

2025 AI in Private Markets

ACCELERATING ADOPTION

A practical guide to implementing AI in private markets
and laying the groundwork for future innovation.



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Foreword

Inaction is the enemy of progress



Artificial Intelligence (AI) is in its infancy, but from the blistering rate of innovation seen so far, it looks set to play an increasingly influential role in private markets firms in the coming years. It is changing the way they operate, the skills they need, and how they deliver and measure success.

Despite some natural scepticism, progress has been unrelenting. The most prevalent AI concerns are now being mitigated through multi-layered security and keeping a human-in-the-loop. We are reaching a tipping point where those not exploring AI are becoming the exception.

So for private markets leaders who have not yet made the leap, 2025 is the year to take their first steps on the AI adoption journey. And for those already onboard, it's time to discover what more is possible.

Frederik Muelke, Head of Alternative Assets, Robin AI, January 2025

Executive summary

AI has already made inroads into private markets and the rate of innovation is unwavering. What trends will drive AI adoption in the sector in 2025, and how can firms leverage the technology to find an edge, in legal processes and beyond?

Private markets AI budgets will be put to the test

There's been no shortage of AI experimentation among private markets firms in the last two years, but 2025 marks a reset. This year, it will become clear who has put in the groundwork as AI tools start to drive real return on investment and competitive advantage, by helping firms take control of the document deluge, cut through the noise, and make faster, more considered decisions.

AI will deliver against five core business goals

In an unpredictable economy, the private markets firms that will gain the biggest edge with AI will use it to facilitate speed, efficiency and compliance, to improve relationships, and to generate new insights for enhanced decision making.

Across fundraising, dealmaking and portfolio management, leading use cases will include streamlining document review to accelerate mergers and acquisitions (M&A), optimizing portfolio performance, and tracking obligations.

Whether across due diligence questionnaires (DDQs), limited partner (LP) onboarding, or side letter management and Most Favored Nation (MFN) Elections, employees can be freed from many of the more tedious and repetitive aspects of their roles to prioritize strategy and personal interactions, while reframing the long-hours culture that has become synonymous with the sector.

AI plus human-in-the-loop will win the race

AI can support general partners (GPs) at all stages of the fund lifecycle. Trailblazers are embracing the power of AI while keeping a human-in-the-loop. In doing so, they maximize AI's ability to process, analyze, and summarize data infinitely faster than humans, while retaining human judgment, experience and personal touch. Ensuring all outputs are reviewed and approved by qualified, experienced professionals also satisfies valid concerns around accuracy, bias, and transparency, and eases adoption. The purpose of AI isn't to replace people; it's a tool to help them do their jobs better.

Simplicity = success

AI may be a highly complex technology, but the most successful AI implementation strategies will be differentiated by their simplicity. Identifying specific problems to solve with AI is key to demonstrating fast value, avoiding complex change management, and mitigating risk. Firms that can secure quick wins will see lasting organizational engagement, increased internal adoption, and rapid progress in 2025 and beyond.

State of the market

From experimentation to proving ROI

AI hype has infiltrated nearly every sphere of business over the past two years, and private markets are no different. But while speculation has so far outweighed Return On Investment (ROI), the tide is turning, and firms with the right foundations are in a strong position to capitalize and achieve an AI advantage in 2025.

In the race for top-quartile returns, fine margins make a big difference.

Competitive pressures have pushed more CEOs to take responsibility for tech transformation within their businesses. According to the [PwC 2024 private funds chief executive officer \(CEO\) survey](#), 38% have changed their technology strategies to embrace generative AI.

“2024 was the year when companies that weren’t involved in AI realized they should have been”

Paul Loynes

But scratch the surface and use cases that deliver real ROI are still in short supply. For most, the story of the last two years has been one of AI ideation and experimentation.

This year, AI must start to prove its worth. AI budgets will be put to the test, and the technologies in play must show how they can impact the bottom line.

“The little hacks that AI produces for all our lives, including recording calls and synthesizing notes, drive outcomes. I think there will be a whole range of these 1% hacks across the fund lifecycle.” [Daniel Tarver, Head of Capital Formation, Plural.](#)

In the private markets landscape, those who get it right – by combining fast-evolving AI capabilities with the continued need for human oversight and intuition – will start to gain an edge across fundraising, dealmaking, and value creation.

