

# Leveraging AI: *AI will personalize treasury and power data- readiness teams*

We are increasingly living in a data-driven economy, and businesses must keep up if they want to stay alive, much less compete. In an interview with PYMNTS CEO Karen Webster, Naveed Anwar tells how artificial intelligence (AI) will benefit and transform the payments world.

In today's new world, formerly frontier technologies are being leveraged to change the game and allow for business innovations at a pace that just a few years ago was previously unimaginable.

Treasurers and chief financial officers "need data for everything they do," Naveed Anwar, Global Head of Digital and Data Platforms at Citi Treasury and Trade Solutions, told PYMNTS CEO Karen Webster. "They need it available at their fingertips."

Within the contemporary real-time landscape, the ability to obtain up-to-date information has never been more vital — yet traditional systems often fall short in providing this level of immediacy, leaving many firms in the lurch.

"There are a lot of data-related challenges that decision-makers in the treasury department have," Anwar said.

He explained that the huge growth in internal data volume and variety over the past few years has led to quality and accuracy concerns, while data integration and real-time access needs have underscored the importance of data security and compliance — as well as dedicated staff to care for broader data governance needs across the organization.

"If the pandemic led to a digital transformation, now there's a treasury transformation happening in the industry as well where CFOs are digitalizing some of their processes — but they're also looking at the talent," he said.



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## Upskilling the treasury department

Process transformation and talent development are essential components of a successful digital strategy, with technological solutions alone often being insufficient.

Anwar said most treasury departments don't have their own IT department or a technology team dedicated to them, something which he expects to change as finance departments work to bridge their skill gap.

"There are new skills that workers and decision-makers will need to learn to make better decisions around data security, privacy, access management, data visualization, and the coding tools that they have to have for making those decisions," Anwar said.

Human intellect cannot be replaced by machines,

he added. Citi CEO Jane Fraser believes emerging technologies are a complement to human ingenuity and can help us become more productive by eliminating routine tasks and freeing us up to focus on higher-order work.

## Technology is being infused into every financial process

Artificial intelligence (AI) powered models can analyze historical transactional data, market data and external factors to provide reliable, real-time cash flow forecasts for finance teams that drive better decisions around cash management or even trade financing. And more and more they are looking to their banking partners to provide these capabilities.

AI can also assist in identifying and mitigating risks in trade and treasury operations, while

bleeding-edge algorithms can analyze transactional data and detect patterns and anomalies for fraudulent activities.

"In the world we're living in, in which speed is everything, AI can be a real differentiator," Anwar said.

"The data life cycle is very necessary to understand, particularly when you are joining multiple data sources and making sure the lineage of the data comes from an accurate place," he added.

The key to implementing a successful digital program is "identifying where [a business] is doing something manually where you can automate it through a platform solution," he said.

Another "hot" area, he said, is leveraging AI as a personalized recommendation engine to automate daily responsibilities.

AI can help clients ensure compliance with trade regulations and reporting requirements by analyzing trade transactions and identifying potential compliance breaches happening in their environment.

## Working seamlessly with large lines of data

Compliance is a great area for firms to start with. Standards and governance are more important than ever across the financial industry, and AI provides firms an opportunity to add extra anomaly detection capabilities to their existing first-line/second-line constructs.

But while AI and machine learning have the potential to revolutionize many industries, it is important to remember that they are just tools, and the reliability of information and the ability to comply with regulations are still paramount.

"The biggest challenge that everyone has is how to keep their data secure and compliant," Anwar said. "Identifying data governance and data standard rules so that every application that gets created is built on the same data standard is crucial too."

As financial institutions continue to invest in these technologies and digitalize historical processes, they must also invest in compliance and data governance to ensure they can take full advantage of what the technology can do.

And while AI and data analytics can help treasurers and CFOs make better decisions and stay competitive in today's real-time world, it is important to remember that the finance team operates as a team — and there is always the need for a human in the loop. ■

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