POWER OF AI ✨ *Series*

Why AI Should Be Built on Trust

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Brought to you by:

ima® + Sage

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Featured Presenter

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The Association of Accountants and Financial Professionals in Business

Sage

About Presenter’s Organization

Sage is the market leader for AI and machine learning-enhanced integrated solutions for accounting, payroll, and HR, supporting the ambition of the world’s entrepreneurs.

Millions of small and medium-sized businesses trust Sage finance, HR and payroll software to make work and money flow.

By digitizing business processes and relationships with customers, suppliers, employees, banks and governments, Sage’s digital network connects SMBs, removing friction and delivering insights.

Agenda

1. Introduction
2. Why is Trust so Important?
3. Layers of Trust
4. Conclusions
5. Key take away

”I don’t trust it”

Why is Trust so Important?

1. Digital transformation is accelerating
2. AI has a greater opportunity to do harm
3. Society has greater expectations and is more sophisticated
4. Customer trust has been abused
5. AI development requires customer participation

LLMs like GPT Make Factual Errors and can reflect bias

- Without proper controls, these ‘hallucinations’ amount to a significant business risk

- Google’s loss of ~$100B in market cap in Feb 2023 following an error by its LLM-backed chatbot Bard

What new discoveries from The James Webb Space Telescope can tell my 9 year old about?

Your 9-year old might like these recent discoveries made by The James Webb Space Telescope (JWST):

- **In 2023. The JWST spotted a number of galaxies nicknamed "green peas".** They were given this name because they are small, round, and green, like peas
- **The telescope captured images of galaxies that are over 13 billion years old.** This means that the light from these galaxies has been traveling for over 13 billion years to reach us.
- **JWST took the very first pictures of a planet outside of our own solar system.** These distant worlds are called "exoplanets" Exo means "from outside"

These discoveries can spark a child's imagination about the infinite wonders of the universe

ChatGPT learned how to write by examining millons of pieces of writing on the Internet. Unfortunately, believe it or not, not everything on the internet is true! "it wasn't taught to understand what is fact, what is fiction, or anything like that," Gebru said. "It'll just sort of parrot back what on the Internet"

Timnit Gebru, *AI Ethics Researcher*

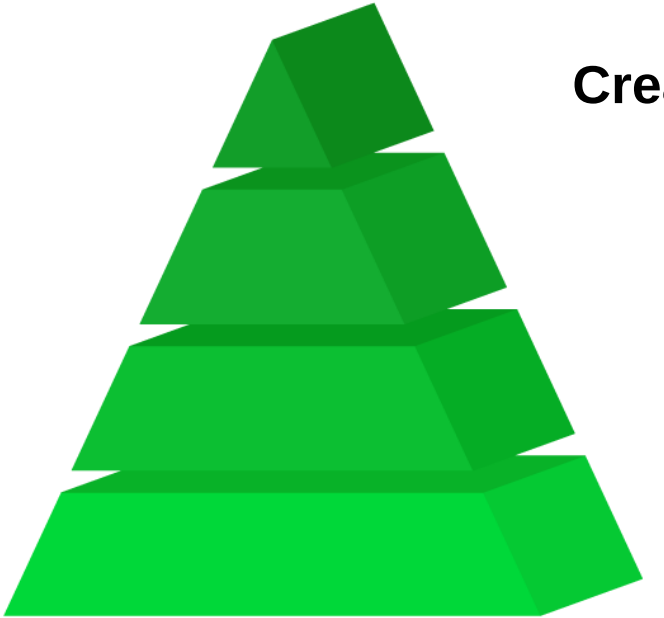
Poll Question 1:

How would you feel about AI-generated financial reports in accounting?

a. Fully trust them – AI can enhance accuracy and efficiency
b. Cautiously optimistic – AI can help, but human oversight essential
c. Neutral – Could be useful, but I'd need to see more proof
d. Uncomfortable – I wouldn't trust AI-generated financial reports

Poll Question 1 Results: (Placeholder)

Layers of Trust



Create Trust

Trust the company

Trust the tech

Table Stakes

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Table Stakes

Data Privacy Regulations

GDPR, CCPA, HIPAA, COPPA, PIPEDA, DPA 2018, POPIA

Cyber Security Regulations

PCI-DSS, ISO/IEC 27001, NIS Directive, FISMA, CMMC, SOX, GLBA, HITECH

AI Governance Frameworks

NIST AI Risk management, OECD AI Principles, EU Ethics guidelines

Trust the Tech

Unintended Outcomes

Poll Question 2:

What most concerns you about implementing AI in financial workflows?

a. Data privacy and security risks
b. Costs and complexity of implementation
c. Lack of expertise
d. Transparency and accuracy of insights
e. Regulatory and compliance challenges

Poll Question 2 Results: (Placeholder)

Ethical AI

~~Move fast and break things~~

Humility

Accountability

Are you qualified to tackle this problem without causing harm?

