

About the Chartered Body Alliance

As the Chartered Body Alliance, we are committed to supporting and upholding the highest professional standards, building public trust in financial services, and promoting excellence in knowledge, skills, and integrity among practitioners, including in relation to adoption of new technologies. Formed in 2017, our Alliance brings together four leading professional bodies: the Chartered Insurance Institute (CII), the Chartered Institute for Securities & Investment (CISI), the Chartered Banker Institute (CBI), and CFA Society UK.

With a combined membership of over 200,000 professionals, we believe that working collaboratively enables us to deliver greater public benefit. We are pleased to contribute our perspectives to the Financial Services Skills Commission's call for evidence on this important issue, reflecting our shared dedication to raising standards, improving trust, and supporting the future of financial services in the UK.

1) Which disruptive technologies are UK firms currently - or planning to - deploy in the UK over the next 5-10 years?

As professional bodies we have seen our members deploying a range of disruptive technologies, with plans for further adoption over the next five to ten years. The pace of change is accelerating, and it is essential that professional standards keep pace to ensure that technological advancements deliver positive outcomes without unintended consequences.

The technologies that we anticipate will have the most significant impact include:

- AI: AI is deeply embedded in the sector, with the Bank of England's 2024 [report](#) showing that 75% of financial firms in the UK are already utilising the technology with a further 10% planning adoption within three years. Generative AI is the most widely integrated, leveraging LLMs for tasks from document automation and customer service to risk management and compliance. We believe the next major shift is Agentic AI, capable of autonomous decision-making and task execution; institutions are exploring these systems but have not fully deployed them. We expect convergence between these AI capabilities and robotics, enabling more complex and adaptive workflows. These technologies are already reshaping underwriting and fraud detection and are set to drive more sophisticated client interactions and personalised products in the decade ahead.
- Tokenisation and Distributed Ledger Technology (DLT): tokenisation is emerging as a key area for rapid advancement. These technologies can offer secure, efficient transaction processing and compliance benefits, such as for fund administration.
- Cloud Computing and SaaS: The adoption of cloud-based infrastructure and software as a service (SaaS) platforms is facilitating greater flexibility and scalability across firms.

- Data Analytics and Big Data: Advanced analytics and big data integration are enhancing decision-making and enabling more personalised consumer offerings.
- Open Banking and APIs: These technologies are supporting data aggregation across accounts and portfolios, driving innovation in client service delivery.
- Quantum Computing and Advanced Cryptography: These technologies hold considerable promise for future transformation, particularly in risk management and security.

We note that whilst some technologies are at an early stage (e.g. quantum computing), others are already established, with further progress likely to be driven by advances in AI. Generative AI, for instance, has the potential to revolutionise client engagement, workflow automation, and risk identification. However, it is crucial to remain vigilant regarding the risks of erroneous outputs and to ensure robust human oversight, especially in consumer-facing applications.

In this context, we emphasise the importance of professionalism – ensuring that the end product, output, or outcome of each process is understood and new or adapted technologies are implemented thoughtfully to avoid unintended consequences, as outlined in our answer to Q4.

References:

Investment sector related: “An Industry in Transition: AI Top of Mind in 2024 Asset Manager Survey”
[11 October 2024 Blog Page | CFA Institute Research and Policy Center](#)

2) What opportunities do these technologies present for growth, productivity, and customers?

We believe the adoption of emerging technologies is creating significant opportunities for growth, productivity, and better customer outcomes within financial services. We are seeing opportunities for firms to expand into new markets and reach broader customer segments through digital platforms, whilst modular architectures enable faster adaptation to market changes and trends. In investment, AI is being trialled for credit analysis in fixed income, deepening research and extending investor access to areas like private markets. Tokenisation is likely to make previously exclusive asset classes more accessible to retail investors.

Automation and advanced analytics are increasing speed, accuracy, and efficiency in compliance, risk management, and portfolio analysis. Modular systems allow rapid service deployment, with AI-powered robo-advisers delivering more engaging and insightful client experiences, drawing on robust research. Workflow automation is enabling professionals to focus on higher-value tasks, and innovations such as regtech are enhancing regulatory reporting and governance, ensuring stronger compliance through data-driven oversight.

