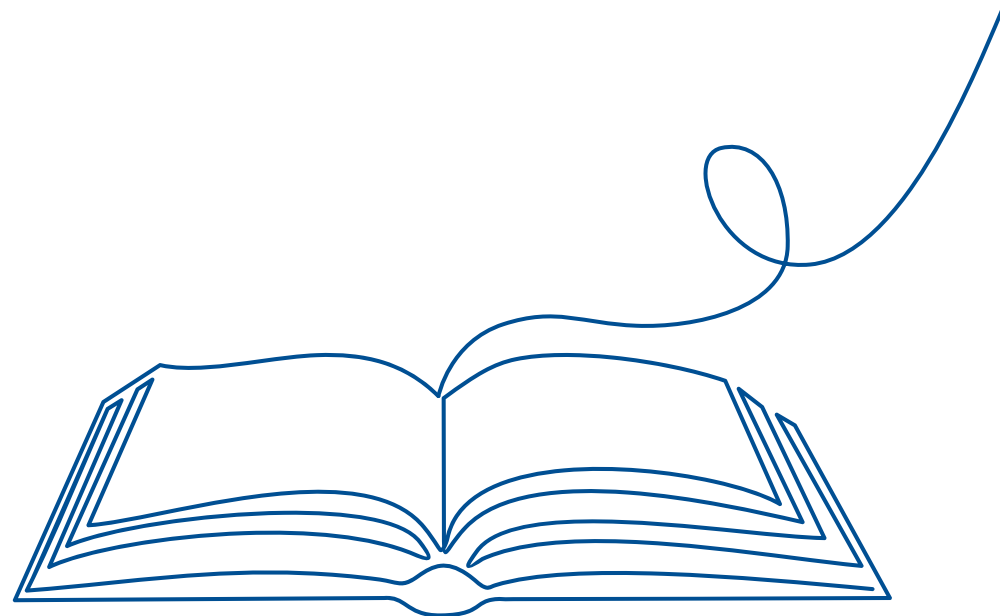


Balancing the human touch in the age of AI

Contents

- Foreword from Simon Kearsley, CEO at bluQube
- Executive summary and methodology
- About bluQube
- Chapter 1: Navigating the human touch in finance
- Chapter 2: Adapting in an AI-driven world
- Chapter 3: Are business finances
being transformed by AI?
- Chapter 4: What truly influences
change in a digital world?
- Chapter 5: Looking towards a
tech-driven future



Foreword

from Simon Kearsley, CEO at bluQube



“People now have a greater understanding of what technology can do...”

Globally, the Covid pandemic and the government-imposed lockdowns changed people's lives exponentially. One factor which might be overlooked is how much it changed our perceptions of technology. Families and businesses became increasingly acquainted with technology to facilitate their daily lives. Without these circumstances, I think we could be ten years behind in the acceptance and development of advanced technologies such as AI. People now have a greater understanding of what technology can do and they have become increasingly comfortable with it.

This lays the foundations for this research. We are now at a point where most businesses utilise technology to some extent, and the majority are open to expanding their tech stack when it leads to long-term cost savings and efficiencies. However, when it comes to AI, there have been real concerns about what that means for the role of people in the workforce.

When people talk about AI, a lot of people appear to confuse it with automation. But really, AI is a mechanical brain of sorts. It is making its own decisions with minimal human influence. Businesses across many sectors appear relatively comfortable with automation with process automation common in finance and operations. Yet, when it comes to AI, there is a fear that the human touch will be lost, perhaps in its entirety.

The human touch has long proven itself to be crucial to fixing customer relationships, delivering personalisation, and thinking strategically. With AI in its current form, these values are unquestionably still required and valuable. For me, as AI adoption and sophistication increase, it will simply crystallise what needs to be done by people and what can be achieved by machines.

As technology continues to advance, AI is certainly here to stay and the businesses that lose out will be those that don't embrace it and adapt.