01 Articulate clear principles defining what you will and will not do with AI.

02 Establish advisory councils.

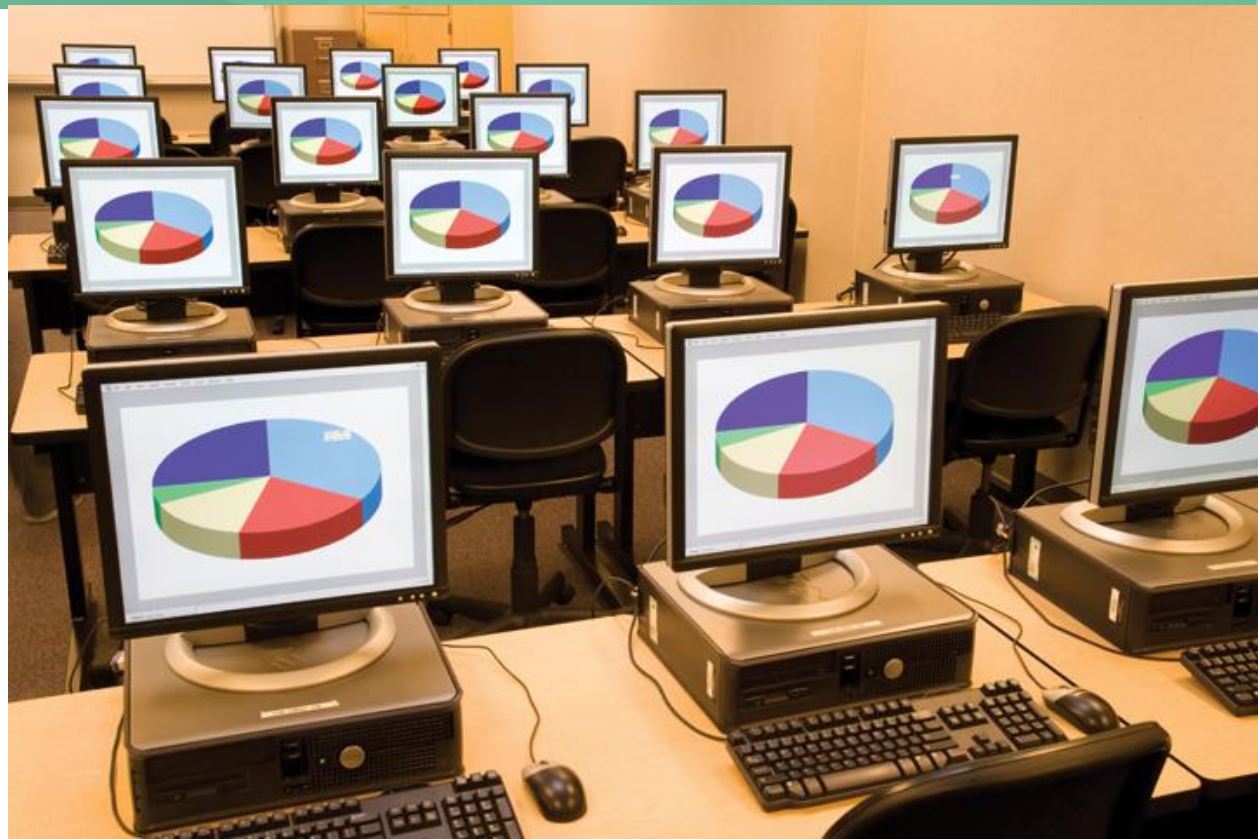
03 Engage an AI Auditor.

Product Development Considerations

Don’t use AI when traditional programming will work.

