2026 CFO SURVEY REPORT

Technology and AI investment priorities in finance

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Executive summary

Australian SME finance leaders are signalling a clear shift: interest in AI is now mainstream, but implementation is still early.

In this survey of 106 completed responses, nearly three in four respondents said they are interested in using AI to automate finance workflows, including 41.5% who said they are **very interested**. Yet only 25.5% currently use AI-enabled finance tools. That gap is the central story in the data. Finance leaders are not resisting AI. They are still working out where it delivers practical value.

The findings show that technology investment priorities are being shaped less by novelty and more by operating pressure. Rising costs or inflation is the dominant business challenge, cited by 67.0% of respondents, followed by cash flow management at 43.4%. At the same time, 49.1% say their teams spend **40% or more** of their time on manual, repetitive work. That combination helps explain why AI and automation is resonating: finance teams are under pressure to do more with tighter resources.

The data also points to a meaningful maturity divide across the SME market. Larger SMEs are more AI-ready than smaller firms. Among businesses with 100–199 employees, 60.9% are very interested in AI, compared with 21.4% of businesses with 1–19 employees. By turnover, organisations in the $10 million to under $25 million range are especially receptive, with 58.3% very interested. This suggests AI adoption in SME finance is likely to accelerate first in the more operationally complex end of the market.

49% say their teams spend 40% or more of their time on manual, repetitive work.

There is also an important nuance for finance technology providers and CFOs alike: adoption today remains anchored in core systems. Cloud accounting software is already standard for 73.6% of respondents, and payroll or HR systems are used by 55.7%. By contrast, AI-enabled tools sit well behind at 25.5%. That suggests the next wave of finance technology investment is likely to focus on embedding automation and intelligence into existing workflows rather than replacing the stack wholesale.

For Australian SMEs, the implication is straightforward. The opportunity is not AI for its own sake. It is targeted investment in tools that reduce manual work, improve visibility, strengthen forecasting, and help finance teams eliminate over spending while protecting profitability.

The most significant findings

1. AI interest is strong, but current use is still limited

This is the clearest finding in the survey.

- 74.5% are interested in using AI to automate finance workflows
  - 41.5% very interested
  - 33.0% somewhat interested
- 15.1% are neutral
- 10.4% are not very or not at all interested

Against that, only 25.5% say they currently use AI-enabled tools for automation, forecasting or analytics. That gap matters. It suggests the market is not in a late-adoption phase. It is in a transition phase. Demand is forming faster than implementation.

74.5%
are **interested in using AI** to automate finance workflows

38.6%
of those interested in AI are **using AI-enabled tools**

Even among those who are very interested in AI, only 38.6% currently use AI-enabled tools. In other words, 61.4% of the most AI-motivated respondents have not yet adopted AI tools in their finance stack. For CFOs, that points to a practical challenge: ambition is ahead of execution.

This is one of the more newsworthy aspects of the dataset because it contradicts a simplistic narrative that finance teams have already moved aggressively into AI. They have not. Interest is high, but adoption is selective and still relatively early.

2. Manual work remains a major drag on finance teams

The case for automation becomes sharper when viewed alongside workload data.

- 38.7% say manual, repetitive tasks consume 40–59% of finance team time
- 37.7% say 20–39%
- 9.4% say 60–79%
- 0.9% say 80% or more

Taken together:

86.8%

say manual work consumes **at least 20%** of team time

49.1%

say manual work consumes **40% or more** of team time

For finance leaders, this is the operational pain behind the AI conversation. The issue is not abstract interest in new technology. It is the persistence of inefficient work across approvals, reporting, reconciliations, data handling, and cross-system administration.

Open-text responses reinforce that picture. Respondents repeatedly referred to bad data, tracking expenses, delayed debtor payments, budgeting pressure, and the burden of outdated or fragmented systems. The language of the responses is practical rather than visionary. They are looking for relief from friction.

That aligns closely with Budgetly's positioning in the market. The most compelling technology story for SME finance leaders is not "transformation" in the abstract. It is eliminating over spending, reducing manual administration, and creating faster visibility for decisions that affect cash flow and profitability.

BIGGEST DAY-TO-DAY FINANCE PAIN POINT?

"Dealing with all those different business expenses is such a pain, especially with so many transactions to handle every single day."