About bluQube



bluQube is a cloud-based accounting software platform developed by Symmetry Ltd in 1996. The UK headquartered company was founded over 25 years ago and has over 100 years of IT industry experience on the board. The dedicated team of qualified accountants, developers, and highly skilled consultants have developed a smart cloud accounting system that embraces true interoperability, security, and user-friendly design, all finished off with a human touch.

Compared to competitors it was early to market with both a cloud and interoperable system. Since inception, it has continued to showcase a commitment to innovation and forward-thinking, with new services continually being introduced, including live Excel integration, and optical character recognition (OCR) software.

As a privately owned company, bluQube benefits from a centralised decision-making unit. This allows it to react to market trends

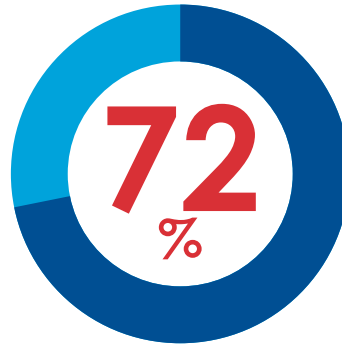
with speed, consideration, and integrity. This means the customer can stay at the heart of the service, it can welcome new technology, alter dependent on customer needs, and take advantage of market trends. The focus is on customer service and 'what's next' as opposed to keeping shareholders and investors happy.



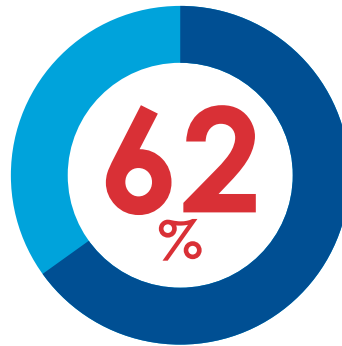
Methodology & Executive summary

Key findings of this research include:

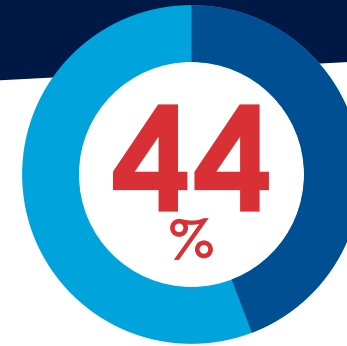
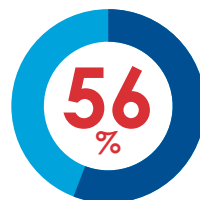
The report is based on a survey of 250 senior directors of medium/large UK SMEs across multiple business sectors. They were asked a range of questions to demonstrate their perceptions of the human touch in finance, their attitudes towards technology including AI, and what influences them when adopting a new tech system.



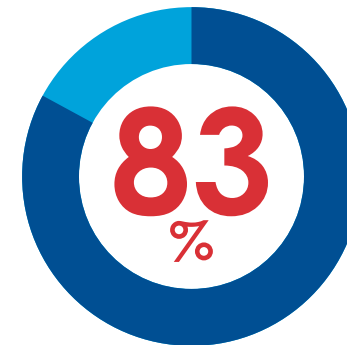
of respondents consider AI, machine learning and automated analytics **effective in supporting** financial operations and **decision-making**.



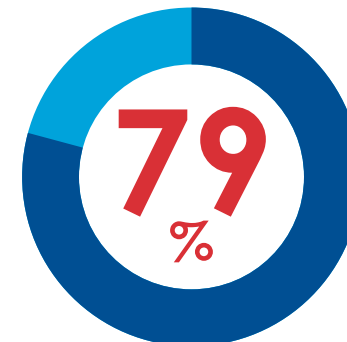
of business leaders **would trust AI to carry out work** in their business's finance and accounting department, closely followed by **56% trusting it to handle sales**.



of medium/large SMEs plan to introduce AI to their finance and accounting functions.



deem access to support **delivered by people** and not automated services important.



of companies think **guaranteed access** to a support team staffed by people is a key factor in making them more likely to buy financial services software.