“2024 was the year when companies that weren’t involved in AI realized they should have been involved,” says [Paul Loynes, Legal Consultant and former General Counsel and Partner at SoftBank Investment Advisers.](#) “Those who got a head start are now working together with their AI providers to ask the question, ‘What more can we do?’”

“Whereas it traditionally took weeks to review one deal, with some being rejected purely based on team bandwidth being exceeded, using AI you can now shorten the data review part of a deal process to a few days instead of a few weeks, thereby increasing team capacity,” *Anna Barath, Head of Asset Management, Bite Investments.*

Cautious optimism for 2025

It has been a turbulent couple of years for private markets, driven by macroeconomic uncertainties, high interest rates and inflation, scarce liquidity and pressured valuations.

2024 wasn't the banner year many were hoping for, but there are reasons to expect a change of fortunes in 2025. In addition to new capabilities offered by AI, the new U.S. administration has signaled a lighter approach to financial regulation, the U.S. Federal Reserve has implemented three rate cuts in quick succession, and post-election years are historically strong for M&A and initial public offerings (IPOs).

As margins, operational efficiency, and M&A come to the fore in driving growth, investors are drawing upon increasing volumes of data, including financial reports, market research and media in their investment decisions.

Managing this growth in data volumes will be a heavy burden in the absence of targeted use of AI. Furthermore, legal processes and paperwork are becoming increasingly cumbersome, hampering fundraising, dealmaking, and value creation at a moment when speed can increasingly make a difference. AI can help firms untangle this web of information and admin, increasing operational efficiency and freeing up staff to focus on relationships that drive value rather than getting bogged down in paperwork.



Why AI? Five business goals

Balancing complex business demands from investors, regulators, and portfolio companies creates time pressure within private markets. This is where AI-powered tools can be transformative, helping firms to achieve strategic goals across both legal and broader operational and business priorities.

1 Speed

GPs have record levels of dry powder to deploy, but markets demand a fine balance of speed and caution. AI can accelerate key processes like side letter management without sacrificing quality, enabling firms to do more business faster.

2 Efficiency

Both due diligence and fundraising processes are becoming longer and more complex, putting pressure on teams across the business. AI can drastically cut diligence timelines by automating the first stage of most manual tasks, creating bandwidth to get deals across the line.

3 Compliance

Even with a possible loosening of regulation in the U.S., fund managers and LPs are facing a growing global regulatory burden and demands for greater transparency on their investments and their environmental, social and governance (ESG) credentials. AI can help firms stay compliant by tracking and reporting on obligations across multiple jurisdictions, without complicating workflows.

4 Relationships

Increasing market complexity, longer hold periods, and evolving fund structures require enhanced communication. Streamlined document management and negotiations facilitated by AI encourage more time for personal interactions and more incisive communication with stakeholders, including investors.

5 Insights

With AI, institutional investors and GPs can access a new layer of insight and analysis, transforming their messy, unstructured contract banks into legal data assets for enhanced decision-making.

Harnessing AI to streamline legal processes



Paul Loynes, Legal Consultant and former General Counsel and Partner at SoftBank Investment Advisers.

Paul Loynes is an experienced private equity lawyer who has worked in general counsel roles at SoftBank Investment Advisers and Apollo Global Management. With more than 25 years of experience in the funds market, Paul provides consulting advice to funds, professional services providers and startups, and serves as a non-executive director for regulated entities across North America, Europe and Asia-Pacific.

How are attitudes to AI changing, from your perspective?

2024 was the year when firms that weren't involved in AI realized they should have been involved, whereas those who got a head start are now working together with their AI providers to ask the question, what more can we do?

From a legal perspective, I remember meeting several lawyers who were quite snooty about AI — saying it would never catch on. That interpretation is gone. It's now a case of how much it will catch on, and the extent to which curiosity will convert into adoption.

Where are you seeing current use cases emerge?

Wherever there's a huge amount of data, there's an AI opportunity. It's twofold — firstly, there's the opportunity to take commoditized tasks off humans so they can be freed up to do more valuable work. Secondly, there's the ability to perform certain tasks far more quickly than a human ever could.

Take a big fund with 250+ investors. Two-thirds of them could have side letters, and lawyers have to refer back to these every time a new issue emerges somewhere in the fund. AI can do this in seconds. Likewise, helping on discovery and due diligence in litigation is another key use case I'm seeing.

The common theme, however, is that the firms seeing value are starting with relatively simple use cases where AI can save time and add value — like marking up non-disclosure agreements (NDAs) or engagement letters.