AI can also support key outcomes like trust, growth, and productivity by improving risk assessment, product development, solvency, underwriting, and streamlining customer journeys. Technology-driven efficiencies can lead to competitive pricing, while deeper behavioural analysis supports loyalty and more relevant advice. Automating routine tasks may allow professionals to focus on providing thoughtful and innovative solutions.

To fully unlock these advantages, it is crucial to improve financial education and digital literacy, and we have observed many member firms investing in workforce development to address a range of digital competencies. As highlighted in our response to the Government's Modern Industrial Strategy Consultation and in [CISI's submission to the Department of Education](#), a lack of financial literacy presents a significant barrier to growth. We advocate for foundational financial education from an early age to ensure young people are equipped to make informed decisions in an increasingly digital financial environment.

There is a large unmet need for insurance advice and financial planning among middle income consumers who can't afford it now. AI might allow, because of the potential cost efficiency, mass market access and increased demand.

Whilst these technological advancements offer substantial opportunities, their successful implementation will therefore ultimately depend on professionalism, ethical conduct, and an ongoing commitment to financial, digital and data literacy.

3) How will these technologies change business operations, roles and the workforce?

In terms of business operations, automation and AI-driven processes are enhancing efficiency, accuracy, and speed. In the investment sector, AI is already being used to support trade execution, portfolio rebalancing, and compliance monitoring, reducing manual intervention and enabling significant redesigns of traditional workflows. Tokenisation is expected to transform asset management by streamlining transactions and broadening market participation, further driving operational change.

We have seen roles within organisations evolving in response to these technological advances. For example, portfolio managers may shift their focus towards strategic allocation and stewardship, as AI increasingly handles optimisation and market signal research. We expect that compliance and oversight professionals will see their responsibilities change, with AI-enabled regtech tools automating tasks such as guideline interpretation, report generation, and transaction monitoring.

Whilst automation will impact many routine activities, it is important to emphasise that human judgement remains essential for managing relationships, making complex decisions, and ensuring ethical outcomes, and it is important that practitioners are equipped with the skills to enable this. We are seeing new roles emerge in areas such as

AI governance, data stewardship, and cybersecurity, reflecting the need for robust oversight of technological systems.

The sector will need to adapt to these changes through flexible development pathways, combining reskilling of existing staff with recruitment of new talent possessing digital and analytical skills. Diversity, equity, and inclusion (DEI) must remain integral to talent strategies, ensuring a balanced approach to decision-making and model development. There are concerns about potential job displacement as automation increases, but this also presents opportunities for upskilling and career progression in higher-value roles. As professional bodies, we believe we are well placed to support this transition through the development of ethical standards, certification schemes, and continuing professional development tailored to emerging technological demands.

Whilst there is speculation about ‘agentic’ AI potentially replacing entire roles in the medium term, we believe that human expertise will remain vital, particularly in areas such as underwriting, claims management, broking and investment strategy. We anticipate that AI will augment rather than replace professionals in these areas, leaving space for meaningful human interaction and relationship management, as well as ethical oversight.

Additional References

Investment Professional of the Future - Changing Roles, Skills, and Organizational Cultures
May 2019 Survey Report; [Investment Professional of the Future | RPC](#)

The Disappearing Edge: AI, Machine Learning, and the Future of the Discretionary Portfolio Manager
July 2025; [The Disappearing Edge: AI, Machine Learning, & the Future of the Discretionary Portfolio Manager](#)

The Future of Work in Investment Management 2021 Survey Report;
[Future of Work in Investment Management: Changing Organizational Cultures](#)
[Future of Work in Investment Management | RPC](#)

ChatGPT and Generative AI: What They Mean for Investment Professionals May 2023
[Blog Page | CFA Institute Research and Policy Center](#)

Key Learning and Development Trends in the UK Investment Sector June 2025
[key-learning-and-development-trends-in-the-uk-investment-sector.pdf](#)

4) Which skills will be needed to successfully exploit the potential of these technologies?

As the sector rapidly evolves, a blend of technical expertise, professional judgement and ethical decision-making will be essential for professionals to thrive. Professional bodies can play a critical role in supporting this – offering guidance, support, reassurance, and ongoing upskilling/reskilling.