CFO, Retail / Wholesale industry

3. Cost pressure and cash flow remain the real investment lens

The survey makes it clear that finance technology decisions are being filtered through hard operating realities.

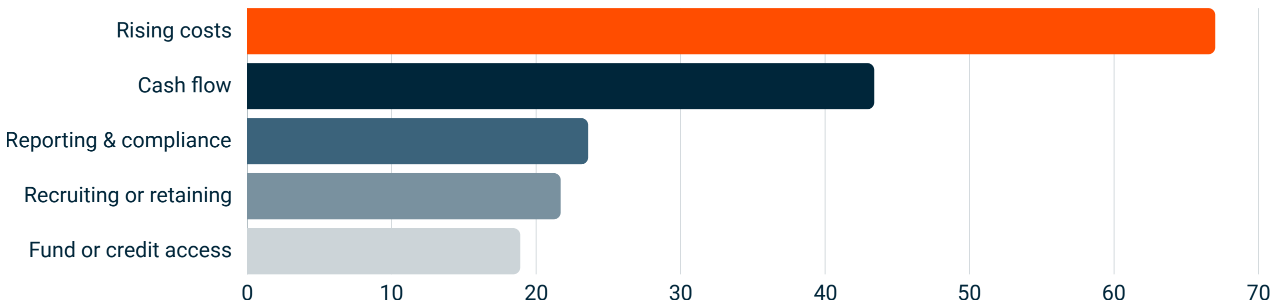
Top challenges cited were:

- Rising costs / inflation: 67.0%
- Cash flow management: 43.4%
- Financial reporting & compliance: 23.6%
- Recruiting or retaining finance talent: 21.7%
- Access to funding or credit: 18.9%

Notably, only:

- 12.3% selected manual, time-consuming processes
- 11.3% selected managing multiple systems / spreadsheets

Top challenges



At first glance, that might seem to understate the case for automation. In reality, it shows how CFOs are framing the problem. Their headline concern is not "we need automation" as a standalone category. **Their concern is that inflation, working capital pressure, reporting obligations, and talent constraints are making efficient finance operations more important.**

This is a useful corrective. Technology and AI are not emerging as independent priorities detached from business conditions. They are becoming relevant because finance teams need better ways to manage cost discipline, liquidity, and productivity.

That dynamic is echoed again in content preferences. The two most in-demand finance topics were:

- Cash flow strategies and liquidity management: 64.2%
- AI and automation in finance: 61.3%

This near parity is significant. It suggests AI has moved into the same strategic conversation as cash flow. But it has not displaced it. SME finance leaders are evaluating AI through the lens of financial control and operational efficiency.

BIGGEST DAY-TO-DAY FINANCE PAIN POINT?

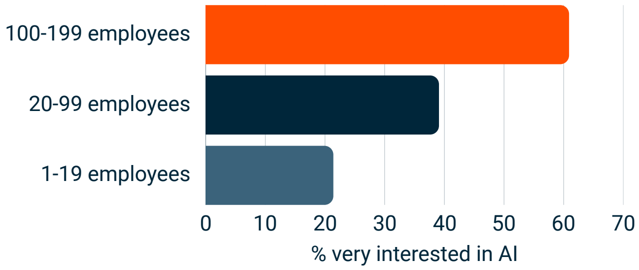
"Paying suppliers up front while waiting for Afterpay to clear just kills the weekly cash flow."

CFO, Technology / IT industry

4. AI readiness rises with business complexity

The survey points to a meaningful adoption gradient by size and turnover.

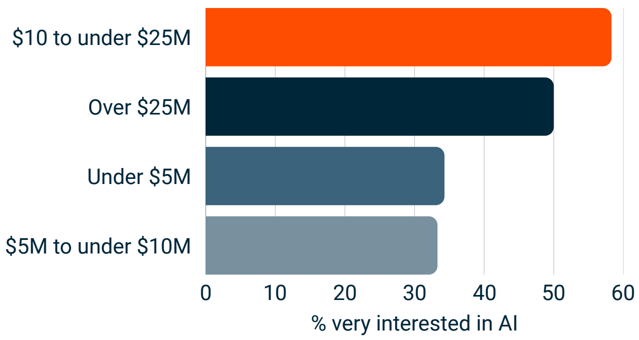
AI readiness by employee count



By employee count

- 100–199 employees: **60.9%** very interested
- 20–99 employees: **39.1%** very interested
- 1–19 employees: **21.4%** very interested

AI readiness by turnover



By turnover

- $10m to under $25m: **58.3%** very interested
- Above $25m: **50.0%** very interested
- Under $5m: **34.3%** very interested
- $5m to under $10m: **33.3%** very interested

This is consistent with what many finance leaders already sense in practice. As organisations grow, finance complexity compounds. More entities, more approvals, more data sources, more reporting demands, and more pressure on forecasting create a stronger business case for automation and AI.