Will the funds that embrace AI gain a competitive advantage when it comes to deal-making?

Analyzing the data faster enables you to get to a decision more quickly. So, if you're buying a business with 5,000 customer contracts and you want to know how many have change of control clauses, AI can reduce your analysis time from weeks to hours or even minutes, meaning dealmakers can sharpen their pencils at an earlier stage. Ultimately though, AI does what you tell it to do – it doesn't call the shots.

What are the implications for legal professionals as the use of AI takes off?

While the AI products are only going to get better, to my mind, AI is never going to fully replace high-end lawyers, because you need judgment that sits outside the scope of pure objectivity.

In terms of lower-level work though, I think the implications are huge, because as long as the quality is maintained, clients really won't care whether work is carried out by someone in an office or an AI. And if the AI can do it at a fraction of the time and cost, there's an obvious incentive for going with the AI, which begs the question of what will happen to junior professionals. And by definition, you can't become a good senior lawyer unless you've been a good junior lawyer!

What do you think are the biggest barriers to private markets AI adoption?

Skepticism remains a challenge, particularly amongst the law firms and older partners. They've gone through the hard yards of their law degree and training, and they simply don't believe that a computer can be a substitute for that. More education is needed to convince them of the benefits.

I also think some AI providers are overpromising, which doesn't help, signposting near-term capabilities that I just don't see them delivering.

Finally, what's your message to General Counsels (GCs) on how to maximize the AI opportunity?

You only get out what you put in. We've seen that you can't just throw a document into an AI and expect it to deliver exactly what you need. You have to be more specific with your parameters, which is a learning process that GCs are having to go through.

I also think GCs need to empower their junior in-house team members to devote more time to working with the AI providers – upskilling themselves but also collaborating on the development of the tech itself by providing feedback and guidance on what they want it to achieve.

AI across the fund lifecycle

FUNDRAISING

A tough exit environment and drop in distributions have caused fundraising to slow and fundraising timelines to [double since 2021](#). Meanwhile manual processes and legacy systems are hindering a smooth fundraising process.

“Fundraising is generally more traditional,” says [Anna Barath, Head of Asset Management, Bite Investments](#). “The whole industry still runs on Excel and email most of the time, so it is ripe for digitalization and disruption in general. But you need to start with building a digital process before you can think of adopting AI.”

Due diligence questionnaires

One distinct AI use case lies in streamlining due diligence questionnaires to accelerate the fund selection process. Populating DDQs is a time-consuming and repetitive process for GPs. AI solutions can automate much of this work, freeing fundraising teams to focus on building relationships while enabling LPs to speed up decision-making.

ACCELERATING DDQS AT GTIS

Maria Szabo, Vice President of Investor Relations, GTIS Partners, the global real estate investment firm, was spending five to ten days completing DDQs as part of the investor acquisition process: “Finding the DDQs themselves was hard as the documents were not centrally stored ... it would take me over an hour to make sure I had access to the correct documents.”

Robin AI worked closely with Maria to ensure that DDQs were centrally stored and easily searchable using machine learning techniques. With the help of simple filtering and natural language search capabilities, Szabo can now search all the relevant documents from one simple interface. “Now, I just open Robin AI and use the search to find the information I need. It now takes me one to three days to turn around a DDQ.”

LP onboarding

Asset owners also face significant paperwork as part of fund allocation, including lengthy subscription agreements, Know Your Customer (KYC) documents, and limited partner agreements (LPAs). Often hundreds of pages long and differing substantially between funds, completing these manually is a large drain on time, not to mention highly prone to error.

With the help of AI, teams can avoid much of this laborious work. Tools are now capable of populating documents based on existing data, suggesting edits, generating summaries, and automating obligations management. Saving time and accelerating onboarding, they also aid negotiations by allowing teams to access key issues faster.



Daniel Tarver
Plural

“A lot of fundraising is very repetitive in terms of questionnaires to complete and data rooms to digest. AI enables me to complete questionnaires quicker and get back to investors faster. And if I’m an investor, AI can look through a whole data room and tell me, based on my preferences, what the three most exciting things about a fund are, and what are the three things I should worry about. But it’s still going to be front-loaded by these personal interactions.” **Daniel Tarver, Head of Capital Formation, Plural**



Side letter word count has increased almost eight-fold to 4983 words since 2005

Side letter management and MFN elections

Side letter management has become an enormous task, with a recent [academic paper](#) finding that the average word count has risen from 639 (pre-2005) to 4,983 (post-2014).

