

THE INFLUENCE OF ARTIFICIAL INTELLIGENCE ON FINANCIAL MANAGEMENT DECISION

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Abstract

Artificial intelligence (AI) has made significant advances in financial management, providing opportunities for decisions using improved risk management, as well as to implement adaptive financial strategies that capitalize on developments in the financial market. AI has the potential to bring valuable knowledge and insights into various financial aspects, and by understanding the benefits, challenges and associated risks, companies and decision-makers can take strategic steps to effectively implement artificial intelligence (AI), thus contributing to sustainability and financial effectiveness in the digital era. This paper focus on the influence of artificial intelligence on financial management, providing a clearer perspective on the paradigm of financial decisions in the digital era. This study used a systemic content analysis methodology of peer-reviewed journals in order to assess related literature publications on our research interest. Our study's direction was determined by the phrase "artificial intelligence financial management decision organization" and the Web of Science (WoS) platform and the Google Scholar database were used for the search. After ordering the academic articles according to their relevance, we included in the study those articles that most closely matched the content of the terms in the search engine. The research aims to identify both the advantages and limitation aspects in what concerns AI and financial management decision-making process. Our findings highlight several important aspects regarding AI's influence on financial management decisions as increased efficiency and productivity, decision-making, risk management, data security and ethical issues, and regulation and compliance. Although, artificial intelligence can provide substantial benefits to decision-making in financial management. There are ethical challenges related to the responsibility and social impact of these decisions, as well as those related to the control of risks and regulations related to the development of AI. As artificial intelligence becomes more deeply integrated into financial management, new opportunities are opening up for increased efficiency, accuracy and creativity in the sector. Increasingly, artificial intelligence is used by organizations to detect mistakes and establish optimal investment strategies, as well as to automate transactions, mainly based on market dynamics. To effectively manage these financial decisions, companies need to understand

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how AI works for effective risk monitoring and long-term management. The implementation of AI undoubtedly brings remarkable benefits, but the collaboration between human capital and software can lead to the development of reliable artificial intelligence.

Keywords

Artificial Intelligence (AI), financial management, decision-making, risk management, data security, predictive analysis, financial ecosystem.

JEL Classification

O16, O32
