



SIGNAL
— ADVISORY



AI in advice: adoption, beliefs and barriers

Insights from more than 800 advice professionals on how practices across Australia and New Zealand are using AI, what value it is delivering, and what's holding back wider adoption.

Introduction

AI has moved from a technology conversation to a business conversation for financial advice

The question is no longer whether AI will have a role, but where it can create meaningful value, how it should be governed and what it will take to deploy it with confidence.



Sam Wall

Iress CEO – Wealth APAC

Iress commissioned this research with Signal Advisory to understand those questions from the perspective of the people closest to the work. The research combines 839 survey responses from advice businesses across Australia and New Zealand with a series of qualitative interviews with advice leaders. That perspective is valuable because it brings the research close to the workflows, decisions and constraints that shape the daily delivery of advice.

The findings point to an industry at an important inflection point.

First, AI adoption is widespread, but deep integration is still rare.

72% per cent of respondents are piloting AI or have moved beyond the pilot stage, yet only 7% describe it as embedded across most of their advice process.

AI has become a practical tool for many teams, but it has not yet become a coherent business capability. In addition, practices with AI embedded across their advice processes are more likely than those still piloting or partially deploying it to report that AI is helping advisers see more clients, serve clients better and retire existing software or services.

This suggests the move to embedded use is where task-level experimentation can begin to translate into broader business value.

Second, AI is being used most successfully at the front door of the process.

Meeting transcription and file notes are now the clearest example of value in production, with 81% reporting current use and 82% of AI-engaged respondents reporting a material benefit on file notes.

Further downstream, however, the work remains harder. Advice-document production is identified as the heaviest burden, while only 8% report current use of AI for statement-of-advice generation.

Third, the first return from AI is better records – not yet a consistently lower cost to serve.

Only 20% report a material benefit in lower cost to serve as a return from AI, and just 28% have measured the time or cost impact of their AI tools. This makes measurement, workflow design and the ability to move from partial to embedded use central to the next stage of adoption.

Fourth, integration and trust will determine whether experimentation becomes scalable adoption.

Poor integration with existing systems is the largest reported barrier to wider AI adoption. Security, advice-compliance expertise, regulatory clarity and data handling are also central to the decision to trust an AI provider.

The message for technology companies is clear: capability alone is not enough. AI must fit the systems people already use, support human accountability and make it easier to work within the obligations of regulated advice.

Finally, the industry sees a strong connection between AI and future growth.

81% of respondents say their business could fill a 30% increase in adviser capacity, while advice-document production is the task respondents most want AI to address next. The constraint is not advice demand; it is the ability to produce advice efficiently, consistently and with confidence.

For the advice industry, this points to a practical agenda. The next generation of AI adoption should focus less on isolated tools and more on connected workflows. It should prioritise the parts of the advice process where manual effort, hand-offs and review create the greatest friction, and it should preserve clear human responsibility for recommendations and client outcomes.

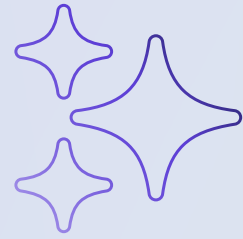
For Iress, commissioning this research is part of listening carefully to the advice community and using that understanding to inform the continued evolution of our core wealth technology platform: Xplan.

The findings reinforce the importance of developing AI capabilities within the workflows, data and controls that advice businesses already rely on – helping firms reduce avoidable effort, strengthen consistency and create more capacity for the work that matters most to clients.

As Xplan evolves, our focus is on supporting advice businesses with technology that is connected, accountable and designed around the realities of delivering regulated advice, while making it easier to measure where meaningful value is being created.

The industry is moving. The opportunity now is to progress thoughtfully: with evidence, with accountability and with technology that helps advice businesses move from experimentation towards practical, measurable value.

Seven key findings



1. Adoption is near universal. Depth is rare.

72% are piloting AI or running it in production. **7%** describe AI as embedded across the advice process.

2. AI is in production at the front door of the process and almost nowhere behind it.

81% use AI for meeting notes. **8%** use it for SOA generation, **6%** for data entry.

3. The heaviest work sits where AI has been deployed least.

45% call advice document production considerably burdensome. **58%** still take four weeks or more to present advice, at every practice size.

4. The return so far is a better record. Cost to serve has barely moved.

82% report material benefit on file notes. **20%** report a lower cost to serve. **5%** have retired any software.

5. Very few businesses can evidence what AI has done for them.

28% have measured the time or cost impact of AI. Defining measurable objectives is the weakest strategic capability in the study.

6. AI is being used broadly, but trust is not evenly distributed.

89% run general AI assistants. **31%** will not trust a global AI company with regulated advice, the highest distrust of any category.

7. Demand is not the constraint on converting AI into growth.

81% could fill a **30%** capacity lift. Practices with embedded AI are more likely to report seeing more clients, serving clients better and retiring existing software. **45%** want AI on advice documents ahead of any other task.

Methodology

How the study was built

The study combines more than 50 hours of qualitative research, in-depth interviews with eight advice groups, and a quantitative survey of more than 800 advice professionals across Australian and New Zealand.

1.



Proprietary base

50+ hours

of Signal Advisory qualitative research on adviser technology, AI vendors and advice operating models, carried into the design.

2.



Qualitative program

8 groups

interviewed in depth. Licensees, self-licensed practices, an institutional super fund and a bank-owned private wealth business.

3.



Quantitative survey

36 questions

examining where AI is being used, where it is delivering value, what is holding it back, and what the industry wants next.

4.



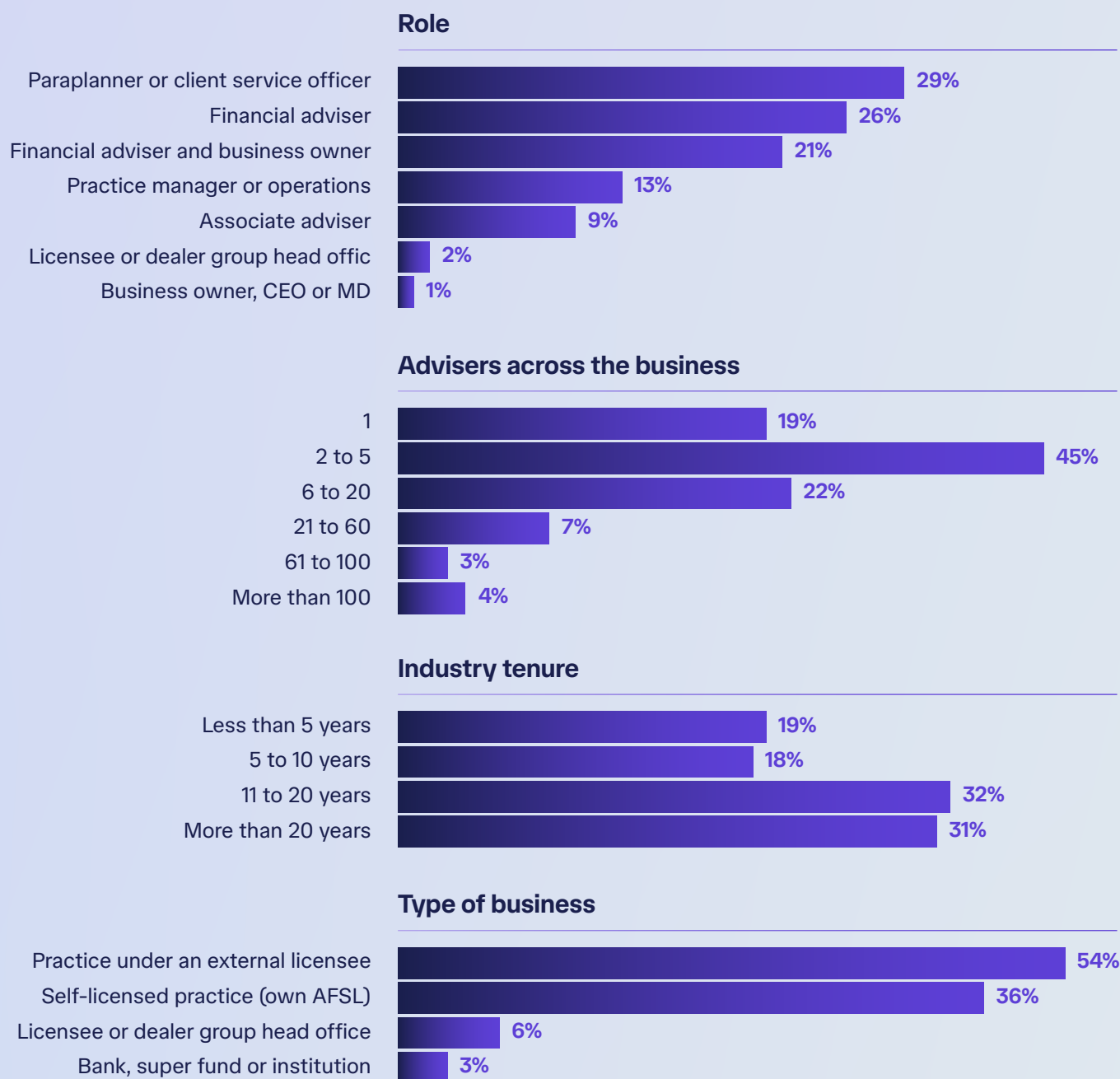
Field and response

839 responses

across the financial advice community in Australia and New Zealand.