The 100–199 employee segment stands out as especially important. These businesses are often large enough to feel significant process pain, but not always large enough to have deeply resourced finance transformation teams. That makes them a likely early-growth segment for practical AI-enabled finance platforms.

5. Finance technology stacks are established, but AI is not yet core

Current system usage shows a market that has already digitised some core functions:

73.6% Cloud accounting software	**55.7%** Payroll and HR systems	**31.1%** Business intelligence / reporting tools
26.4% Expense management software	**25.5%** AI-enabled tools	**24.5%** ERP systems

The message here is not that SMEs are digitally immature. Many already have foundational systems in place. The issue is that the stack remains uneven, and AI has not yet become standard.

There are two plausible interpretations supported by the data:

First, AI is still being evaluated as an add-on rather than a default capability. Second, many finance teams may prefer AI that is embedded into systems they already trust, rather than buying standalone tools. That would fit the broader SME buying pattern: lower appetite for disruptive replacement, stronger appetite for visible efficiency gains.

This makes the adoption story less about "whether" and more about "where first". The most likely high-value use cases are the ones closest to everyday friction: approvals, spend controls, forecasting support, data capture, and repetitive reporting workflows.

BIGGEST DAY-TO-DAY FINANCE PAIN POINT?

"Having to solely and entirely keep track of all cash flow activity across the company."

Business Owner, Retail / Wholesale industry

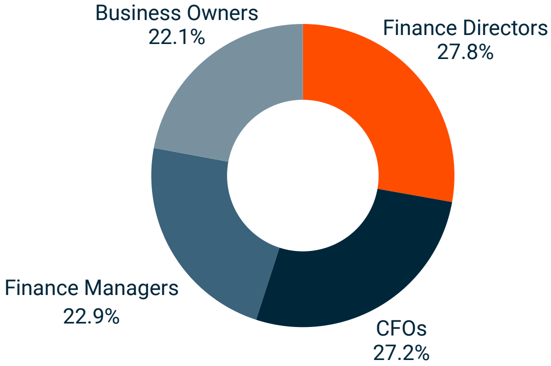
Segment analysis

Role differences

AI interest is strongest among the most senior finance roles.

- CFOs: 45.2% very interested
- Finance Directors / Heads of Finance: 46.2% very interested
- Finance Managers: 38.1% very interested
- Business Owners / MDs with finance responsibility: 36.7% very interested

AI interest by role



Owners and MDs were also more likely to be neutral on AI than CFOs. That may reflect a different planning horizon. Full-time finance leaders are closer to the operational cost of inefficiency, while owner-operators are balancing a broader set of commercial priorities.

Use of AI-enabled tools also varies by role:

- CFOs: 31.0%
- Finance Directors / Heads of Finance: 30.8%
- Finance Managers: 23.8%
- Business Owners / MDs: 16.7%

That pattern suggests adoption is being driven from finance leadership outward, rather than from general management inward.

Size and maturity differences

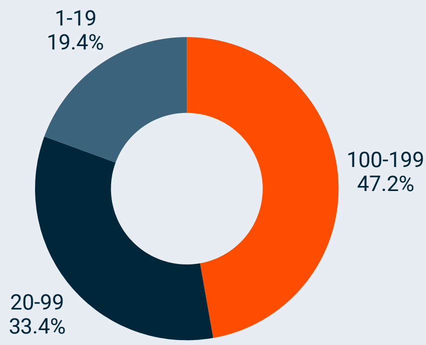
Larger SMEs are meaningfully ahead on both interest and use.

Use of AI-enabled tools by employee count:

- 100–199 employees: 34.8%
- 20–99 employees: 24.6%
- 1–19 employees: 14.3%

This reinforces the view that process complexity is a stronger driver of AI investment than simple curiosity about the technology.

AI interest by employee count



Industry differences

Industry results should be treated directionally because only four sectors have large enough bases for meaningful comparison.