Chapter 1

Navigating the human touch in finance

PAYROLL preference

Human interaction **22%**

Automation **19%**

ACCOUNTS preference

Human interaction **25%**

Automation **16%**

TAX preference

Human interaction **23%**

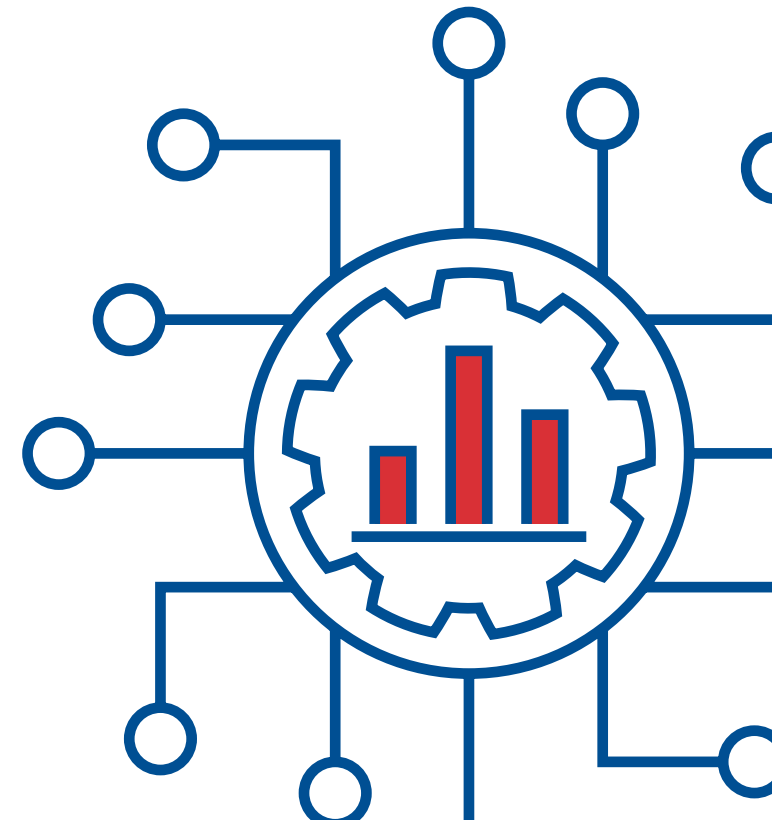
Automation **20%**

The human touch has long been associated with business finances. For a long time, it was considered that only highly trained accountants could perform financial processes. However, as the popularity of financial software has risen, more businesses have come to think that the finance team can now take on a more supervisory, strategic role, while technology can support the daily admin.

The survey asked business leaders about their preferences for human interaction or automated solutions across different financial functions. The results largely show an even split when it comes to admin tasks. 19% of respondents preferred automated solutions for the payroll process while 22% had a strong preference for human interaction. This was similar to the tax function with 20% having a strong preference for automation and 23% opting for human support instead.

However, there was a disparity when it came to accounts with a 49% difference between the preference for automation and

human interaction. For accounts, it was humans that came out on top with a quarter (25%) of senior directors preferring a human touch, compared to 16% opting for automated solutions.



Chapter 1 (continued)

Navigating the human touch in finance



Over two thirds
71%

think current technologies
are effective in supporting
financial operations and
decision-making.

“Preferences appear to change depending on the task at hand. When it comes to accounts, it seems that humans are preferred as it is a strategic and detail-focused process. Comparatively, payroll and tax functions as more administrative roles, don’t require the same analysis from a finance professional.

As a result, businesses are more willing to use technology to carry them out to a high standard. And for good reason, technology is proving to have a valuable impact on operations with over two thirds (71%) of respondents deeming current technologies effective in supporting financial operations and decision-making.

These technologies include AI, machine learning and automated analytics.”

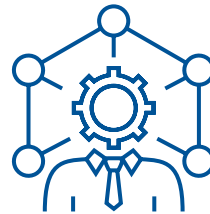
Rob Swan,
Operations Director at bluQube

Chapter 2

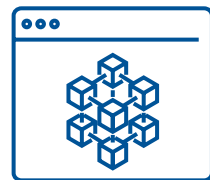
Adapting in an AI-driven world

The survey also asked business leaders to share their thoughts on whether they foresee the role of human interaction in financial services changing in the next 5-10 years.