Methodology

The respondents are experienced, and most of them work in small practices

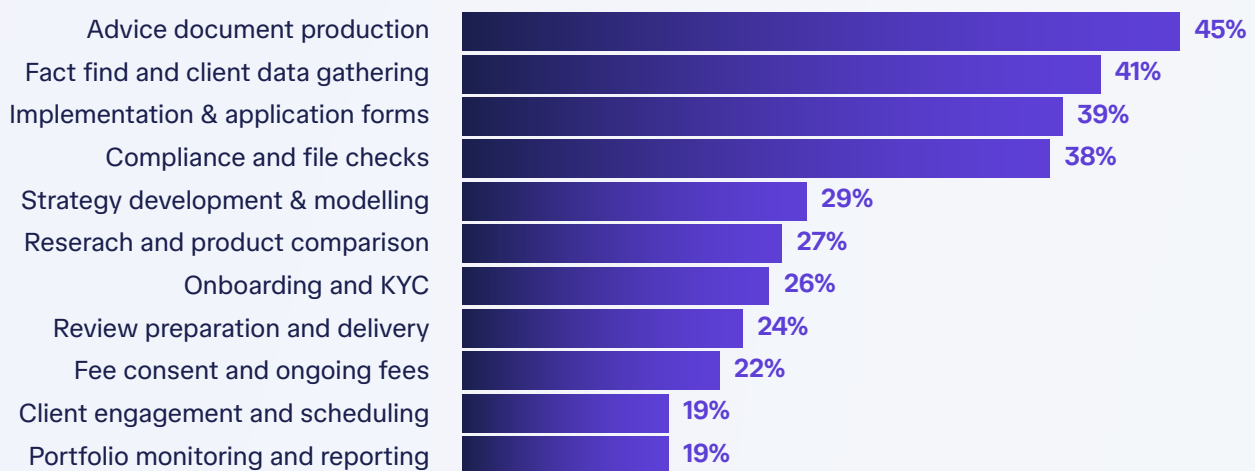


63% have worked in advice for more than 10 years. **63%** work in a business with five advisers or fewer. **97%** run Xplan as their primary planning software.

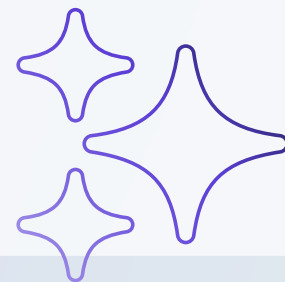
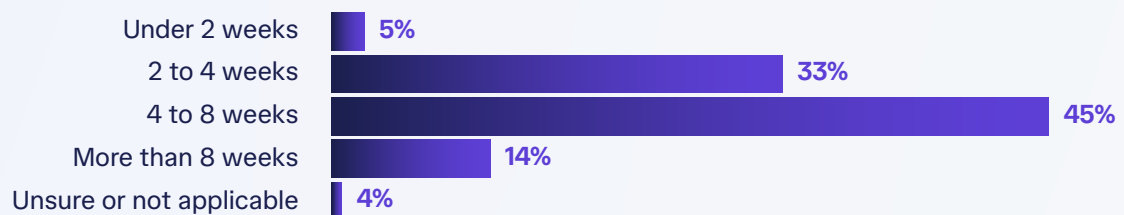
Where the advice community spends time and effort

Advice document production is the heaviest task in advice, at every practice size

Rated considerably burdensome



Time to present advice



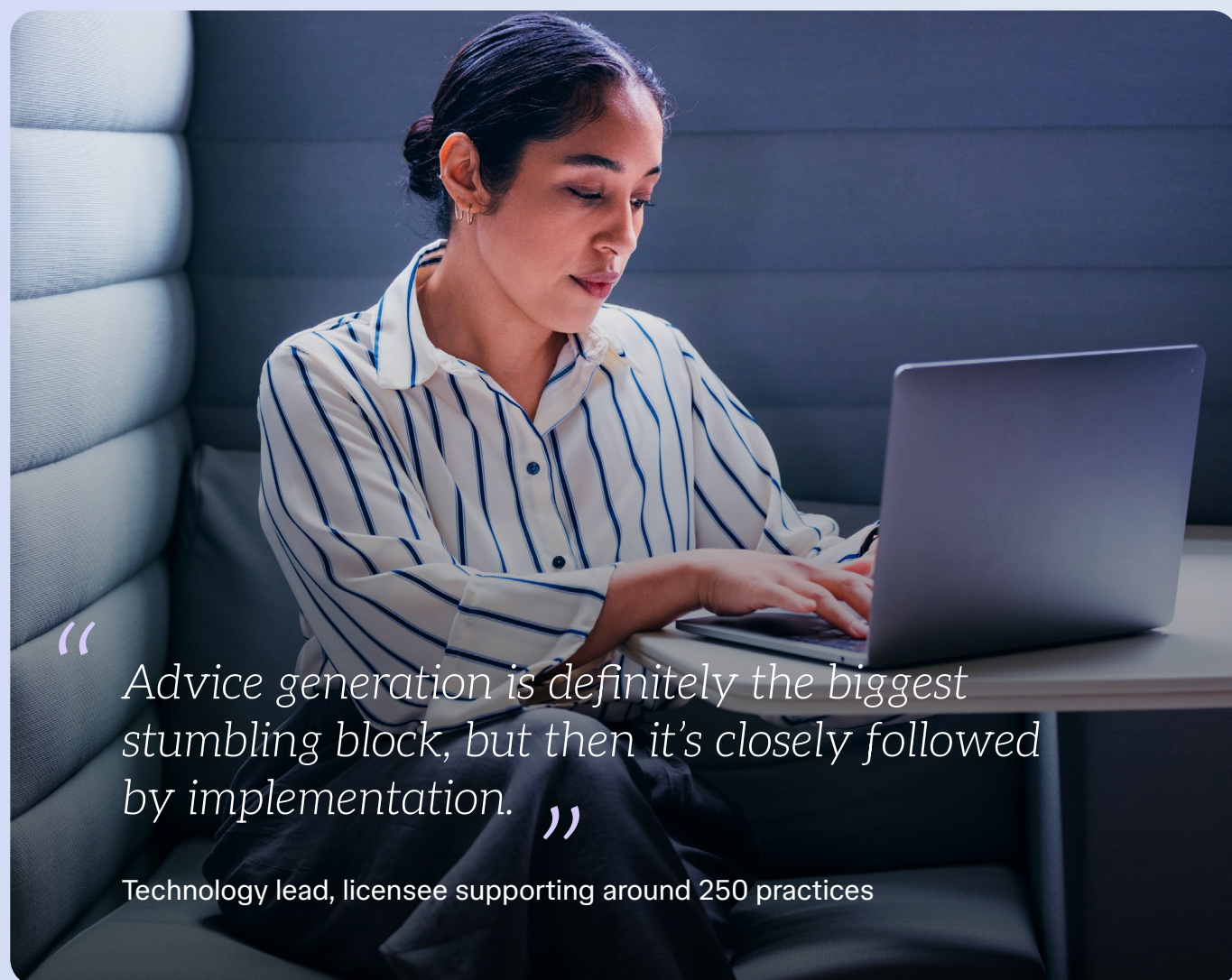
Advice production remains the biggest burden, and could be AI's next opportunity

Advice document production is the heaviest part of the advice process: 45% of advice professionals rate advice document production as considerably burdensome, while 58% take four weeks or more to present advice, with turnaround times remaining broadly consistent across practice sizes.

This suggests the challenge is not simply one of scale, but of how the advice production workflow itself is structured.

AI will not be the answer to every process challenge. Traditional rules-based automation remains well suited to deterministic, repeatable tasks, while AI is better suited to work involving natural language, interpretation, synthesis and context.

Used together – and supported by appropriate human review and governance – these technologies could reduce hand-offs, rework and avoidable effort across advice production.