UX Design

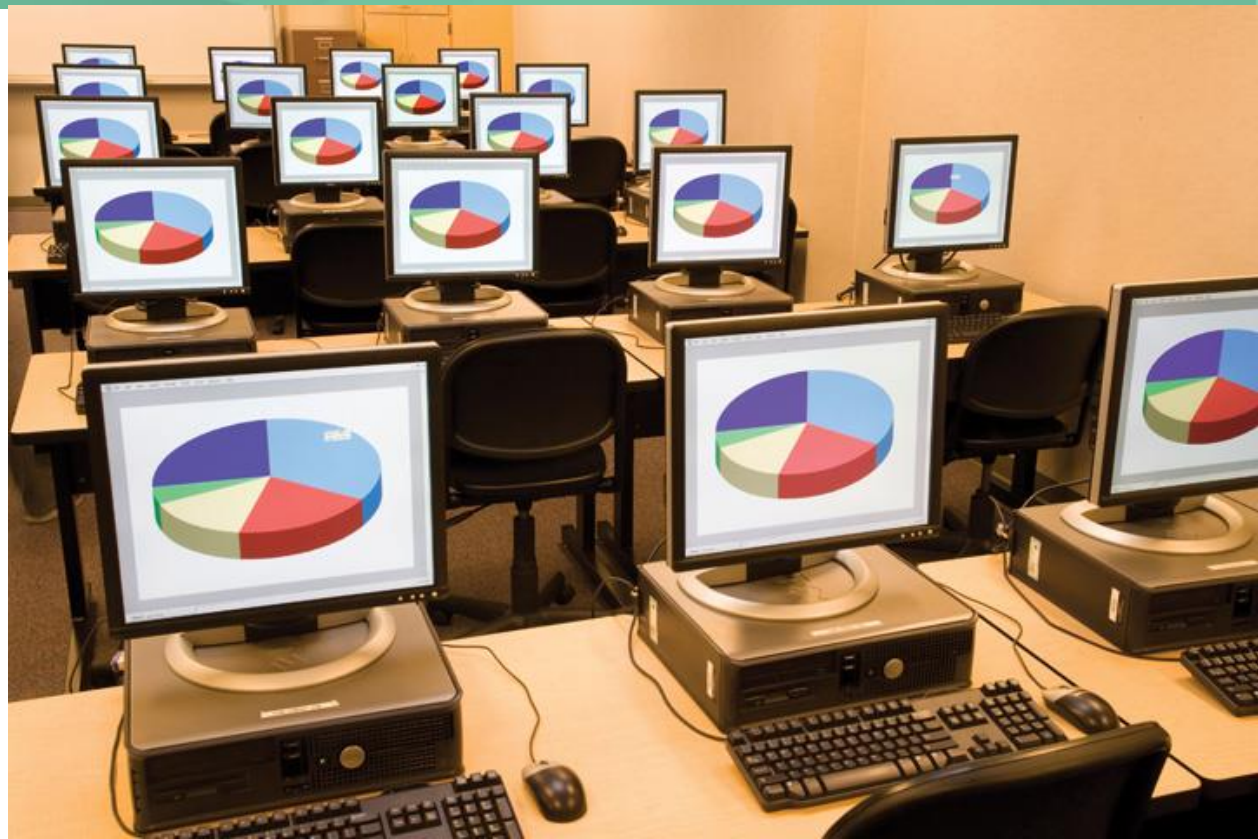
Shift design objective from **productivity** to **confidence**



UX Design

What is the AI benefit?

Accuracy or **productivity**?



Journal Entries

Recall | Duplicate | Print | Excel | Done | More actions

Unusual historical matches have been found; review the indicated outlier lines. Total outlier count = 3

Transaction | History

Transaction number
30

Books
ACCRUAL

Description
adjustment

Reference number
--

This Account, Amount, and Department combination is unusual

This Account with this Department combination is unusual

This Amount is unusual

	Doc	Outlier	
1	--	M Multiple	5121--Salaries
2	--	C Coding	5204--Other Professional Fees
3	--	A Amount	5203--Consulting Fees
Total			

	Department	Entity or Fund	Restriction	Site	Debit	Credit	Memo
Grant Related	131--Resources	100--Operating	3--Unrestricted	Main	9,000.00	--	adjustment
Grant Related	131--Resources	100--Operating	3--Unrestricted	Main	1,000.00	--	adjustment
Grant Related	220--Executive	100--Operating	3--Unrestricted	Main	--	10,000.00	adjustment
					10,000.00	10,000.00	