The responses suggest a blend of **optimism** for the efficiencies brought by technology, while some remain **cautious** about its broader implications on employment and service quality.



"AI should be able to **take over many routine jobs in 10 years**, but specialised roles requiring decision-making might **still need a human touch**."



"AI should be able to **complete everyday tasks** in financial services, such as **data entry**, transaction **processing**, and **basic** customer **queries**."



"AI is **evolving at a healthy pace** and is already **benefitting businesses** in several ways."



"Emerging **technology will reduce errors** which have proven costly in the financial industry."



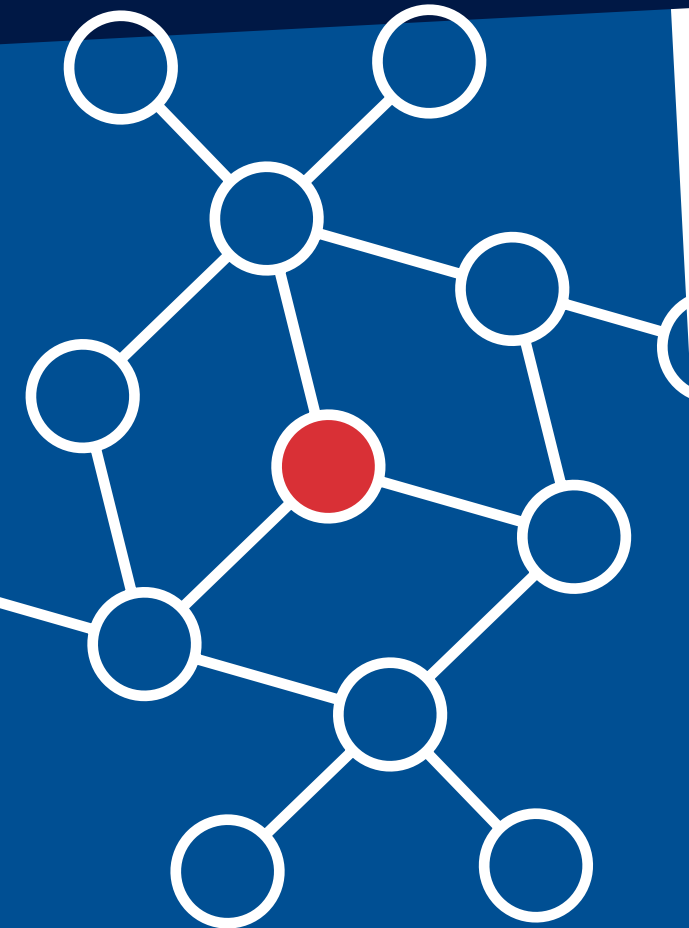
"Strategic planning requires **human understanding** and involvement."



"Creativity: AI can **generate ideas**, but **human originality, creativity** and **imagination** will always be in demand."

Chapter 2 (continued)

Adapting in an AI-driven world



“Largely, these responses indicate that businesses are happy for some areas of finance to be completed by technology. It seems that some businesses are welcoming the increased use of technology in their finance function, and they have started to see some benefits. With AI, businesses won’t have to spend their time inputting data and building reports, they can instead focus on more meaningful tasks that generate revenue and facilitate business growth.

However, in its current state, AI can’t make all decisions alone, finance professionals are still required to facilitate strategy. However, as technology advances, there are real questions about how intelligent AI could become and this is where concerns arise. Ultimately, the true impact of AI remains yet to be seen.”

Sophie Wilkins,
Marketing & Product Director at bluQube

Chapter 3

Are business finances being transformed by AI?