AI adoption today

**72% are piloting AI or running it in production.
Only 7% have it embedded across the advice process**

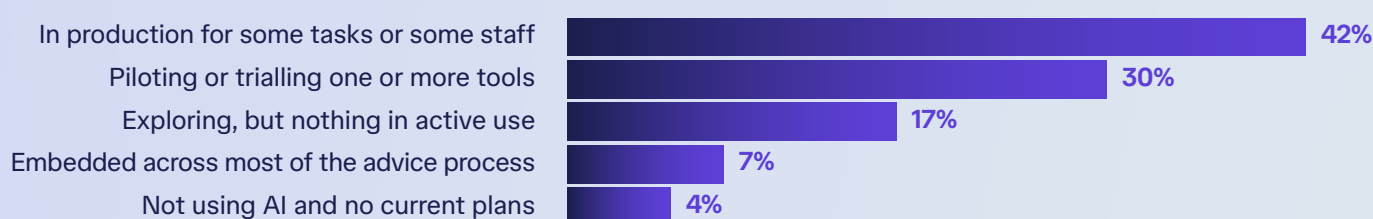
AI adoption is now widespread, but mostly shallow. 72% of respondents are piloting AI or have moved beyond the pilot stage, while just 7% have AI embedded across most of their advice process.

Larger practices are more likely to have reached the pilot stage, yet embedded adoption remains tightly clustered between 5% and 8% across all practice sizes. This suggests the main barrier is not access to AI tools or willingness to

experiment, but integrating AI into end-to-end advice workflows.

The higher 19% embedded rate reported by licensee head offices points to a potential visibility or measurement gap: organisational readiness may be running ahead of frontline adoption, or the two groups may define “embedded” differently. Given the small head-office base, this should be treated as an important signal rather than a direct like-for-like comparison.

Stage of AI adoption



Piloting or beyond

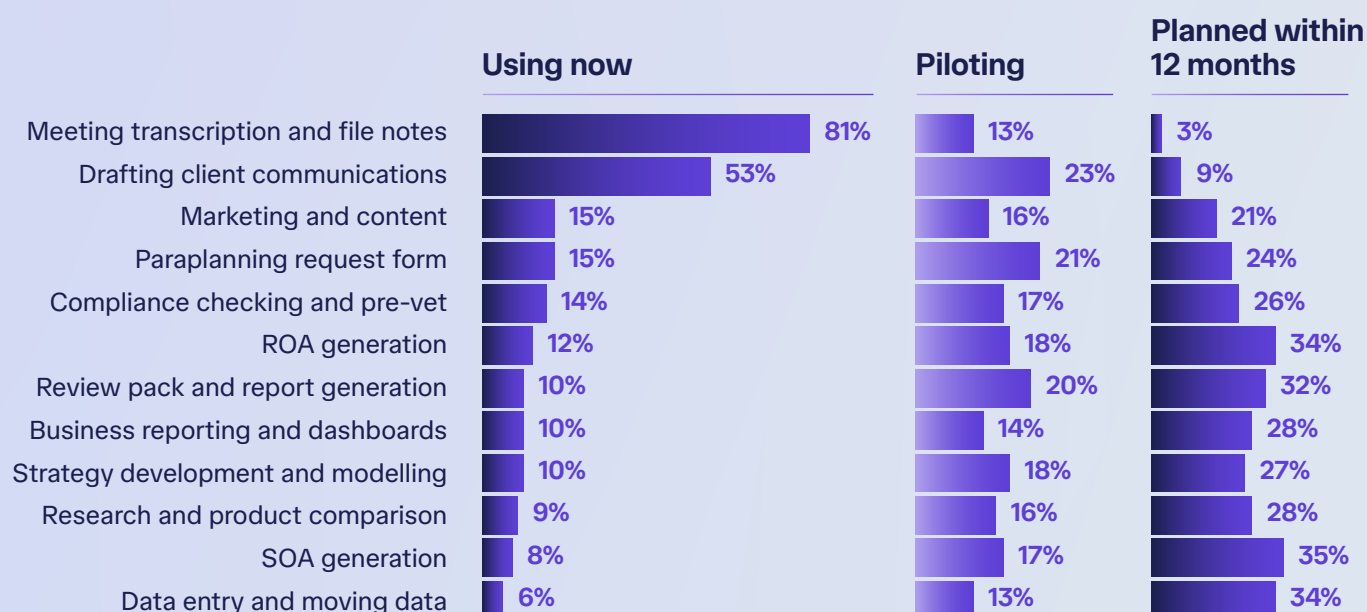
1 to 5 advisers	75%
6 to 20 advisers	83%
21 or more advisers	84%
Licensee head office	83%

Embedded in the process

1 to 5 advisers	5%
6 to 20 advisers	8%
21 or more advisers	7%
Licensee head office	19%

AI adoption today

AI is concentrated at the front door, but the next wave is pointed at advice production



Meeting notes and client communications are the only advice tasks where AI is currently in production for more than half of the advice market. Further downstream, adoption remains much lower, with most tasks sitting between 6% and 15%.

But the pipeline for future adoption tells a different story. SOA generation has the highest planned adoption over the next 12 months at 35%, followed by ROA generation and data entry at 34% each.

Importantly, these tasks sit among the four heaviest workloads identified in the study, suggesting firms are increasingly looking to apply AI where it could address some of their greatest sources of effort.

This points to a shift from using AI to support what happens around the advice conversation to using it to help produce the advice itself.

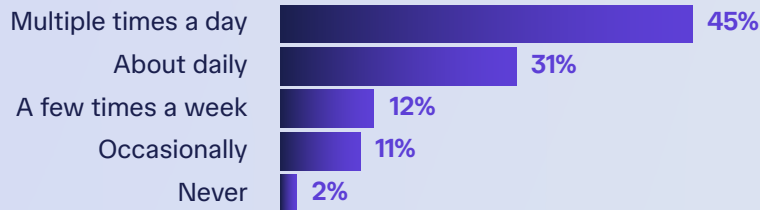
“ What does [AI supported] SOA advice generation look like? I think that’s the natural next step. I think we’re pretty close to that. ”

Head of advice technology, dealer group

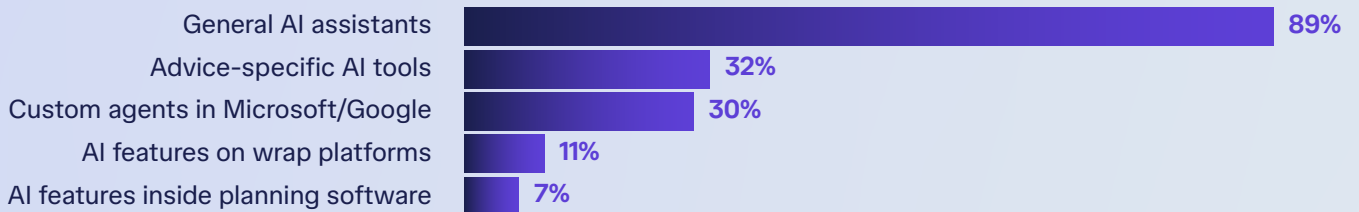
AI adoption today

Daily use is normal. But use is focused on general AI assistants not built or configured for advice – where rollout has left room for improvement

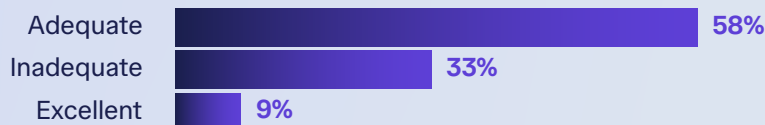
Personal AI use



Tool types in use



Rollout quality



76% of AI-engaged respondents use AI at least daily, with 89% of that use taking place through general-purpose assistants such as Copilot, ChatGPT, Claude and Gemini. Just 7% use AI within their planning software.

This points to a gap between individual adoption and enterprise integration. Advisers are finding practical ways to use AI in their

day-to-day work, while firms continue to develop the systems, workflows and governance needed to embed it more broadly.

91% rate their organisation's AI rollout as adequate or below, highlighting that the industry is still working out how to move from individual experimentation to a more structured and scalable approach.

AI adoption today

Two thirds of the market can point to a formal list of approved AI tools

Formal approved list



65%

Report a formal approved list with due diligence behind it. A further 13% have informal guidance only.

No policy or unsure



22%

Cannot point to any policy, or do not know whether one exists. That is roughly one in five people using AI on client work.

AI governance is taking shape, but visibility is the next challenge

Governance is beginning to move from principle to practice: 65% of respondents say their organisation maintains a formal list of approved AI tools supported by due diligence, while a further 13% have informal guidance in place. However, 22% cannot identify an AI policy or are unsure whether one exists.

The gap is therefore not only whether governance has been established, but whether it is visible and usable to the people applying AI in their day-to-day work.

An approved-tools list has limited value if advisers do not know what is permitted, which data can be used, what controls apply or where responsibility sits when something goes wrong.

The next stage of governance is operational: translating policy into clear guidance, practical training, visible ownership and ongoing monitoring.

For firms adopting AI, governance should not sit alongside the workflow as a compliance document; it should be built into how tools are selected, used, reviewed and improved.