One particularly laborious task for GPs is running MFN Elections where eligible investors opt into eligible side letter provisions. AI can now take on much of this work, freeing up legal professionals for more strategic activities.

“AI builds these repositories that keep track of what you have agreed to, with whom, and how the terms differ,” says **Frederik Muelke, Head of Alternative Assets, Robin AI**. “Structuring that data and screening for duplicates helps organize clauses for selection, taking the manual work out of the MFN process.”

DEALMAKING

Fewer deals mean competition is fierce for the most premium assets. In competitive auctions, pre-emptive bids are the new normal. But speed mustn't come at the expense of thorough due diligence.

Deal origination and managing deal flow

AI can remove both legwork and guesswork from the deal origination process. Natural language processing (NLP) tools can rapidly analyze data based on predefined criteria and investment theses, highlighting companies with the greatest deal propensity and flagging potential issues to be reviewed by a human.

Meanwhile, AI-powered platforms can find the most promising deals by automatically logging and tracking relationships, deal intelligence, and integrating third-party information. The result is faster decisions about resource allocation, faster deal progression, and the opportunity for more meaningful due diligence.



Anna Barath Bite
Investments

“The use of AI in deal sourcing is very impressive and evolving quickly. Those firms that can build models based on track records and data sets can move faster, and if you can review a deal in a day or two, you can review a lot more deals. Having seen what these models and tools are capable of, it's hard to see how this would not become a source of differentiation among those who can or cannot build these tools.” [Anna Barath, Head of Asset Management, Bite Investments.](#)

Streamlining review of pre-transaction documents

Reviewing a conveyor belt of NDAs and other routine documents, such as non-reliance and engagement letters is a drain on legal teams and a bottleneck in deal progress.

While general-purpose chatbots aren't smart enough to review and edit most legal documents accurately, AI models fine-tuned for legal work are able to accelerate review, markup and negotiation of routine contract substantially.

“Legal teams receive these documents in high volumes day in, day out, and are under pressure to review them very quickly. AI-powered review services allow in-house lawyers to look at things that really matter instead.” [Frederik Muelke, Head of Alternative Assets, Robin AI.](#)

“With the right legal AI tools, firms will be left with real strategic legal advice, rather than lawyers spending time on small details, such as whether a semicolon is in the right place.” *Daniel Tarver, Head of Capital Formation, Plural.*

STREAMLINING CONTRACT REVIEW AT BLUE EARTH CAPITAL

Independent global impact investment firm Blue Earth Capital leverages Robin AI’s AI-powered software and team of in-house legal experts to streamline its routine contract review process. As a result, it now receives around-the-clock, four-hour turnarounds and high-quality assurance, freeing up its team to focus on more strategic growth.

“The 24/7 rapid service was the surprise. Not having to wake up for people or wait for someone to wake up was game-changing. We now feel that there is always someone working to keep our global transactions moving forward.” *Amy Wang, Head of Private Credit and Founding Member, Blue Earth Capital.*

64%

increase of M&A due diligence time over the past decade to 203 days

Deal due diligence

M&A due diligence now takes an average of 203 days, compared to just 123 days ten years ago, an increase of 64%, research by [Bayes Business School](#) found. This is driven by a risk landscape that now spans regulation, ESG expectations, and political and economic uncertainty.

Technologies such as LLMs can analyze and summarize huge volumes of documents and highlight key risks or points to review, creating first drafts of due diligence memos. This enables faster decision-making and more deliberate pricing.

“Rather than a team of junior lawyers combing through thousands of documents, AI can generate a user-friendly, first cut DD report within minutes, including citations and definitions. Very soon, market leaders will rightly no longer be willing to spend time or money on manual drafts.” *Frederik Muelke, Head of Alternative Assets, Robin AI.*

A ‘voice’ on the investment committee

AI is also increasingly moving into the front office and playing a role in informing the investment decisions themselves. The power of generative AI and other tools to rapidly analyze large quantities of unstructured data and generate conclusions and predictions means it can play a valuable role in support of investment committees.



Lisa Weaver Lambert
AI Value Playbook

Hold periods now average
more than six years

83%

of European PE firms are
or plan to use AI to support
value creation by 2025

“Investment committees are increasingly incorporating AI into their decision-making processes. They are providing AI with comprehensive information on investment opportunities and soliciting its ‘opinion’ or ‘vote’ as part of the evaluation. While it doesn’t supersede any of the investors, it allows for a deeper and more nuanced understanding of investment opportunities, identifying potential risks and rewards that might be missed.”