Trust in AI

Customer Service

50%

HR

50%

Sales

56%

Production

57%

Marketing

63%

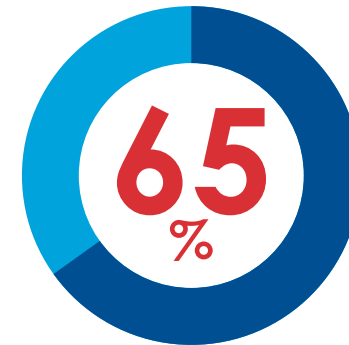
Finance & Accounting

65%

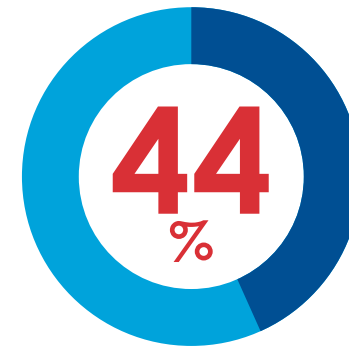
AI has dominated business discourse for well over a year, and the research shows that the finance sector is no different. When asked how much they would trust AI across different business areas, it was finance and accounting that came out on top with **almost two-thirds (65%)** of business leaders trusting the technology.

Trust in AI to complete financial processes was also evident when respondents were asked which area of the business, they are planning to use AI in moving forward.

Over two-fifths (44%) of business leaders agreed they would be implementing AI in finance and accounting.



In finance and accounting **almost two-thirds (65%)** of business leaders trusting the technology.

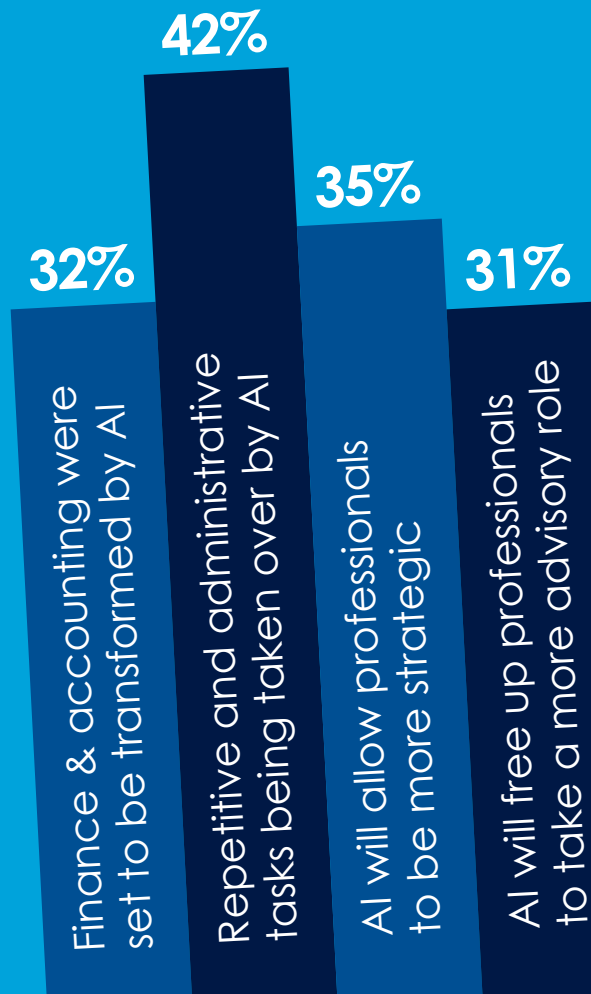


Over two-fifths (44%) of business leaders agreed they would be implementing AI in finance and accounting.

Interestingly, this belief was higher amongst larger businesses. **Almost three in five (58%)** of businesses with a turnover of **£10m-£20m** and **58%** of those with a turnover of **£20m-£50m** stated they will implement AI in their finance operations.

Chapter 3 (continued)

Are business finances being transformed by AI?



"Last year we produced a report on AI, right as the adoption of ChatGPT surged. Some hesitancy was clear throughout the research, largely down to the limited understanding some businesses had. However, one area that did stand out was finance and accounting. Nearly a third (32%) of business leaders in 2023 said finance and accounting were set to be transformed by AI. They also noted the benefits they expected to see from AI, with the top being that it could take away many of the repetitive and administrative tasks associated with the role (42%). This was followed by the belief that it will allow professionals to be more strategic (35%) and require them to take on more of an advisory or client-facing role (31%)."