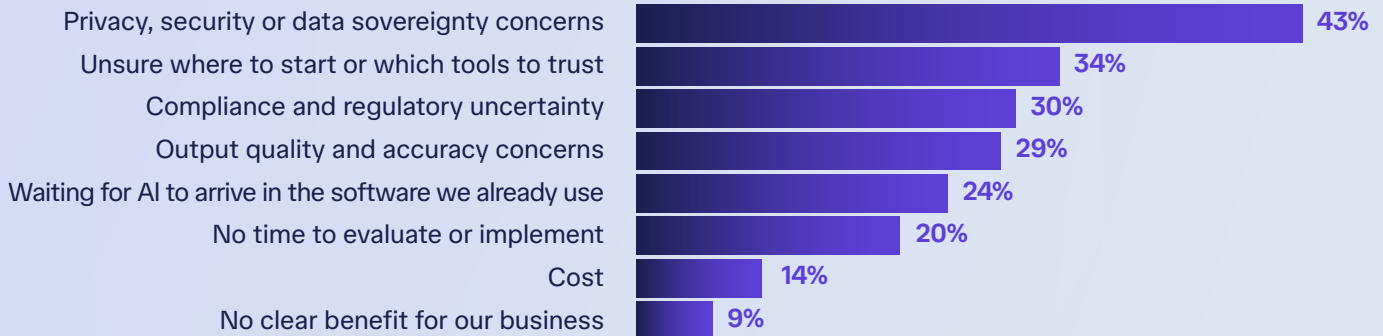
“ I think safe adoption is our issue. People are running so fast. They’ve just taken to it like a duck to water. Whether they’re all doing it safely, though, is a bit of a concern, and whether they’re using it in the right way. ”

Executive, advice delivery, dealer group

AI adoption today

For those who haven't started, the obstacle is data handling over cost

Why the business is not yet using AI



Non-adopters aren't saying no to AI – they're waiting for confidence

Among firms yet to adopt AI, cost ranks seventh out of eight barriers, suggesting price is not the primary reason firms are holding back.

The leading barriers are centred on trust in the technology and how data is handled, with concerns about the accuracy of AI outputs and the security or governance of data featuring prominently. A further 24% say they are waiting for their planning software provider to deliver AI capabilities.

Only 9% of non-adopters say AI offers no clear benefit to their business. With 22% of the overall sample yet to start using AI, the findings suggest the market is largely cautious rather than resistant – waiting for trusted data, technology and governance to give them confidence to take the next step.



Value capture

AI is winning on tasks, but the bigger business gains are still to come

*“ They’re not seeing more clients.
It’s more that their file noting is a lot better. ”*

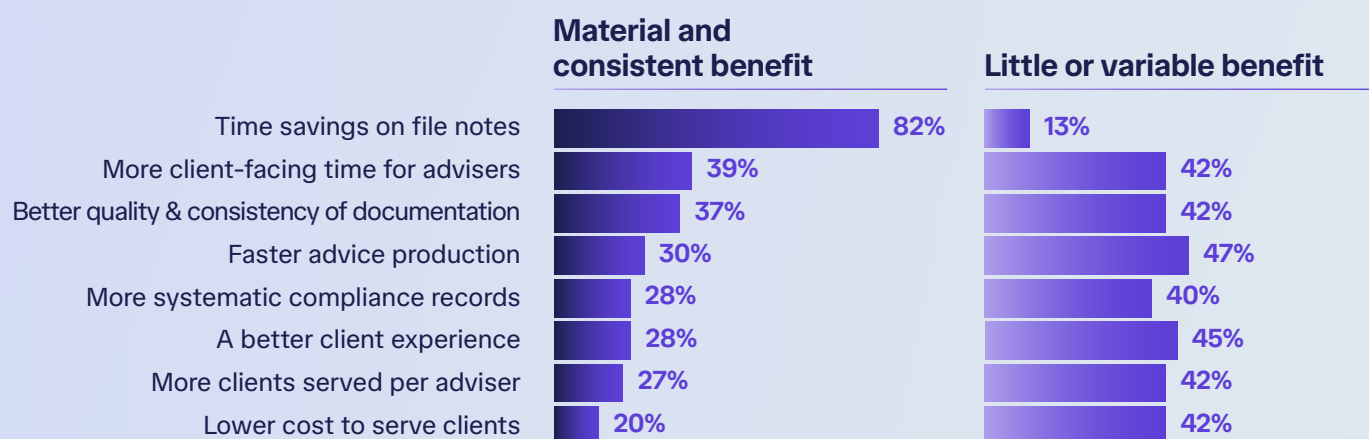
Head of technology, national licensee

AI’s clearest return is currently in file notes, with 82% of AI-engaged respondents reporting a material benefit. But the gains thin as they move through the wider advice workflow: 39% report more client-facing time for advisers, 30% report faster advice production and 27% report serving more clients per adviser. Only 20% report a material benefit in lower cost to serve.

The pattern becomes more pronounced as practices scale. 41% of practices with 1–5 advisers report a material benefit in client-facing time, compared with 23% of practices with 21 or more advisers. This suggests the

challenge is not whether AI can improve individual tasks, but whether those gains can be carried through the workflow without being lost to hand-offs, checking or rework.

The next opportunity is therefore workflow conversion: connecting task-level improvements so that time saved becomes more adviser capacity, more clients served and a stronger economic return. AI has demonstrated that it can make parts of the advice process more efficient. The next test is whether firms can turn those isolated gains into durable productivity and sustainable growth across the business.



Material benefit by practice size

More client-facing time, 1 to 5 advisers	41%	More clients per adviser, 1 to 5 advisers	29%
More client-facing time, 21 or more	23%	More clients per adviser, 21 or more	18%

Value capture

63% agree AI has been added to the stack without replacing anything



Variance worth noting

Measured the impact, practice staff	26%	Checking consumes the saving, 1 to 5 advisers	27%
Measured the impact, head office	56%	Checking consumes the saving, 21 or more	42%

AI is entering advice businesses as an additional layer rather than replacing existing tools or processes: 63% agree that AI has been added to the technology stack without replacing anything, and only 5% say their organisation has retired an existing tool or process. This suggests AI adoption is increasing capability, but not yet reducing complexity or releasing capacity.

The evidence that would show whether AI is creating value is still limited. Only 28% have measured its impact on time or cost, making measurement the weakest result in the study.

The value of AI also depends on how efficiently its outputs can be verified.

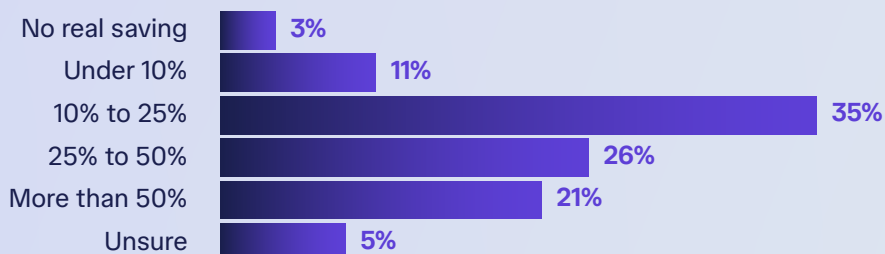
30% say checking AI outputs consumes much of the time the tools save, rising to 42% among practices with 21 or more advisers, versus 27% among the smallest practices. This suggests that as AI scales, the review and validation process will become increasingly important to realising its full productivity benefit.

The central message is that AI adoption alone does not capture value. Firms need to measure the baseline, redesign the surrounding workflow and identify which tools, checks or manual steps can be retired. Otherwise, AI risks becoming another layer of work rather than a way to reduce it.

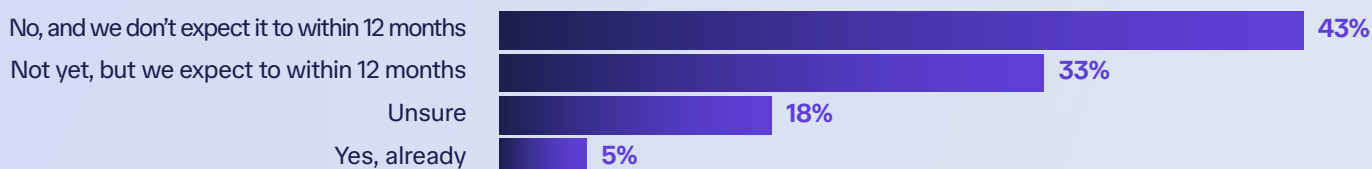
Value capture

AI is creating capacity before it reduces cost

Time saved on the tasks AI touches



Has any software or service been retired



AI is already delivering meaningful task-level efficiency: 47% of AI-engaged respondents save at least a quarter of the time on tasks where AI is used. Yet only 5% have retired an existing software tool or service, while 43% do not expect to do so within the next 12 months.