Among the largest sectors:

- Technology / IT showed the strongest AI enthusiasm, with 66.7% very interested
- Professional services followed at 48.3%
- Construction / Engineering recorded 40.9%
- Retail / Wholesale recorded 35.0%

Technology / IT also had the highest AI-tool usage among the major sectors at 40.0%. Professional services, despite strong AI interest, showed lower current usage at 17.2%, suggesting a substantial adoption gap.

That gap is commercially relevant. It points to sectors where interest is proven but activation may still depend on clearer use cases, confidence, or implementation simplicity.

What CFOs are telling us

Several themes emerge when the structured and open-ended responses are read together.

Finance leaders want measurable outcomes, not AI hype.

The strongest pressure points in the data are still cost, cash flow, compliance, and productivity. AI is gaining attention because it appears useful against those priorities.

The market is ready for practical automation, but not blanket disruption.

Cloud accounting is now commonplace. AI is not. That suggests finance leaders are more likely to back incremental, integrated improvements than wholesale system change.

The biggest near-term opportunity is reducing manual effort.

When half the market says 40% or more of team time goes into repetitive work, efficiency is not a marginal issue. It is a strategic one.

Mid-market SMEs may be the fastest-moving segment.

The strongest AI interest sits in businesses with greater complexity but still finite resources. These organisations are likely to reward solutions that are easy to implement and quick to value.

Conclusions and implications for Australian SME finance leaders

The data points to an Australian SME finance market that is curious, pressured, and pragmatic.

CFOs and senior finance leaders are not debating whether technology matters. They are deciding which investments will create control without adding complexity. In that context, AI has earned serious attention. But the bar is high. Finance teams want tools that save time, reduce overspending, improve visibility, and help them respond faster to cost and cash flow pressure.

For finance leaders, three implications stand out.

#1

AI investment should be tied to a clear productivity problem.

The strongest business case sits where manual workload is highest and decision speed matters most. That includes spend control, forecasting support, reporting automation, and workflow simplification.

#2

Adoption readiness is likely to be highest where finance complexity has already outgrown manual habits.

That makes larger SMEs and more mature finance functions the most immediate growth segment for AI-enabled finance technology.

#3

The opportunity is not simply to digitise finance, but to make it more proactive.

The combination of inflation pressure, cash flow concern, and rising interest in forecasting and AI suggests CFOs are looking for systems that turn finance from a record-keeping function into a faster decision engine.

For providers serving this market, the lesson is equally clear. **Winning messages will be grounded in efficiency, visibility, profitability, and trust. Australian SMEs do not need more noise around AI. They need proof that the right platform can eliminate over spending, reduce manual work, and help finance teams lead with confidence.**

Methodology

This report is based on a survey to Finance leaders run by Budgetly.

Sample size 106 completed responses.

Fieldwork period Responses were submitted between 17 March 2026 and 24 March 2026.

AI Interest Level	Responses
Very interested	44
Somewhat interested	35
Neutral	16
Not at all interested	6
Not very interested	5

Respondent profile

The survey drew responses from senior finance decision-makers in Australian SMEs:

- 39.6% CFOs
- 28.3% Business Owners / Managing Directors with finance responsibility
- 19.8% Finance Managers
- 12.3% Finance Directors / Heads of Finance

Annual turnover

- 33.0% under $5 million
- 31.1% $5 million to under $10 million
- 22.6% $10 million to under $25 million
- 13.2% above $25 million

Organisation size

- 65.1% from businesses with 20–99 employees
- 21.7% from businesses with 100–199 employees
- 13.2% from businesses with 1–19 employees

Industry mix

The largest industry groups represented were:

- Professional services: 27.4%
- Construction / Engineering: 20.8%
- Retail / Wholesale: 18.9%
- Technology / IT: 14.2%

Survey design

The questionnaire included a mix of:

- respondent profile questions
- multiple-response questions on business challenges, systems used, information sources, and content interests
- scaled questions on AI interest and manual workload
- open-text responses on finance pain points and marketing suggestions

Limitations

This is a directional study of survey respondents rather than a census of all Australian SMEs. Results are self-reported and reflect sentiment at a point in time. The sample is weighted toward organisations with 20–99 employees and toward several industries, particularly professional services, construction/engineering, retail/wholesale, and technology. Region was not captured in the dataset, so no geographic analysis was possible.

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