Grant Thornton

5-question AI investment framework for asset management leaders

Start: Front-office use case

1. Does this AI use case directly affect AUM?

Why this matters: Asset managers report efficiency gains broadly, but far fewer report revenue growth. Prioritize AI use cases that trace a line to net flows, allocator retention, product uptake or distribution growth and require the business sponsor to name the target metric and baseline before approval.

No

Fund this as an efficiency infrastructure. Evaluate it on cost and productivity terms, not front-office investment terms.

Yes: Proceed

2. Is this AI embedded in a live front-office workflow?

Why this matters: Leading firms embed AI within workflows that power decision-making related to client interactions — CRM actions, portfolio management systems, due diligence questionnaire evaluations and investor reporting platforms. If it only lives in a dashboard or side tool, AI is just creating more insights — not powering real decisions.

No

Do not fund or scale until the use case is wired into a named front-office workflow with an identified user, decision point and system of record.

Yes: Proceed

3. Can we defend the AI output to allocators, auditors and regulators?

Why this matters: Only 22% of asset managers are very confident they could pass an independent audit of their AI governance. Many firms are facing allocator scrutiny before regulations formally demand compliance. If a firm cannot explain how an output was generated, what data informed it and where human judgment was applied, the output poses substantive business risk.

No

Controls must be funded first. This AI workflow cannot touch client-facing or investment-critical workflows until governance is provable.

Yes: Proceed

4. Is there a named business owner for the AI investment — in investments, distribution, investor relations — with economic accountability?

Why this matters: Front-office AI is most likely to fail when accountability sits outside the business unit generating the outcome. Named ownership — including accountability for adoption, KPIs and escalation — must be a prerequisite to funding approval.

No

Do not fund beyond pilot. Ownership in IT or an "AI team" means there is no clear mechanism for delivery or shutdown.

Yes: Proceed

5. Are the kill criteria for AI investments defined — and has anyone tested them?

Why this matters: Most AI investment decisions define upside AI investment criteria clearly. Very few define when investments get paused or shut down. In asset management, that asymmetry carries real consequence: reputational, regulatory and commercial harm could outweigh gains quickly.

No

Do not scale. Undefined exit conditions create unmanaged exposure in client-facing and investment-critical workflows.

Yes

Approve for front-office scale with quarterly gate reviews and a clearly documented off-ramp.