This points to a two-speed value story. AI is producing real productivity gains, but those gains are currently being absorbed into existing processes rather than converted into lower technology costs or simpler

systems. In other words, AI is adding capacity before it is taking cost out of the business.

A third expect software or services to be retired within the next year, but that is an expectation rather than realised value.

The next research wave should test whether task-level time savings are translating into genuine tool consolidation, lower cost bases or additional capacity.

“ People aren’t replacing anything currently, they’re just doing things a bit quicker. ”

Head of advice technology, dealer group

Value capture

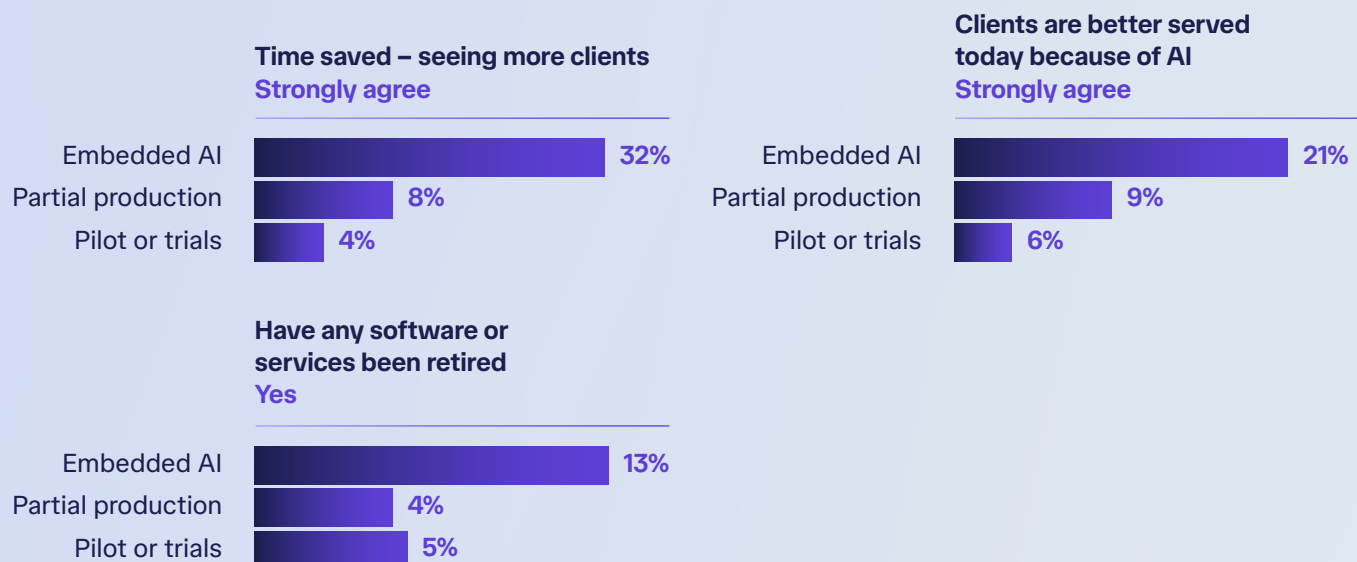
Practices with AI embedded are up to three times more likely to report broader business benefits

Practices with AI embedded across their advice processes are more likely than those still piloting or partially deploying it to report that AI is helping advisers see more clients, serve clients better and retire existing software or services.

This association points to a transition from task-level efficiency to broader business value. Embedding AI may be the point at which time saved on individual tasks begins to translate into additional capacity, improved client service and some technology consolidation.

The finding does not establish a causal relationship, but it indicates that the depth of deployment matters. Using AI in isolated tasks may create pockets of efficiency, while embedding it across the workflow creates more opportunity for those gains to flow through to business outcomes.

The next phase of adoption will be about helping practices move towards embedded use, supported by integration, measurement and appropriate human oversight.

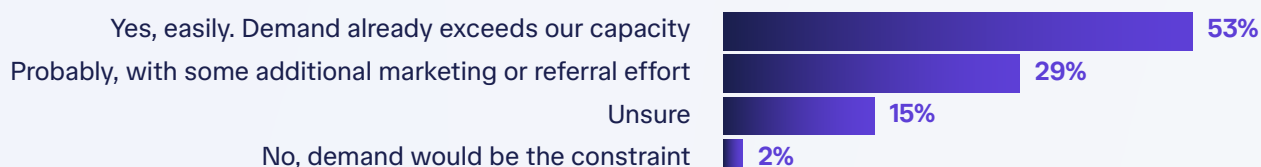


Value capture

81% could fill a 30% lift in adviser capacity



Could the business fill a 30% capacity lift



The opportunity for AI is to help advisers serve the demand already available. 81% say their business could fill a 30% increase in adviser capacity: 53% easily and a further 29% with additional marketing or referrals. Only 2% say demand would be the constraint, and the result holds across practice sizes.

This reframes AI's potential from a cost-saving tool to a growth-enabling capability. But the capacity lift will only translate into additional clients if AI is embedded in the production workflow, particularly across the tasks where current deployment remains low.

The results also suggest that scale creates friction. Larger practices report weaker gains in client-facing time and clients served per adviser, while more say checking AI outputs consumes the saving. This points to hand-offs, rework and verification as the barriers to converting AI efficiency into growth.

The design priority is therefore not simply to add AI to existing processes, but to redesign the workflow around it: remove or automate hand-offs, build quality checks into the point of transfer, and ensure each file moves forward without avoidable rework.

Strategic priorities

A quarter of the market says its strategy does not address the discipline that would prove AI is working

Many firms are still working out how to connect their AI activity to the practical disciplines needed to implement and measure it effectively.

Across seven areas tested - from prioritising AI use cases and deciding what to build or buy, through to developing skills and measuring outcomes - 33% to 52% of respondents selected “unsure” when asked how well their current business strategy addresses them. Managing the cost of AI and token consumption had the highest level of uncertainty, with more than half unable to say whether their strategy addresses it.

This suggests the issue is not simply that strategies are inadequate. In many businesses,

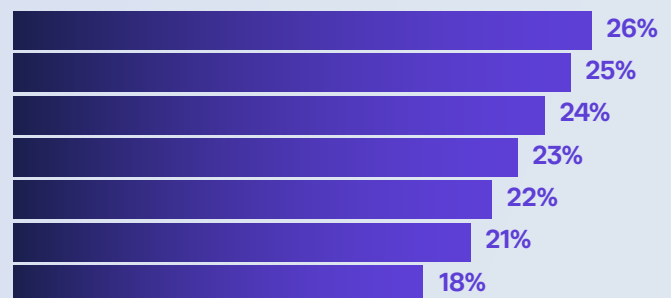
the connection between AI activity and business strategy is not yet explicit or visible enough to assess, particularly when it comes to measurable objectives, cost control and proving value.

Measurable objectives are the critical test. Without clear targets, firms cannot determine whether AI is improving productivity, reducing costs or simply adding another layer of work.

The implication is that AI strategy needs to become more operational: define the outcomes AI is expected to deliver, establish how they will be measured, assign ownership and track the cost of delivering them. Until then, many firms may be adopting AI without a clear way to judge whether it is working.

Current business strategy does not address this well

Clearly defining measurable objectives to hold AI initiatives to account
Ensuring appropriate skills and resources are developed
Monitoring AI programs to measure their efficacy
Managing the prioritisation of possible applications of AI
Running pilot programs to validate hypotheses
Articulating the approach to outsourcing against building
Managing the cost of AI and token consumption



“ People want to grab AI and stuff it into their existing way of doing business, trying to make it fit. ”
EGM Group Technology, licensee network of around 400 practices

Strategic priorities

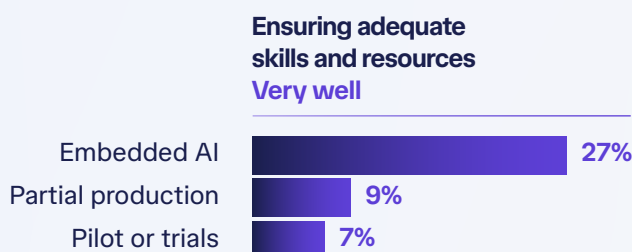
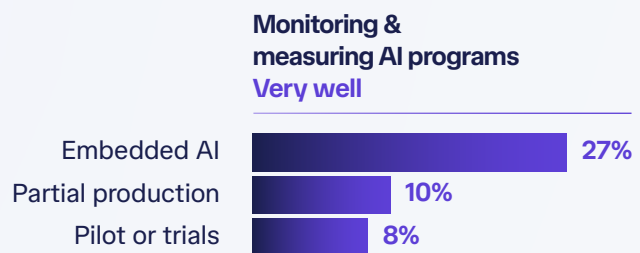
Those practices that have embedded AI more fully across their processes, more consistently report strong strategic planning and management of AI

Practices with AI embedded across their advice processes rate six of the seven strategy capabilities around three times higher than those still in partial deployment. They are more likely to say they are running pilots effectively, monitoring and measuring AI programs, ensuring the right skills and resources, prioritising use cases and managing AI costs and token consumption.