Much of this has been echoed this year, and refreshingly we have seen an even higher number of businesses welcoming the technology into their financial operations. Perhaps this is due to a growth in awareness for the technology, or maybe, businesses are starting to see the benefits and are becoming more confident in its proficiency."

Rob Swan,
Operations Director at bluQube

Chapter 3 (continued)

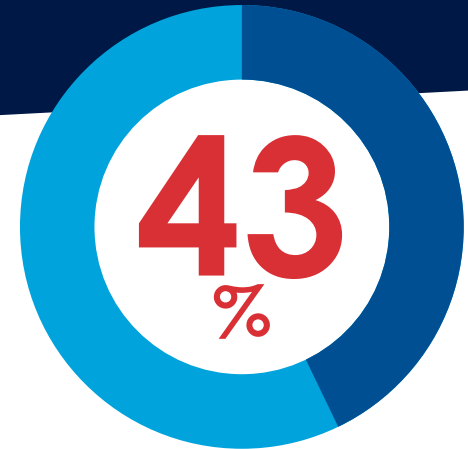
Are business finances being transformed by AI?



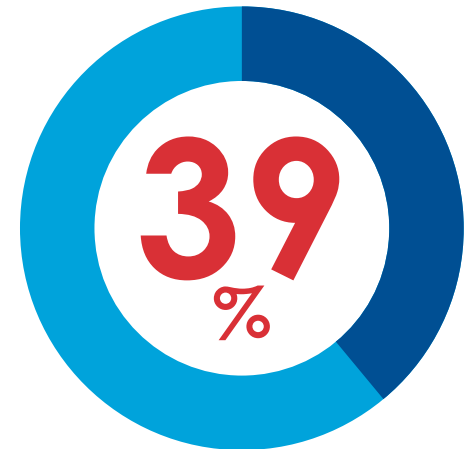
Almost Half
46%

of businesses with annual turnovers of >£50m stated that AI will have a significant role in its customer services.

Implementing AI into sales and marketing and customer service were also popular options amongst the respondents with **43%** and **39%** of respondents choosing them respectively. In fact, when it comes to customer service, **more than a quarter (27%)** of businesses surveyed said AI is likely to take a very significant role in their business's customer service function going forward. Again, this was highest amongst larger businesses with **almost half (46%)** of those with annual turnovers of >£50m stating that AI will have a significant role in its customer services. In comparison, smaller businesses were more likely to say it would be insignificant **with a quarter (25%)** of businesses with turnover between £1m-£5m believing so.



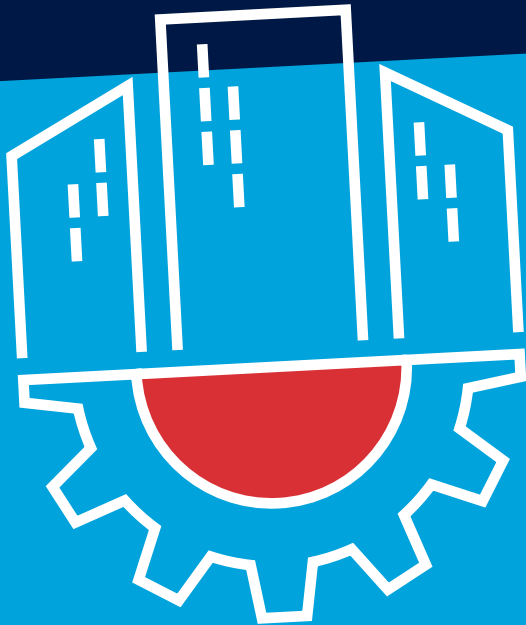
Believe in implementing AI into
Sales and Marketing



Believe in implementing AI into
Customer Service

Chapter 3 (continued)

Are business finances being transformed by AI?