To realise the potential of these technologies, we believe organisations must return to fundamentals of contextualised technical knowledge, complemented by curiosity and adaptability. Equally important are professional judgement and ethics. The skills can be broadly categorised as:

- Technical skills for technology implementation and optimal use: core competencies for a subset of staff e.g. coding, AI rollout, safe-use protocols, cybersecurity.
- Common skills to support technology adoption and enhance outcomes: capabilities for most staff e.g. data literacy, digital competence, and working knowledge of AI (use cases, benefits, risks, ethics). This ensures AI tools aren't "black boxes," but can be reviewed, challenged, and safely deployed.
- Enterprise skills that deliver a human element crucial for success: universal across roles, including change management, communication, solution design, adaptability, strategy, partnership and ethical business judgement. Alongside these we believe behavioural "power" skills such as influencing, resilience, emotional intelligence and collaborative leadership are critical enablers for professionals to navigate complexity, build trust, and lead ethically - applying technical expertise with confidence and purpose.

Ethics must permeate every aspect of work. A recent joint report by ACCA and CISI on Ethical AI highlighted that financial-services professionals need to combine technical fluency with ethical judgement and integrity to foster transparent, ethical deployment of new technologies.

For successful adoption, firms must clearly define where, when, how, and why such technologies are used, and who is authorised to use them. Well-defined use cases and training, especially in effective prompting and understanding limitations, are crucial to maximise value and manage risk.

For instance, the CII "Professional Map" outlines a taxonomy of skills – technical, behavioural and enablers - positioning AI literacy as a fundamental skill alongside numeracy and digital literacy for insurance and personal-finance professionals. It encourages all professionals to understand, use and, when needed, question AI outputs, supported by behaviours such as curiosity, customer focus, commitment and integrity.

Finally, collaboration between professional bodies, FSSC, government, regulators and firms will be vital to craft a coherent AI-skills strategy. This will help ensure professionals grasp both the opportunities and risks of AI, facilitate healthy internal debate, and uphold the financial-services sector's role as a force for good - guided by the robust Codes of Conduct and ethics established by professional bodies.

5) What factors may hold back successful deployment of these technologies?

We believe poor strategic planning or weak use cases can lead to suboptimal implementation, undermining progress and eroding confidence in new solutions. Internal resistance from employees or management can also be a major hurdle. Early negative experiences, such as AI inaccuracies or misinterpretations (internally or from customers), can create lasting barriers to acceptance. A lack of clear understanding of the objectives or methodology of AI models can reinforce this. It is therefore vital that professionals combine technical expertise with sound ethical judgement, as highlighted in our answer to Q4.

Equally important is the need for strong risk management and ethical oversight. Without sufficient controls over data usage and systems to guard against bias or misuse, failures become more likely – hampering broader adoption. We believe technology strategies must be embedded in day-to-day business operations, not treated as isolated projects, so that risk mitigation and ethical thinking become second nature across organisations.

Striking a balance between clear organisational policies and encouragement of creativity is also essential. Flexible approaches like sandbox environments and support for early adopters can help organisations explore the benefits safely. Collaboration across firms, professional bodies, and regulators to define shared ethical responsibilities and set clear, consistent standards will be key to winning public trust.

The absence of a balanced, forward-looking regulatory framework can also foster risk aversion and slow adoption. Whilst we support a principle-based approach focussed on outcomes (e.g. consumer duty) and individual responsibility and conduct (e.g. SMCR), many users may struggle to interpret such principles when applied to complex technology solutions. Regulators will therefore need to remain agile, provide clear guidance, and carve out existing rules that don't suit new innovations.

A persistent talent shortage in data science, software development, and cybersecurity remains a major growth barrier, along with insufficient investment in core skills and upskilling. As professional bodies, we work globally with employers to build a robust, diverse talent pipeline that supports multiple pathways into the profession - including apprenticeships, professional qualifications, and lifelong learning - making financial services accessible regardless of background or education.

We believe attracting, developing, and retaining top digital talent means helping professionals see that financial services remains a people-focused industry where technology must be deployed responsibly. Those with strong financial-services backgrounds must be empowered to embrace digital transformation, identifying opportunities to add value and challenge when needed. We believe professional bodies can play a vital role in this process, offering guidance, training, and ethical frameworks that foster cultural readiness and technical capability.