Embedding AI is therefore associated not only with greater technology adoption, but with stronger strategic planning and management. These practices appear to have developed the operating discipline needed to manage AI as a business capability rather than as a collection of isolated experiments.

This shows that embedded AI is associated with stronger strategic discipline. AI is more likely to progress when practices combine technology adoption with clear priorities, ownership, measurement, resourcing and cost management.

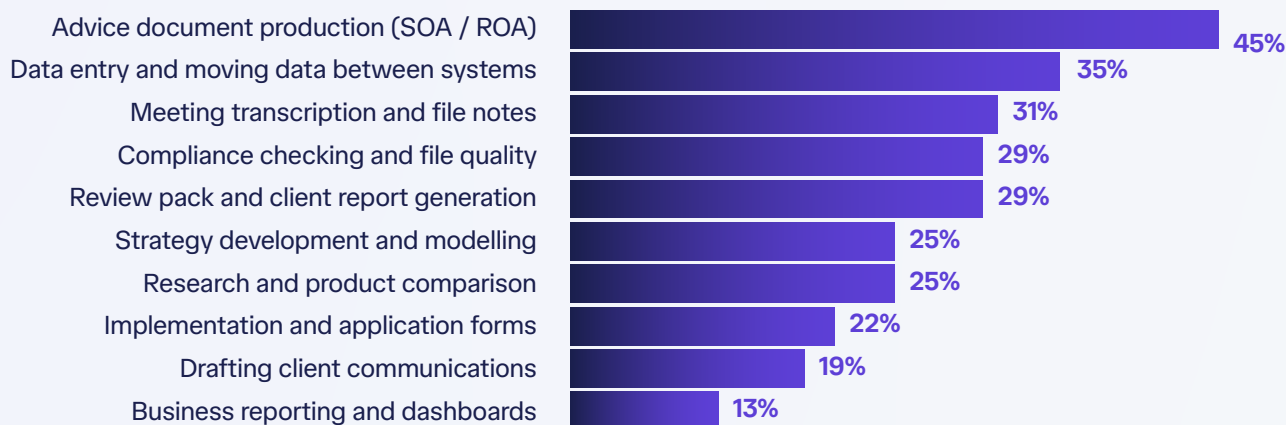
For practices still piloting AI, these disciplines should be established early rather than waiting until adoption is more advanced. Building the management framework alongside the use cases may help firms move from isolated experiments to sustainable, embedded deployment.



Strategic priorities

Advice document production is emerging as the market's next AI priority

Tasks most wanted over 12 to 24 months



Across two different measures of future AI demand, advice-document production consistently comes out on top. When asked to select up to three tasks advisers most want AI to take on over the next 12–24 months, 45% selected advice-document production. When asked which single AI capability from their financial planning software would be most valuable in the next 12 months, it again ranked first at 32%.

This aligns closely with the operational reality identified earlier in the research study: advice-document production is also the most burdensome task in the advice process and the area with the greatest planned increase in AI adoption.

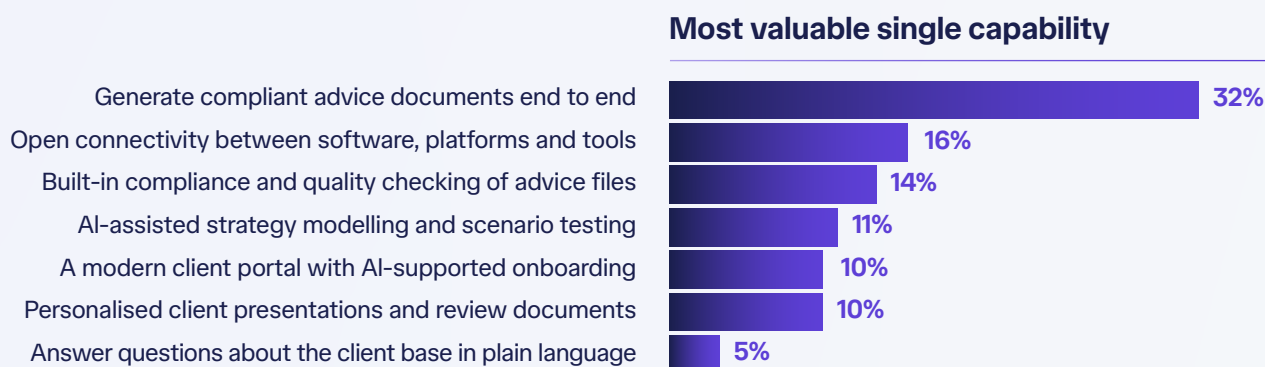
The consistency across these measures suggests that firms are identifying a genuine workflow problem and looking to AI as a potential way to address it.

“ I don't think advisers are going to be the ones sitting there running through the ROAs and SOAs. It just means it's coming out quicker. Instead of taking seven days to produce a piece of advice, it'll be three hours, and it'll be back to the adviser to present. ”

Head of shared services and AI product development, dealer group

Strategic priorities

Advice document production is emerging as the market's next AI priority



Connectivity ranks second at 16% when respondents are asked which single capability would be most valuable from their financial planning software. This reinforces that the opportunity extends beyond AI functionality itself: firms also want better connections between the data, systems and workflows they already use.

Together, the findings point to a clear direction for the next phase of AI adoption: using AI and connectivity to tackle the parts of the advice process where firms experience the greatest burden and see the greatest potential for improvement.



Trust and providers

The least trusted category of provider is the one running in nine out of ten businesses

AI use is being driven by availability, but trust is being earned through context

General AI assistants from the large global AI companies are already used in 89% of AI-engaged businesses, yet 31% would not trust them to deliver AI for regulated advice – the highest distrust of any provider category. They are the only category where distrust exceeds high trust.

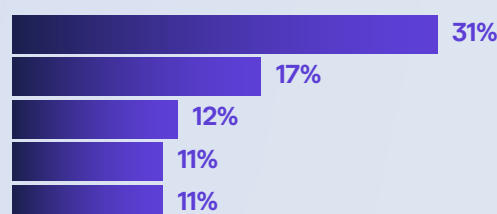
The contrast with advice software providers is telling. They attract the highest trust at 34%, the lowest distrust at 11%, and 43% of the market would prefer to wait for the capability inside software they already use rather than adopt a better standalone tool.

General-purpose tools are easy to access and useful for experimentation, but regulated advice requires context, workflow integration, data controls, auditability and clear accountability. Trust is therefore being attached less to the underlying AI model than to the environment in which it operates.

The opportunity for advice tech providers is to close the gap between AI use and AI trust: bring useful capabilities into the systems advisers already rely on, with appropriate controls and transparency.

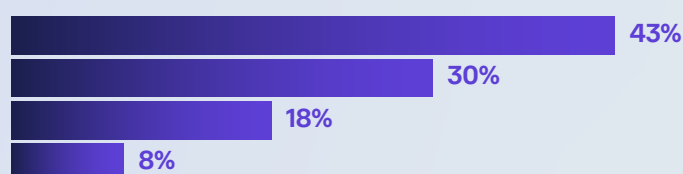
Large global AI companies (OpenAI, Anthropic and similar)
General productivity vendors (Microsoft, Google)
Your investment platform providers
Your financial planning software provider
Specialist advice AI vendors

Would not trust to deliver AI for regulated advice



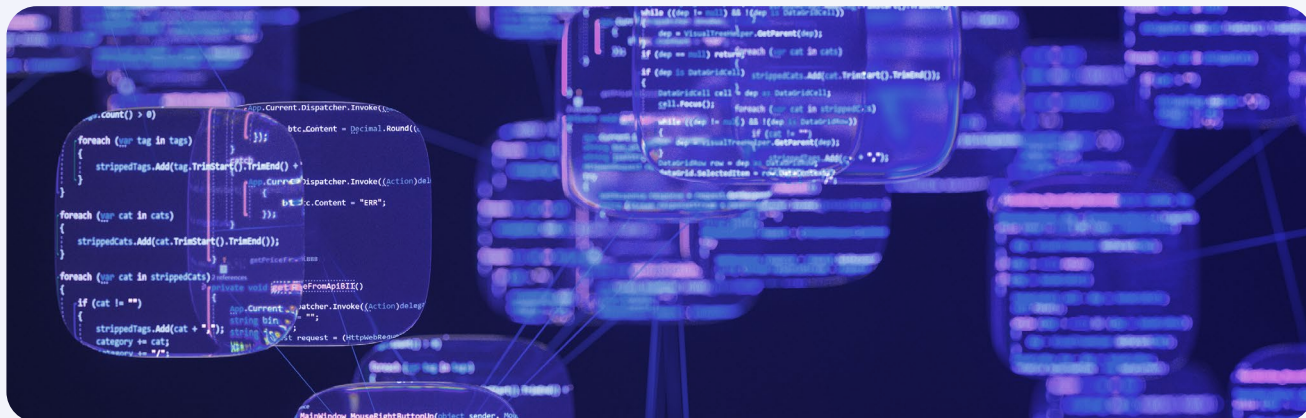
Embedded in the software we already use, even if it arrives later
No strong preference. Whichever does the specific task best wins
Best-of-breed standalone tools, even if it means another system
Build our own tailored capability