Lisa Weaver Lambert, author of the AI Value Playbook.

PORTFOLIO MANAGEMENT AND VALUE CREATION

With [reports](#) that hold periods now average more than six years, compared to less than five in 2020, effective portfolio management has never been more important.

Portfolio insights and performance tracking

Alvarez & Marsal found that 45% of European private equity firms are using AI to support value creation, and 38% are planning to do so by 2025. Machine learning algorithms can analyze portfolio data to identify risks and growth opportunities, predict future asset performance, identify bolt-on targets, and even assess exit readiness – all for consideration by value creation teams.

“For your existing portfolio, you can analyze real-time data and generate insights into where issues may arise to take corrective action in advance,” says [Anna Barath, Head of Asset Management, Bite Investments](#). “But you can equally use predictive analysis to predict which company could outperform and potentially present a more attractive add-on acquisition target, or as part of deal sourcing.”





In the not-so-distant future, AI analytics could also tackle the challenge of calculating accurate valuations for private assets by ingesting and processing large volumes of business, transaction, and market data.

Compliance and reporting

Private markets compliance teams are spread increasingly thin as they battle to keep up with regulation while staying on top of firms' contractual obligations. This work is repetitive but vital, and has historically involved manual checking and unwieldy spreadsheets. In contrast, AI can quickly flag obligations, restrictions and issue reminders to the right stakeholders.

“Legal teams within private markets firms are notoriously lean, and requests for information buried deep in side letters or other contracts add more tedious workload. Often, this comes at the expense of active deal work.” [Frederik Muelke, Head of Alternative Assets, Robin AI.](#)

“While general-purpose chatbots aren’t smart enough to review and edit most legal documents accurately, AI models fine-tuned for legal work are able to accelerate review, markup and negotiation of routine contracts substantially.”

Breaking down barriers to adoption

As with any transformative technology, aligning the vision with reality takes time. Introducing AI involves changing deeply entrenched systems, processes, and cultures; but the prize could be tremendous. Before diving in, firms should consider potential hurdles – and strategies to overcome them – and work with trusted partners with experience in navigating these challenges.



Clarity of leadership and strategy

AI adoption starts at the very top, with deliberate leadership around objectives and the skills the business needs to achieve them. Strategic indecision trickles down to the rest of the organization, so leaders need to be clear about what their AI strategy is before implementing new tools and ways of working. There are several initial questions to answer. For example, whether to start with a vertical or a horizontal approach, and whether to buy AI solutions off the shelf, or try to build them in-house.

Firms with limited or no experience with AI should keep it as simple as possible when starting out. Change management and integration challenges mean that for most firms, tackling specific vertical processes (where there is a strong case for reducing a specific pain point and adding value) is preferable to attempting to implement an end-to-end, horizontal system that impacts numerous teams, leaders and external suppliers.

Starting small with a project that is straightforward to implement minimizes unnecessary complexity and reduces the number of stakeholders, boosting the chance of success. Once employees understand more about the technology and benefits, organizations can introduce AI into other areas of the firm.

“Firms taking a ‘thin slicing’ – continuous process improvement focused on low-level productivity gains – while simultaneously building internal expertise in AI technologies are those that are going to see a cumulative competitive advantage moving forward.” *Lisa Weaver-Lambert, author of the AI Value Playbook.*

In terms of project management, less is more: working groups and leadership oversight can be limited to those who are critical to success. For larger firms, there is value in designating a cross-functional player who can orchestrate planning and implementation.

“A common mistake is setting process-based KPIs for innovation and project teams, like number of POCs run or providers reviewed. These motivate people to go an inch deep and a mile wide, but nothing gets done. The KPI philosophy should be output-based, aligned to hard dollar and time savings, clearly laddering up into the wider business strategy.” [Frederik Muelke, Head of Alternative Assets, Robin AI.](#)

Winning over the team

Education and communication are key to achieving buy-in with existing team members, and ensuring they understand how the technology works, the benefits and the end-goal. Business leaders must be prepared to face a diversity of views and attitudes; there will be those who are very open and excited about the possibilities of AI, and others who are skeptical and even fearful of the risks, particularly how AI may impact their role, or whether it could be used to replace them in the future.