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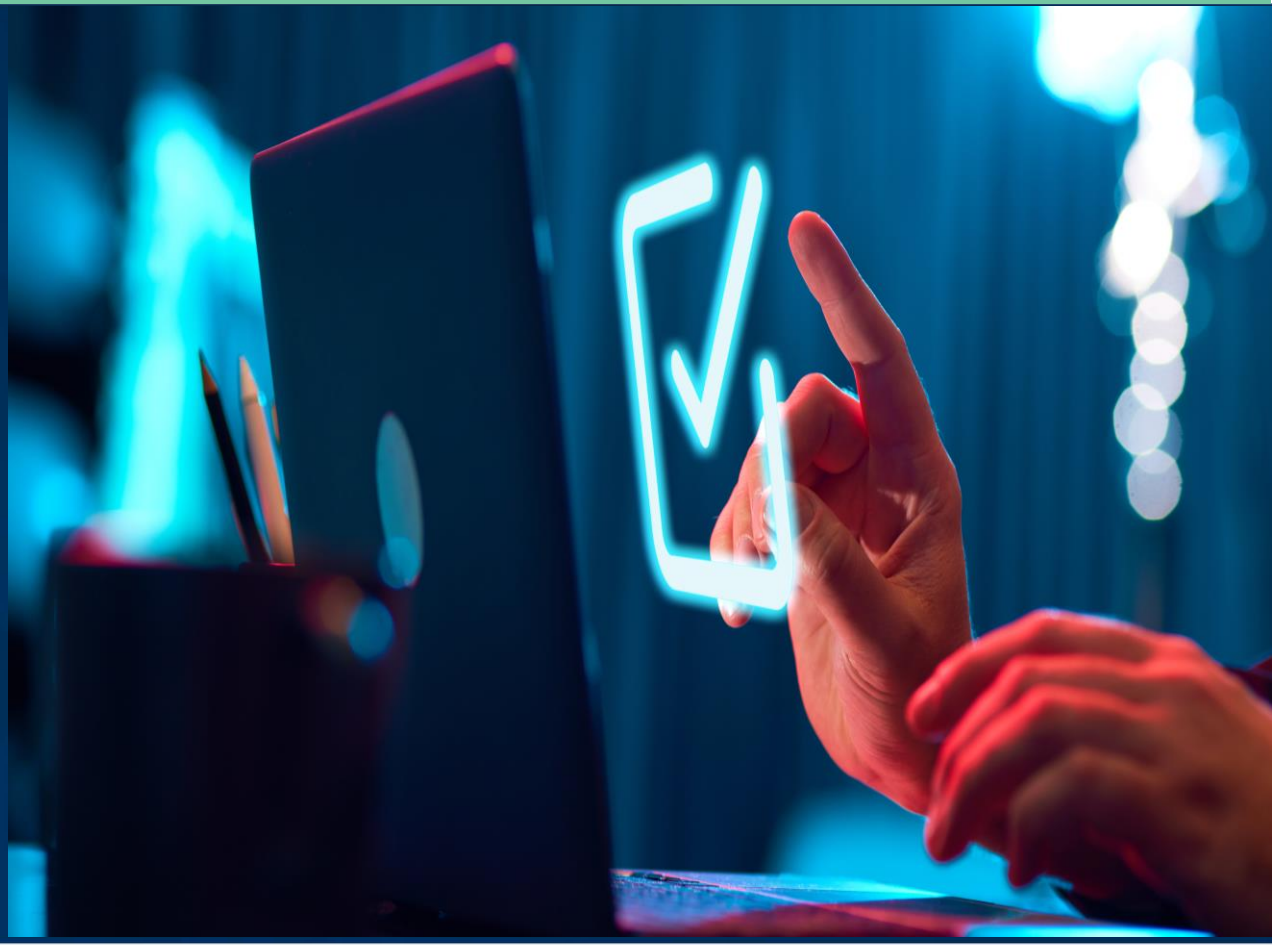
Users Must Feel in Control



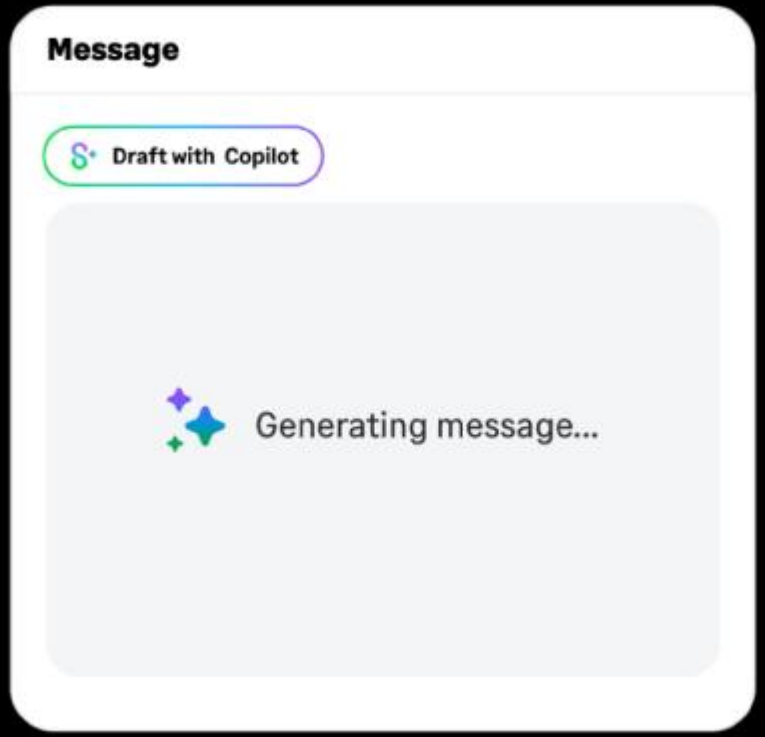
Poll Question 3:

