



Quantifying AI Business Value in Financial Services

The **NVSTM** (NovaRize Value Score) Methodology — A rigorous, research-backed framework for translating AI potential into credible dollar figures.

NOVARIZE.AI

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THE PROBLEM

The Quantification Gap

Most AI projects in financial services don't fail because the technology underdelivers—they fail because no one can put a credible dollar figure on the value. The gap between a killed project and a funded one is a single defensible number.

12%

Reach Production

of AI POCs ever make it to production (*BCG, 2024*)

63%

Knowledge Work

of generative AI value stems from knowledge work automation (*McKinsey, 2024*)

70%

Revenue-Driven

of value at top AI adopters comes from revenue, not cost savings (*MIT Sloan*)

"The difference between a \$200K pilot that gets cancelled and one that gets scaled to production is a single credible number: what it's worth to the business."

Five Dimensions of AI Value

NVSTM Score 0–100

The NVSTM composite score (0–100) is built from five empirically weighted dimensions derived from 50+ curated industry research articles. Each reflects a distinct channel through which AI creates measurable enterprise value.

Operational Efficiency (25%)

Time recovery, automation rate, and process acceleration

Revenue Impact (25%)

Alpha generation, deal sourcing, and net-new revenue streams

Risk Reduction (20%)

Compliance automation, audit readiness, regulatory cost avoidance

Scalability (15%)

Grow capacity without adding headcount

Strategic Differentiation (15%)

Competitive moat, talent attraction, client retention

Translating Scores into Annualized Business Value

① Direct Labor Savings

Hours recovered × fully-loaded compensation × automation rate

- Fully-loaded comp includes benefits, overhead, and tooling (typically 1.3–1.4x base)
- Automation rate is derived from the Efficiency score — ranges from 15% for semi-automated workflows to 80% for fully manual processes ripe for AI
- Example: 8 analysts spending 30 hrs/week on transcript review at \$250K comp = significant recoverable value

② Risk Avoidance

Compliance cost avoidance benchmarked by regulatory exposure tier

- Calibrated against industry data on examination costs, remediation timelines, and enforcement actions
- Scaled by two factors: the project's regulatory surface area (SEC/FINRA vs. internal governance vs. none) and the Risk Reduction dimension score
- KPMG research: AI governance reduces regulatory findings by 45%; automated audit trails cut exam prep time by 70%

③ Revenue Uplift

Strategic and revenue value beyond direct labor — the component most firms skip entirely

- Uses industry-specific multipliers reflecting revenue leverage: Hedge Funds (3.5x), Private Equity (3.0x), Asset Management (2.5x)
- Captures second-order effects: faster time-to-insight, compressed decision cycles, client retention, competitive positioning
- MIT Sloan: top-quartile AI adopters derive 70% of value from revenue impact, not cost savings — yet most business cases model only the cost savings

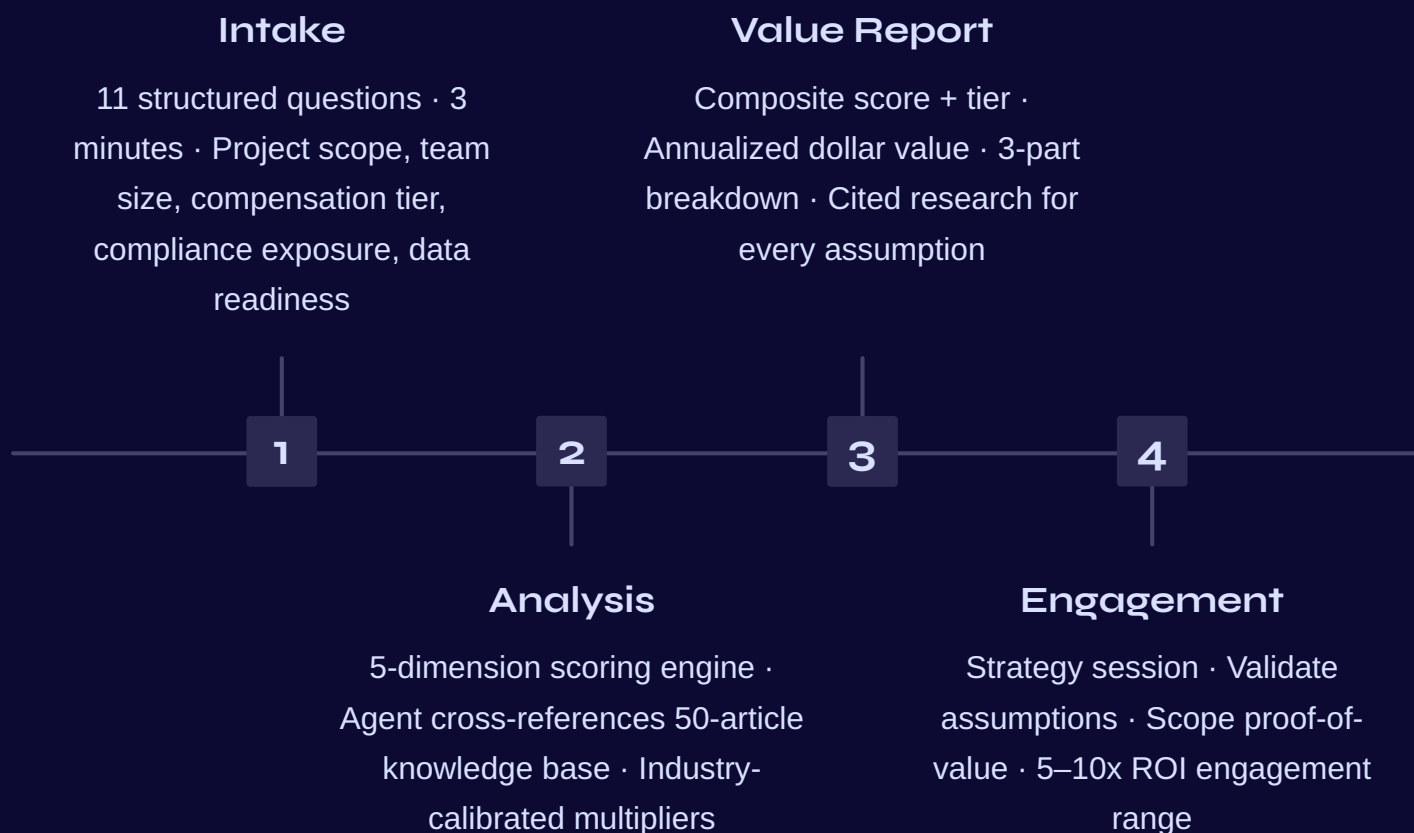
= TOTAL ANNUALIZED BUSINESS VALUE

- ③ Buy-side verticals carry higher revenue multipliers. A hedge fund's earnings analysis automation has a fundamentally different value profile than a bank's KYC workflow.

THE PROCESS

Assessment → Value → Project

From a 3-minute intake to a scoped proof of value, the NVSTTM process is designed to move fast and deliver a defensible business case at every stage.



GET STARTED

Run Your Free NVSTM Assessment

nvs.novarize.ai

3 Minutes

11 structured questions covering scope, team, compensation, and risk exposure

Instant Report

Annualized dollar value with a 3-part breakdown and cited research

17 Strategy Session

30-minute review to validate assumptions and scope your proof-of-value

[Start Your Assessment →](#)

[Book a Strategy Session](#)

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