“Asset management firms are generally run by finance people rather than technology people, so bringing them on that journey can be hard. You need supporters in the firm who are open to trying things out.” [Sachin Anandikar, CTO, Pemberton Asset Management.](#)

Firms must take the fear out of AI, foremost by educating teams on its benefits. It’s important for leaders to emphasise that the purpose of AI isn’t to replace employees; but to help them do their jobs better, and even improve their lives.

AI isn't there to replace employees, but to help them do their job better

“AI won’t replace professionals any time soon; professionals who use AI will replace those who don’t.” [Frederik Muelke, Head of Alternative Assets, Robin AI.](#)

On the flipside, leaders must manage any overblown expectations about what AI can achieve. Some AI providers overpromise on what’s possible when, in reality, AI can’t solve everything.



Paul Loynes
SoftBank Investment
Advisers

“Companies need to give some time to make the AI work as effectively as possible”

“You only get out what you put in, so you’ve got to be specific on your parameters and empower team members to devote time with legal AI developers and salespeople to ensure the technology is doing what you want and flagging the information you need. Companies need to give some time over to make the AI work as effectively as possible.” **Paul Loynes, Legal Consultant and former General Counsel and Partner at SoftBank Investment Advisers.**

Security concerns

Private markets firms handle large volumes of sensitive and confidential data, making data security a valid concern. Security and data privacy issues are mission-critical, so it’s natural that firms want to know how their data will be used, how tools learn from their data, and what happens in the case of a data breach.

Many general-purpose AI tools are open, so users have little control over how data inputs are used or stored. However, there are now many sector-specific private markets tools that are built with security considerations front of mind, ensuring client data remains offline, doesn’t leave their systems, and is siloed between clients.

Private markets firms should work with established providers that have built their systems using reputable partners and have appropriate security accreditations, such as ISO/IEC 27001:2022, SOC2, and Cyber Essentials. The right partner can help provide assurance, so firms don’t need to build sophisticated security infrastructure from scratch.

With many new players offering AI solutions, firms should tap into their networks for credible recommendations and references. As an increasing number of private markets firms are now using AI tools, firms should seek out these stories to learn about what works and what doesn’t, before shortlisting a maximum of three providers and getting started with a proof of concept (POC).

Many sector-specific private market tools are built with security considerations front of mind

Buy vs. build

Building in-house is expensive, and recent AI funding figures give an idea of the meaningful cost involved in developing and maintaining AI systems that are safe, effective and current. Not only is the talent required to build with AI hard to recruit into a private markets firm environment, but foundational model capabilities are changing at a pace that means application layer solutions are likely in need of updates within months. Spending internal time and money on a tool that's outdated by the time it is complete is a potent risk attached to any build strategy.

Fortunately, AI solutions for a wide variety of use cases are now available off the shelf. Either acquiring the exact solution needed or configuring a broader-use application to meet requirements, these tools can be rolled out for a fraction of the cost, time, and risk involved in starting from scratch.

Accuracy, bias, and keeping a human-in-the-loop

Nearly half of CEOs are concerned about accuracy and bias in AI, the [IBM Institute for Business Value](#) found, as mistakes, hallucinations, and bias are common in general-purpose AI tools.

“This is a very emergent technology. There has been amazing progress over the last two years, but media reports about hallucinations and security stick. There are answers to those concerns, but for those who don't want to learn it becomes difficult for them to understand the complexities of the technology.” [Sachin Anandikar, CTO, Pemberton Asset Management](#).

Education is also key to ensuring employees understand the technology and what is realistic today. AI isn't foolproof, and perhaps never will be, which is why including a human-in-the-loop is effective, whether in-house or as part of an external service. Working with the right partner can help minimize risk, so it's worth taking the time to research which foundational AI platform your partner is using; for instance, look to leverage Anthropic where safety is a key priority.

“Whether it's a managed service where your provider's team use the software, or your own team licensing the tech directly, AI with a human-in-the-loop is what wins the race.” [Frederik Muelke, Head of Alternative Assets, Robin AI](#).

Almost half of CEOs have concerns around accuracy and bias in AI

The integration and data challenge

Most private market firms rely on a complex web of legacy technology and unstructured data, which can also hinder the pace of adoption. “It’s very easy to do experimentation with generative AI that looks really good, but actually scaling that and integrating it into products or workflows is much more challenging due to legacy systems.” *Lisa Weaver-Lambert, author of the AI Value Playbook.*

For firms that still rely heavily on manual processes and legacy systems, the first step is to digitize their operations before attempting to leverage sophisticated AI tools. Automating processes can bring enormous benefits for operational efficiency, speed, compliance and reporting, and the emergence of AI is an added incentive to accelerate this journey.