Which areas of finance would benefit the most from AI-driven automation?

a. Fraud detection and prevention
b. Compliance and regulatory reporting
c. Financial forecasting and analysis
d. Audit and risk management
e. Routine bookkeeping tasks

Poll Question 3 Results: (Placeholder)

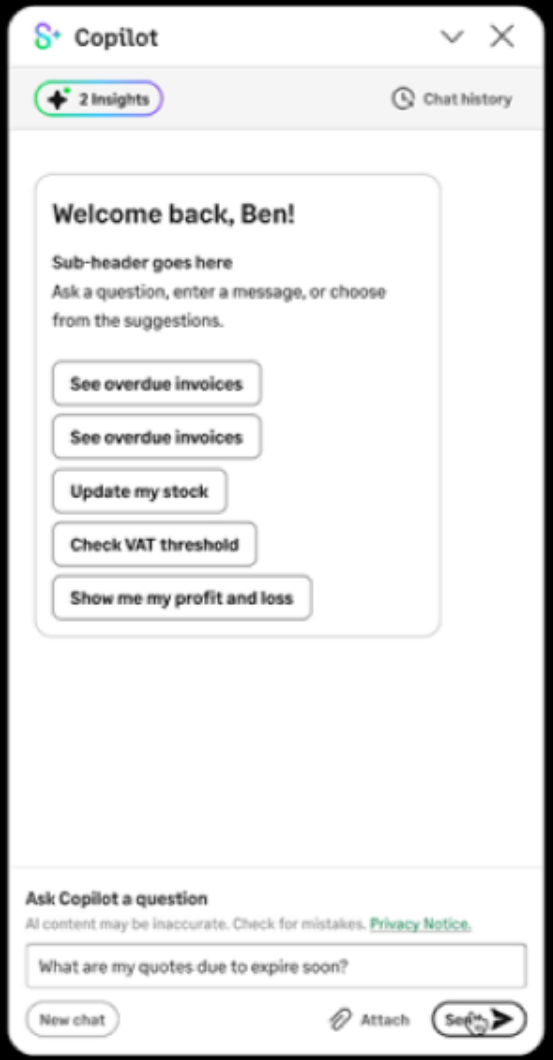
Draft email with Sage Copilot



Follow Transparent AI Guidelines

- Explainability and Transparency
- Human-centered design
- Bias and Fairness
- Transparency of Data Use
- Privacy and Security
- Accountability and Auditability

Sage Copilot response explanation



“We will never use AI in a way that erodes your trust in Sage or our products.”

Trust The Company

40% of market value destroyed

“Data is our most valuable asset. Access to that depends on customer trust.”

Transparency, authenticity, and accountability

Know Your Customer

Poll Question 4:

What would increase your trust in AI the most?

a. Better regulation and oversight
b. Improved user education
c. Clearer communication about AI's limitations
d. Increased transparency of algorithms

Poll Question 4 Results: (Placeholder)

Use Tech to Create Trust

Trust is Valuable

Size of the Audit Industry. $217B Globally in 2021

- Only point in time trust.
- After the fact.

Credit Card trx fees

- Effectively a 1.5 – 3.5% regressive tax.

Trust as a differentiator

AI Use Cases

01 Outlier Detection

02 Quality Assurance

03 Cyber Security

Digital Workflows:

Employment Verification

A Better Result

"Outlier detection is hands down my favorite thing that Sage Intacct has done so far. It allowed us to catch an overstatement of revenue of about $350k before it was in the books.

Now the entire company trusts the finance organization and the numbers that are in Sage Intacct. It's really moved us into that advisory role."

Erin Horak · 2nd
VP of Finance at VRC Investigations (Veracity Research Co.)
Euless, TX

Questions and Answers

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