s of people, 1000s of customers, dozens of countries, a handful of business units, and decades of legacy interdependent practices

2

Second impossible step

Analyze variance and edge cases of the complexity, pre-calculate business impact of the simplification, create a restricted set of 'process templates' that shall fit in without negative financial and / or customer experience consequences

3

Third impossible step

Conduct change management involving 100s of people to enforce the templates consistently across the organization, while attempting to collect all exceptions made and mistakes introduced

First AI-native step

Acknowledging the impossibility of manually reviewing every human decision variation, an AI execution fabric is integrated into human workflows. This layer proposes actions for human validation or override, while also tracking all ad-hoc actions and decisions made by humans. This approach alone can reduce human time commitment by 50%.

Second AI-native step

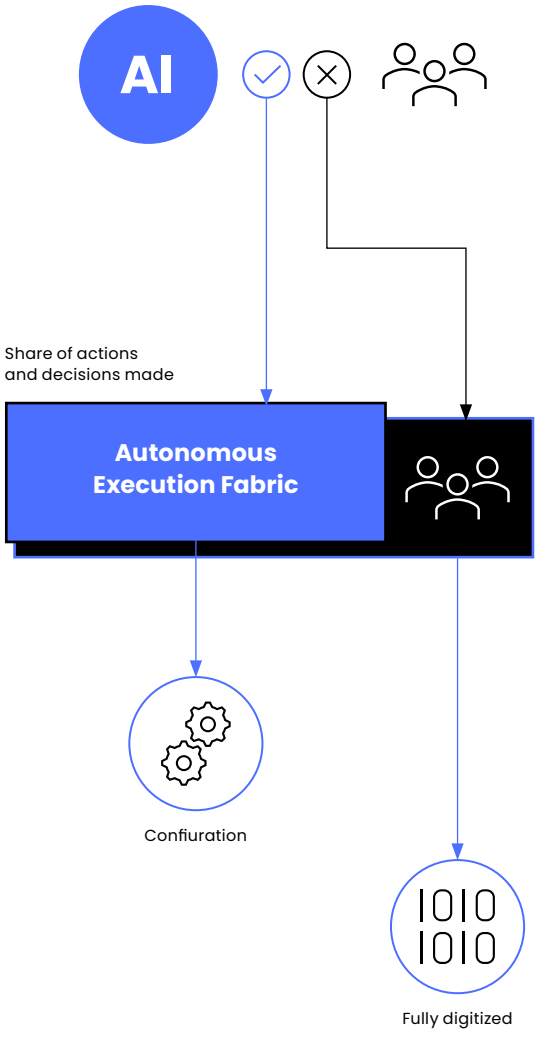
Within 1-2 months, companies delegate 60-70% of decisions and actions to AI. For the remaining decisions, a comprehensive account of all actions made is provided.

Third AI-native step

When AI is already making decisions, process changes are reduced to simple system configurations.

Fourth AI-native step

With decision analytics, the company can prioritize variances based on their financial impact. This enables calculated decisions: either remove the action, delegate it to AI, or leverage it as a competitive advantage, given the newly available capacity.



With AI native approach, one can flip the script. This approach allowed **Velux** to reach 30% or revenue flowing through autonomously from email received to completed order confirmation in one the regions within 3 months of an initial launch.

AI-native CFOs are leveraging a new tool - Autonomous Execution Fabric – the digitization of previously uncaptured tacit knowledge and human-led processes. By prioritizing process digitization, CFOs gain valuable insights into previously opaque operations. This enables them to rapidly digitize and redesign these processes, making calculated adjustments that positively impact both financial outcomes and customer experience, all while minimizing change management efforts.

> It was hard to optimize that type of distributed order flow you could say. Different kinds of formats, different kinds of emails, different kinds of products as we are so highly customized. So it was quite manual and you could also say locally governed process. We had not really anyone on global level to manage or steer the customer order process more than from a quality standpoint.