Preferred shape of the capability



Trust and providers

**AI providers are judged on evidence and obligations.
Adoption is held back by integration and data handling**

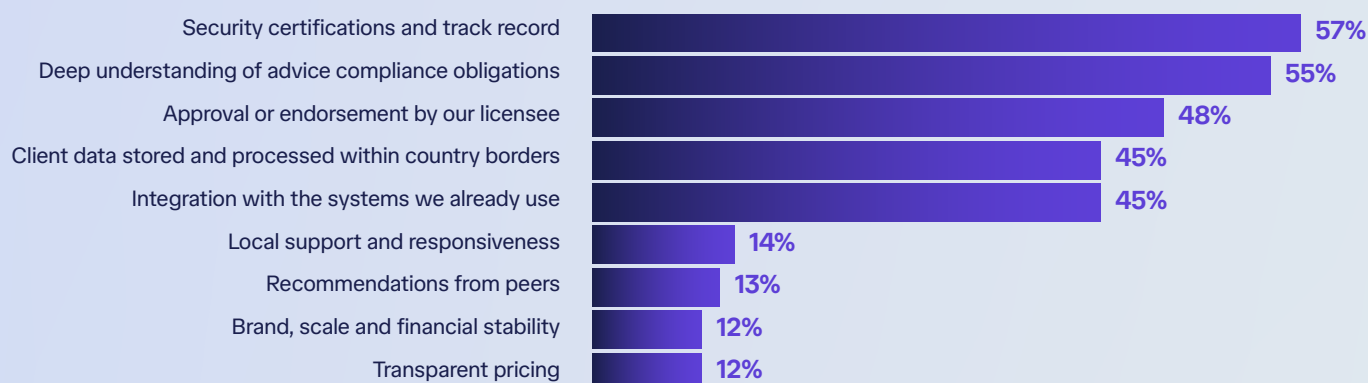


Trust is earned through evidence; adoption is unlocked through fit

The market is looking for proof that AI can operate safely within regulated advice – not simply a recognised brand or a lower price. When asked what matters most when

deciding whether to trust an AI provider, licensee endorsement is the most common first-ranked trust factor at 24%, followed by security certifications at 21%. By contrast, cost ranks only eighth among the adoption barriers, while brand and scale rank eighth among the trust factors.

Ranked in the top three trust factors





Biggest barriers to greater adoption



The barriers to greater adoption are practical: integration, data handling and regulatory certainty. These are not abstract concerns; they are properties of the systems, controls and workflows practices already rely on.

The implication is that AI providers need to demonstrate more than model capability. They must show how AI fits into existing

advice systems, how data is protected and governed, how outputs can be reviewed and audited, and how the solution supports regulatory obligations. In this market, trust is built through evidence and endorsement, while adoption depends on reducing operational friction.

Trust and providers

Three quarters of the market places a condition on where client data is processed

Data residency is a market-wide entry condition, not a niche preference

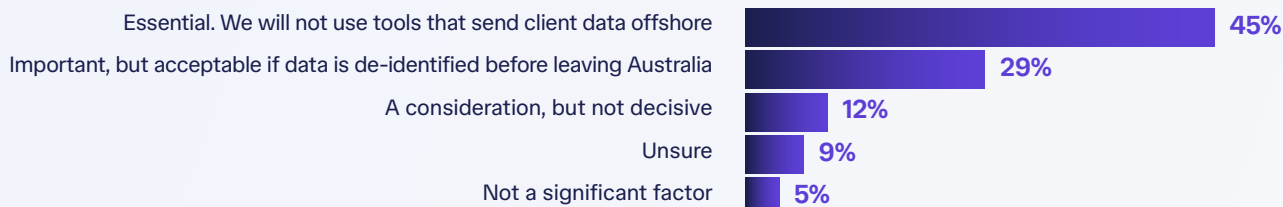
Where client data is processed is a consistent concern across the market. Around three quarters place a condition on data residency, with little variation by practice size: 45% of the smallest practices, 43% of mid-sized practices and 46% of the largest practices consider onshore processing essential. The result is only slightly higher among licensee head offices at 50%.

This makes data residency a baseline procurement requirement rather than

a differentiating feature. AI providers must satisfy the question of where and how client data is processed before buyers assess the broader capability of the AI solution.

There is, however, a potential route for offshore providers: 29% would accept offshore processing if data were de-identified first. The commercial implication is clear: AI providers need to lead with their data architecture, residency model, de-identification approach and controls. In regulated advice, eligibility comes before capability.

Importance of onshore processing



Onshore processing is essential, by size

1 to 5 advisers	45%
6 to 20 advisers	43%
21 or more advisers	46%
Licensee head office	50%

Risk, governance and barriers

Human-in-the-loop is a critical design challenge for an AI generated advice document

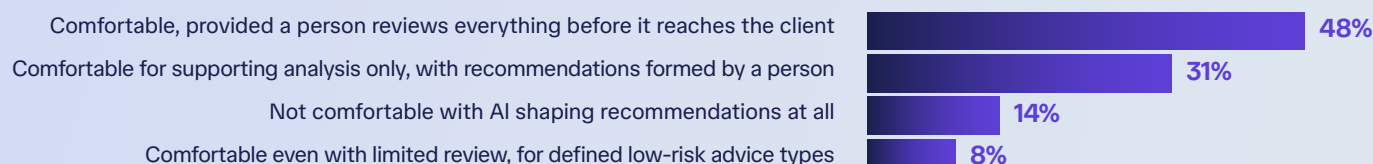
Almost half of respondents (48%) would accept AI-generated advice strategy, but this does not imply acceptance of unsupervised recommendations. The critical question is how human review is designed: whether recommendations stay within practice and AFSL boundaries, align with approved product lists, present credible alternatives and make the reasoning clear to the adviser.

That review layer could also determine whether AI creates a genuine productivity gain. 30% of AI-engaged respondents say checking AI outputs consumes much of the time AI saves, rising to 42% in practices with 21 or more advisers. If review is added as a separate manual step, it risks absorbing the benefit rather than providing effective assurance.

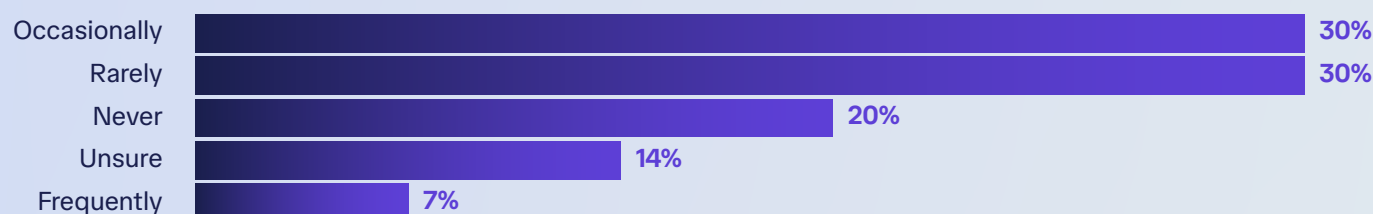
The client side is already evolving. 36% of respondents have had a client bring AI-generated analysis into an advice conversation at least occasionally in the past year. This means advisers will increasingly need to assess not only AI-generated work within their own practice, but also material generated externally by clients.

The design priority is therefore efficient, explainable human oversight: AI should show its assumptions, sources, constraints and alternatives, while giving advisers a clear way to review, amend and approve the recommendation. The goal is not to remove the human from the loop, but to make the loop faster, more transparent and more defensible.