“Data needs to be high quality, consistent, and compatible with all these AI models. Most businesses haven’t completed the digitalization part of the process, so it’s important to walk before you run.” *Anna Barath, Head of Asset Management, Bite Investments.*



Maximising ROI

Key ingredients for success

How can firms begin to integrate AI tools in a manageable way, balancing risks with potential returns in the short term, and be ready to leverage AI's potential?

Start small and build incrementally

Don't try to solve too many problems at once. Take an iterative approach, tackling specific, distinct processes where there is a strong case for demonstrating value.

Start with what you can control

Prioritize use cases where there is end-to-end control, without any input from other technology or suppliers. Tech stack integrations are much easier to bolt on once the core use case has been widely adopted within your organization.

Leverage your existing resources

Where budgets are tight and time is of the essence, the right partners can hugely speed up the process. For example, Amazon Web Services partners can often use their AWS credits to pay for certain services, which are listed in Amazon's marketplace, ensuring extensive infosec, security and architecture reviews have already been completed.

Choose trusted partners

Wherever possible, prioritize off-the-shelf tools over starting from scratch in-house. Building your own solution is hard, ensuring it stays state-of-the-art in a fast-changing space is harder still.

Lean on your peers

91% of investment managers are currently using or planning to use AI within their investment strategy or research, according to a [recent study from Mercer](#). Data quality and availability are some of the most-cited barriers, according to current users, so ask for references from trusted peers, prioritizing security credentials. A strong reference trumps even the best POC.

Clear, value-focused KPIs

If you haven't decided what good looks like for you, you don't know whether you've been successful. Clarity on your objectives also pre-empts arduous expectation management down the line, especially where multiple functions are involved.

Avoid POC hell

Don't do more than two or three POCs. Use your network to narrow down the pool of possible providers and run a clearly defined POC process.

If you can't measure it, it's not real

Whatever tool you're adopting, it must be crystal clear how this is saving you time and/or money. Only work with partners who help you capture and report on the data that you need to build the business case.

When integrating AI, prioritize cases where there is end-to-end control

91%

of managers are using or planning to use AI within investment strategy or research

10 steps to a winning proof of concept

Achieving AI success in 2025 requires certainty over how and where this tech will deliver value. A solid proof of concept is often a helpful first step. POCs should be short, clearly defined, led by an expert, and follow a tried-and-tested formula.

- 1 Define the working group**
All those involved in the decision-making process, and some of those using the tool, should be involved in the POC, ensuring sufficient buy-in into objectives and capabilities.
- 2 Set the timeline**
POCs should last between 4–12 weeks, depending on the size of your firm and capacity. It's a balance; you want your teams to be busy enough to see a reduction in their workload, but not too busy to engage with the POC process.
- 3 Agree evaluation criteria**
Simple but often overlooked, the working group and AI provider should set clear, measurable, output-based KPIs, including which results are needed to proceed with a full implementation.
- 4 Agree budgets**
Set budgets before the POC to minimize implementation delays and keep momentum inside the business.
- 5 Expect hurdles**
Map out any potential barriers to adoption and how to overcome them.
- 6 Align with a kick-off call and demo**
Remind each team member of the evaluation criteria and address any final questions before going live with the trial.
- 7 Schedule feedback sessions**
Lock in check-in calls to review progress, and address any issues or questions. These can be informal “drop-ins” but need to be diarised prior to kick-off.
- 8 Asses the outcome**
Assemble decision-makers to align on POC performance against the evaluation criteria.
- 9 Build a business case**
Consolidate the hard data on usage, and time and money saved, supported by the provider, to accelerate approval.
- 10 Implementation**
Once approved, assign responsibilities and begin implementation to keep the momentum.



“Being excited about AI is easy. Making that jump from discovery to adoption requires a structured approach, a strong business case, and a little bit of courage.”

Frederik Muelke, Head of Alternative Assets, Robin AI

At Robin AI we believe in a world where law moves at the speed of business. By combining the power of AI, data and deep legal expertise we’re building the leading AI-native products for the legal sector.

Our client base spans in-house legal teams at 13 members of the Fortune 500, and many of the world’s leading asset managers.



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