Larger businesses that have the budget are more likely to invest a considerable amount in the right technology to cope with their high number of customer enquiries

“Investment is a key consideration when it comes to implementing AI. Larger businesses that have the budget are more likely to invest a considerable amount in the right technology to cope with their high number of customer enquiries. However, I don’t think volume is the only contributing factor. We tend to see that larger companies don’t take ownership of concerns and enquiries in the same way as smaller businesses.

I do champion that bigger doesn’t always mean better in the software industry, and this is arguably most relevant for customer support. Feeling valued and respected is undoubtedly the key to building long-standing customer relationships. My fear with adopting AI for all customer service interactions is that businesses are losing the all-important human touch that can rectify relationships and make meaningful decisions. Of course, AI has its place, and many businesses are already using it successfully through chatbot systems. However, it is not ready to be relied on entirely.”

**Lorraine Allison,
Customer Service Director at bluQube**

Chapter 4

What truly influences change in a digital world?

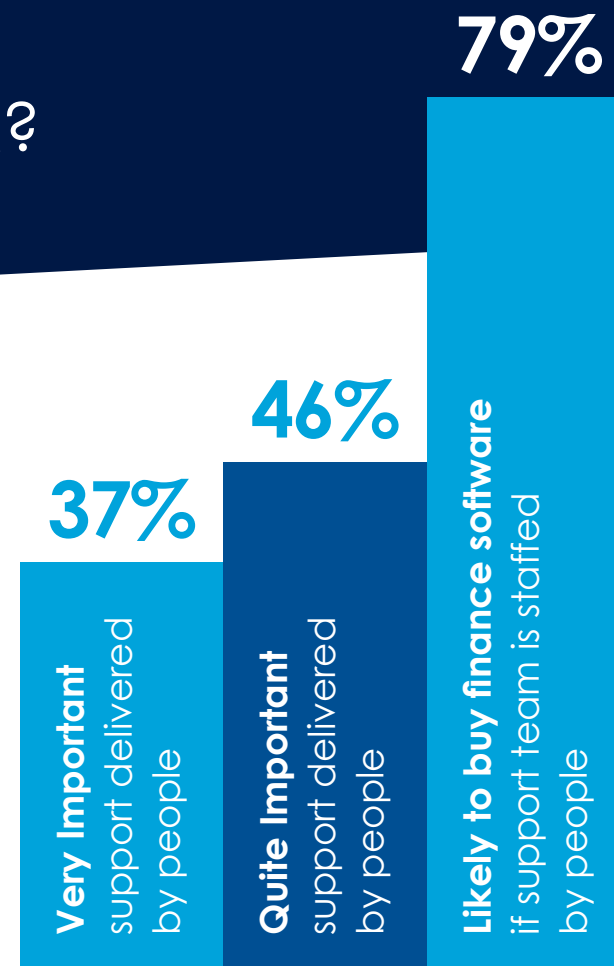
With businesses clearly showing an interest in the use of AI in finance, within the software industry we must seek to understand what makes companies opt for one financial technology system over another.

This is where the human touch is truly valuable.



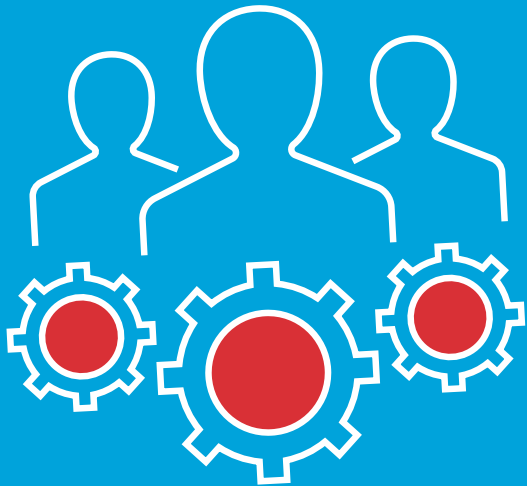
When respondents were asked about the importance of access to a support team staffed by people, **79%** of business leaders said it would make them more **likely to buy finance software**. Similarly, the importance of **support delivered by people** and not automated services was demonstrated with almost half (**46%**) deeming it quite important and **37%** considering it very important.