Comfort with AI shaping recommendations

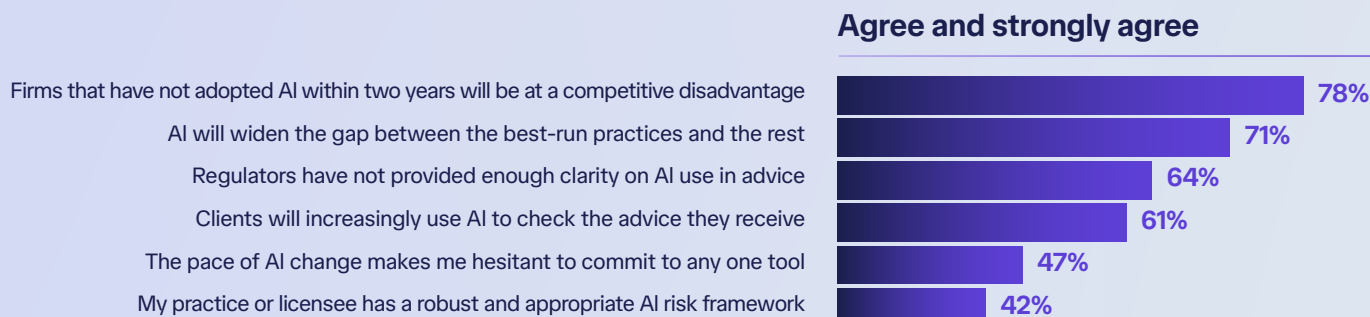


Clients bringing AI-generated analysis



Risk, governance and barriers

87% agree that not adopting AI within two years carries a competitive penalty



The pressure to move is outpacing confidence in moving safely

The strongest agreement in the study is that standing still carries a cost: 78% believe that failing to adopt AI within two years will create a competitive penalty. Yet only 42% agree that their business has a robust AI risk framework in place.

This creates a clear pressure–preparedness gap. Firms recognise that they need to move, but many do not yet have the governance, controls or confidence to do so safely. The risk is that competitive urgency drives fragmented experimentation before the operating

framework is ready, or that uncertainty slows adoption altogether.

Regulatory clarity is part of the problem: 64% say the regulator has not been clear enough on AI use in advice. In practice, this leaves licensees to interpret the expectations and advisers to manage the resulting uncertainty.

The implication is that AI adoption cannot be treated as a technology race alone. Firms need practical frameworks covering approved use cases, data handling, human oversight, accountability and escalation. The organisations best placed to benefit will be those that turn the pressure to adopt into a disciplined path for moving safely.

“Everybody wants AI, they just don’t know what they want it for. Our role is to help them understand where it could fit within their business.”

Technology lead, licensee supporting around 250 practices

The economics

Time saved is the clearest currency of AI value, but it must be proven



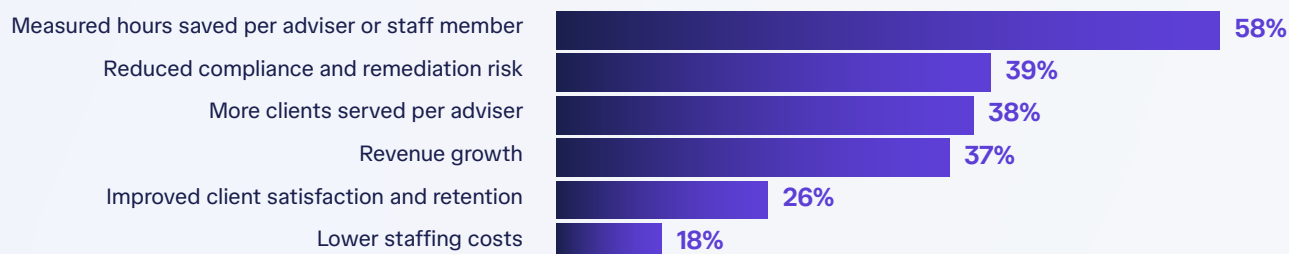
The market is most interested in a tangible productivity outcome: 58% say measured hours saved per adviser would most justify further AI investment, ahead of compliance risk, capacity and revenue. Yet only 28% have measured the impact of the tools they already use, and measurable objectives are among the weakest areas of strategic readiness.

For advisers, the implication is that AI value needs to be tracked at the task level, not assumed from general impressions of efficiency. Practices should establish a baseline for activities such as meeting

notes, file preparation and advice-document production, then measure the time saved, the review required and whether that time is actually redeployed.

A saved hour only becomes business value if it creates more client-facing capacity, supports faster advice production, increases the number of clients an adviser can serve or reduces cost without adding checking and rework. Advisers therefore need to measure not only where AI makes work faster, but what happens to the capacity it releases.

Evidence that would justify investment



Outlook

AI optimism depends on making it work in the existing advice environment

The outlook for AI in advice is positive, with around three quarters of respondents expecting it to deliver meaningful efficiency gains or better. But the research suggests that optimism is conditional on AI fitting effectively into the way advice businesses already work.

Integration is the largest barrier to greater adoption, cited by 50% of respondents, while 43% would prefer to wait for AI capability within their existing software rather than adopt a standalone tool. Connectivity also ranks as the second most valued capability from financial planning software.

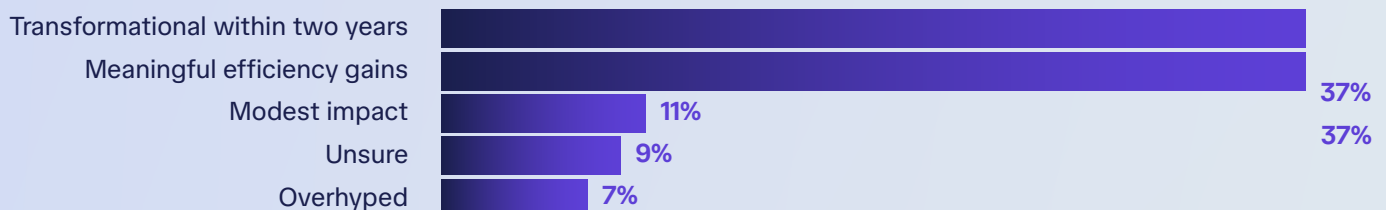
This points to a clear preference for connected, practical AI that can work with

existing data, systems and workflows, rather than simply adding another application to the technology stack. Existing planning software providers are also the most trusted provider category, with 34% selecting them and just 11% expressing distrust.

The next phase of adoption will depend on how effectively the industry can connect AI to existing workflows, data and controls while maintaining the flexibility to adopt the capabilities that deliver the most value.

For advisers, the opportunity is less about where AI sits and more about how seamlessly it works within the way advice is delivered.

Overall outlook in AI in advice



“I’m glass half full. I hope it goes back to a place where you get to do planning for the reason you probably wanted to do it in the first place: to help people get financially secure and thrive, rather than filling in paperwork and making sure you didn’t miss the cutoff.”

Executive, group technology, dealer group

Conclusion

The next test is conversion, not adoption

The next value will not come from adding more isolated tools. It will come from connecting AI to the workflow so that time saved survives hand-offs, checking and rework, and becomes more capacity, better service and sustainable growth.

Practices further along the adoption curve are more likely to report broader business benefits. This is an association, not proof of causation, but it points to depth of integration as an important next test of value.

And running through all of this is trust. The practices best placed to capture value from AI will not necessarily be those that move fastest, but those that apply it thoughtfully to real problems, on trusted foundations, with people firmly in the loop. For advisers, that means AI that works within familiar workflows, uses trusted data and can be reviewed, understood and governed.



Conclusion

The advice industry needs a disciplined path from use case to business outcome. We see this focus in three key areas:

- 1. Put AI where the work is.** Prioritise the parts of the advice workflow where effort is highest and AI can add genuine value.
- 2. Measure what AI unlocks.** Establish a baseline for time, review effort and turnaround. Track whether saved hours translate into client-facing capacity, faster advice, lower cost or simply more checking.
- 3. Govern inside the workflow.** Make data controls, explainability, human review and accountability part of how advice is produced and delivered; not a separate layer around it.

For Iress, this reinforces the direction of Xplan's evolution: making advice production more connected, intelligent and measurable within the platform advisers already use.

The market is looking for capability that works within established workflows, connects data more effectively and reduces hand-offs and rework – not another standalone AI tool.

We're evolving Xplan so AI can support advisers across the advice journey, from gathering and interpreting information through to preparing, reviewing and delivering advice, within a governed and environment where advisers remain in control.

To find out more about Xplan's evolution, visit [Iress' Roadmap Hub](#).

Appendix: Survey methodology

Quantitative survey architecture

Thirty six questions across eight segments.

1.

About you and your firm

Role, tenure, business type, adviser headcount and planning software. The demographic base for every cut in this report.

2.

Where you spend your time and effort

Task-level burden across eleven advice processes, and the elapsed time from first appointment to advice presented.

3.

AI adoption today

Stage of adoption, task-level deployment, personal usage, tool categories, rollout quality, approved lists and reasons for not starting.

4.

Value capture

Realised benefit across eight outcomes, attitudinal statements on what AI has changed, time saved, software retired and capacity to absorb growth.

5.

Strategic priorities

Strategic capability across seven disciplines, the tasks most wanted next, and the single most valuable capability from planning software.

6.

Trust and providers

Trust in five provider categories, ranked trust drivers, embedded against standalone preference, and data residency.

7.

Risk, governance and barriers

Barriers to further adoption, comfort with AI shaping advice, client-side AI use, and six market outlook statements.

8.

The economics

Current spend per adviser, willingness to pay, the evidence that would justify investment, and preferred pricing model.



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