Fredrik Sölscher, EVP Digitization, Nefab



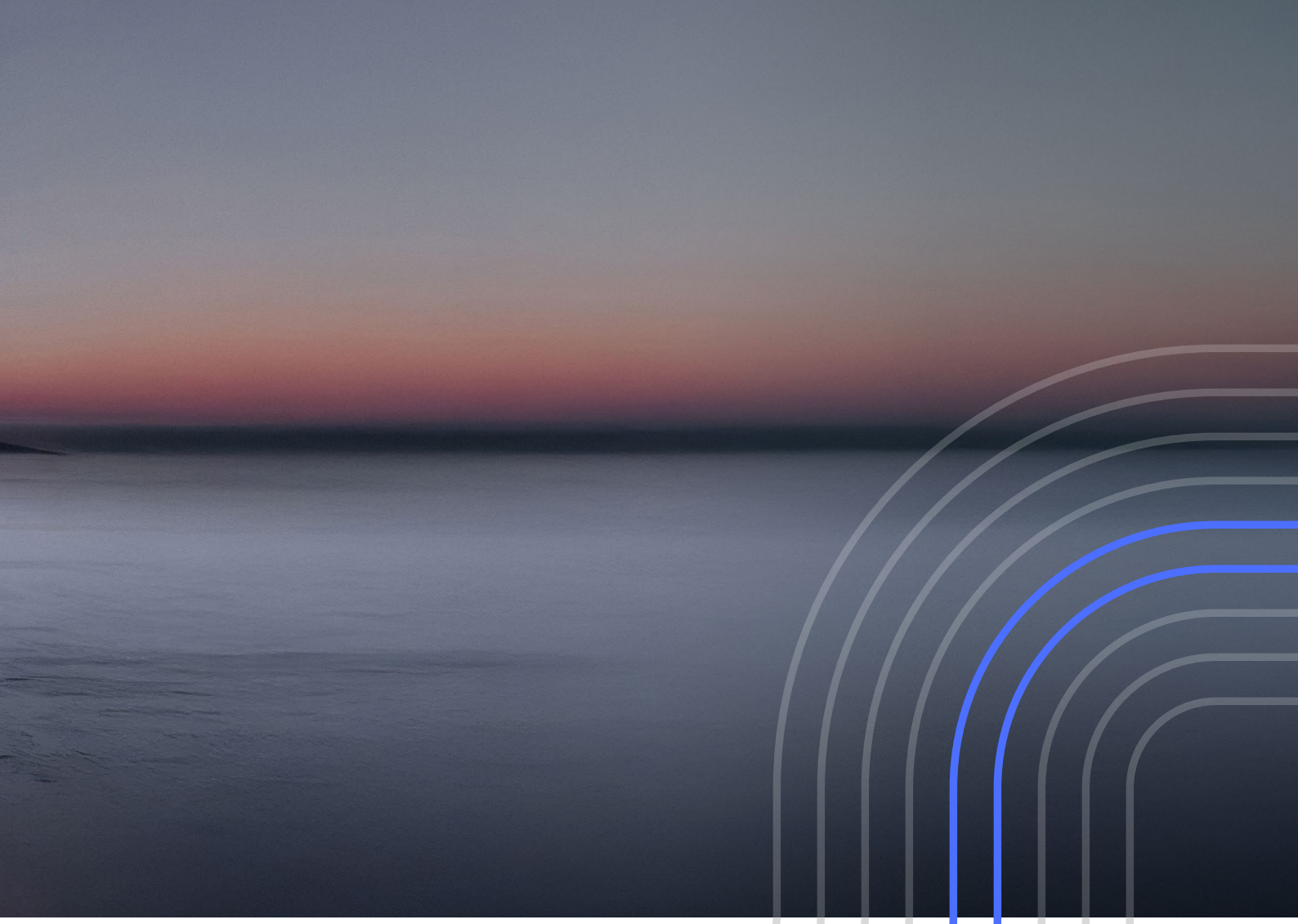


Conclusion

AI is poised to fundamentally reshape the landscape for manufacturing CFOs. This transformative technology presents a critical juncture: those who strategically embrace it can forge a path to unprecedented competitiveness, while those who hesitate risk falling behind.

The time for action is now, as AI is sufficiently advanced to drive profound change across industries. To fully harness its potential, CFOs must move beyond isolated initiatives and commit to comprehensive, end-to-end reinvention. This means pinpointing key business areas—such as optimizing cash flow, reducing operational costs, and streamlining processes—and leveraging available tools. It involves reimagining workflows, redefining human-machine collaboration, and establishing new organizational models. Forward-thinking leaders are already implementing AI solutions like Autonomous Commerce and restructuring their organizations to maximize their disruptive impact.

This represents a fundamental shift towards a new enterprise paradigm. Autonomous Execution Fabric is not merely an incremental improvement; it is the bedrock of the next-generation operating model. CFOs who seize this moment will not only gain a competitive advantage but will also redefine their organizations' strategic thinking, decision-making, and execution capabilities.



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