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Mary Girsch-Bock • Mar. 31, 2022



Whether you've adopted artificial intelligence into your practice yet, or remain undecided, the field of AI continues to grow.

Because AI can be a useful solution for accounting firms struggling with increasing amounts of data, using AI can significantly reduce the amount of time spent on tedious tasks, allowing staff to focus on areas that require their expertise, such as tax planning and strategy.

If you're curious about AI, check out these survey results from McKinsey & Company (<https://tinyurl.com/mr22z38h>), a worldwide management consulting firm that

recently completed a global survey on the state of AI in 2021.

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- Service operations
- Contact center automation
- Product feature optimization
- Predictive service and intervention
- Customer service analytics & segmentation

In addition to increased adoption, AI users have also reported an increase in their bottom line, with 27% of respondents reporting that AI is responsible for at least 5% of their earnings before interest and taxes. Also impacting the bottom line, in 2020, 33% of businesses across all sectors reported a decrease in expenses from adopting AI adoption, with 51% of service operations businesses reporting a decrease in expenses.

Don't look for adoption rates to drop anytime soon. More than two-thirds of respondents indicated that their company's investment in AI will likely increase over the next three years.

## **Differentiators in Performance**

The survey also looked at high performers within the survey. High performers are defined as companies stating that AI accounted for at least 20% of their earnings before interest and taxes (EBIT) total. Some of the practices that set these companies apart from others include the following:

- More than 60% of high performers used design thinking when developing AI tools
- 57% of high performers tested AI performance in their business before deployment
- 46% of high performances regularly track AI performance to ensure that outcomes improve over time
- 45% of high performers have well-defined processes in place for data governance
- 40% of high performers have protocols in place that help to ensure quality data

Another item of interest that sets high performers apart is running on public or

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- Regulations and compliance
- The ability to easily explain the decisions reached by AI
- Privacy
- Equity and fairness
- Workforce displacement

There are ways to mitigate these and other risks. These include more in-depth training, a better review of data for skewed or biased results, and the creation of a governance committee that can oversee these and other potential AI risks.

It's clear that the state of AI continues to grow and expand across all business sectors. It might be time to introduce this technology in your firm.

Artificial Intelligence • Firm Management • Technology

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