Interestingly, those that favoured support from people, were the same large businesses that thought AI was likely to take a lead role in their customer service functions. Almost **two-thirds (65%)** of companies with a **turnover >£50m** consider access to **support from people** over automated services as quite important for the financial services in their business.



Chapter 4 (continued)

What truly influences change in a digital world?



An effective customer strategy requires 24/7 access to support that offers a balance between technology and human oversight

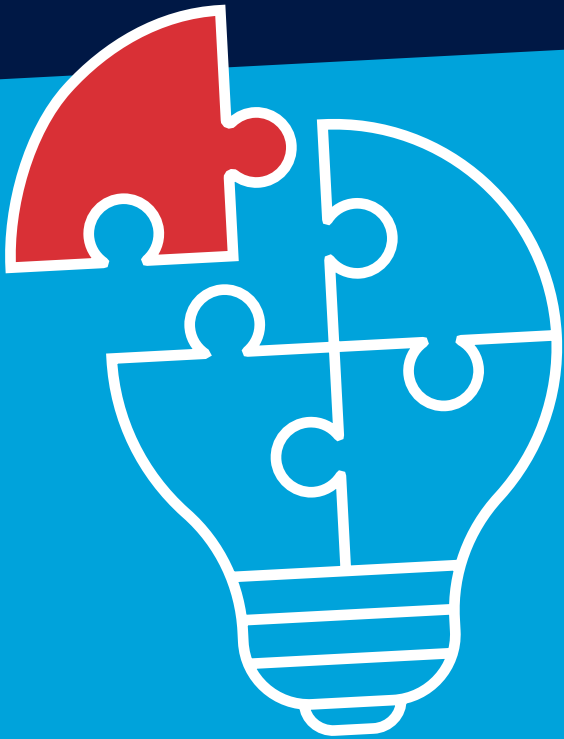
“When businesses adopt a new technology system, we know the service that comes with it is crucial to a successful implementation. Whether it be team training or access to effective support, having a clear understanding of the system and its capabilities will make implementation and beyond more successful. This is because team members feel equipped to succeed.

The fact remains that technology alone can't offer the same quality of service in this area. An effective customer strategy requires 24/7 access to support that offers a balance between technology and human oversight, regular training refreshers and a feedback system that encourages customers to share their challenges. Without these systems, customers can quickly become frustrated by the system, isolated from the provider and more likely to look to competitors.”

**Lorraine Allison,
Customer Service Director at bluQube**

Looking towards a tech-driven future

from Simon Kearsley, CEO at bluQube



“But the fact remains, with AI we are only scratching the surface.”

The relationship between humans and technology is a dynamic that has existed since the early humans invented tools. Since then, aspects of a human's life whether that be at work or home have been filled by some form of technology. AI is another step in this journey. Sure, it's more innovative than systems that came before, but it's the same principle.

I firmly believe AI is and will continue to be a supportive tool for people across sectors. According to the research, I'm not alone, almost three-fifths (58%) of business leaders echoed that the use of AI in business will be economically positive.

In finance specifically, businesses have been comfortable with introducing technology to operations for many years with cloud computing, machine learning and automation already widely used. Therefore, AI should be embraced similarly.

With AI technology evolving significantly in the past 12 months alone, it is hard to predict where we will be in the next 10 years as it continues to develop. But one thing I do know is that 10 years ago businesses were convinced that they needed to automate as many processes as possible. However, many have now come to the realisation that we have gone too far with automation. Systems that rely entirely on automation chatbots have left businesses and their customers seeking a human touch. We must learn from this and not take the same approach with AI. Professionals will always have a role to play alongside technology, they will just need to adapt to succeed.

But the fact remains, with AI we are only scratching the surface.”

For more information visit
www.bluQube.co.uk

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