# Bridging the AI adoption gap: UK businesses urged to act as government ramps up support



The UK stands at a pivotal moment in its AI journey, poised to consolidate its reputation as a global leader in artificial intelligence. The nation has long excelled in AI research, delivering breakthroughs in healthcare, financial modelling and cybersecurity. Government ambitions, laid out in the AI Action Plan and backed by substantial investment, reflect a clear intent to position the UK as an AI superpower. But turning this vision into widespread, effective adoption remains a major challenge for British businesses.

Despite ranking among the top five countries globally for AI readiness, only a quarter of UK enterprises have embraced the technology since the pandemic. This implementation gap threatens to overshadow the country’s innovation credentials. Industry leaders highlight three areas where businesses must act: workforce upskilling, data democratisation and building in-house AI talent.

Poor data management is a key barrier. Some 91% of UK business leaders say low data quality hinders operations and limits AI’s ability to deliver actionable insights. Investing in intelligent, centralised data platforms can provide real-time access to high-quality data across organisations—enhancing transparency, empowering staff and ensuring insights are not missed.

Skills shortages also pose a significant obstacle. Most UK CEOs cite a lack of technical expertise as a barrier to digital transformation. Structured, continuous learning programmes to boost AI literacy are critical. A Google report estimates that simple AI adoption in admin roles could save UK workers 122 hours annually—equivalent to a potential £400 billion boost to the economy. These figures underline the value of equipping employees with the tools and training to use AI effectively.

Finding AI specialists is also proving difficult. Recruiting for AI roles is more challenging than other tech positions, with firms paying premiums for top talent. Without in-house capabilities, companies often turn to generic third-party solutions that may not meet their specific needs. Building internal AI expertise, supported by robust data platforms, offers long-term benefits—enabling customisation and deeper institutional knowledge.

Cultural acceptance remains a hurdle. Although 85% of workers expect AI to impact their roles within five years, this often generates resistance. Businesses must clearly communicate AI’s role as an enabler—not a replacement—of human expertise. Engaging staff in AI rollouts helps reduce anxiety and promotes collaboration.

These efforts come as broader trends reshape the UK’s AI landscape. Over half of UK businesses now report using AI tools, with many seeing increased revenues. But rising costs, including higher National Insurance contributions and employment reforms, are prompting firms to prioritise AI over headcount. A survey by Boston Consulting Group found that 51% of UK business leaders plan to invest in AI over hiring in 2025 as a cost-saving strategy.

In response, the government is expanding support. At London Tech Week 2025, Prime Minister Keir Starmer announced a £1 billion investment to scale AI computing power twentyfold. The initiative includes training 7.5 million workers in AI skills by 2030—a move welcomed by industry figures including Nvidia’s CEO, who highlighted the need to match infrastructure to research leadership. Plans are also underway to establish new bodies for AI security and health data management, ensuring progress is responsibly governed and publicly beneficial.

Together, these developments signal a nation accelerating towards an AI-powered future. But for the UK to fully realise this potential, businesses must move from ambition to execution. Investing in skills, upgrading data systems, developing in-house expertise and promoting cultural buy-in are essential. With focused action, the UK can leverage its strengths to lead in responsible, impactful AI adoption—driving growth, empowering workers and enhancing economic resilience.

Created by [Amplify](https://www.hbmadvisory.com/amplify): AI-augmented, human-curated content.

## Bibliography

1. <https://bmmagazine.co.uk/in-business/how-uk-businesses-can-effectively-overcome-the-ai-implementation-gap/> - Please view link - unable to able to access data
2. <https://www.ft.com/content/56da8149-d51a-43b2-8ed8-fff0ddb6005d> - A recent survey by Boston Consulting Group revealed that 51% of UK business leaders plan to invest in artificial intelligence (AI) rather than hiring additional staff, following increased national insurance contributions. This shift aims to boost productivity and manage costs. Additionally, 57% of executives intend to reduce hiring in 2025 due to anticipated higher expenses from workers' rights reforms. This trend reflects broader economic challenges and a slowdown in hiring, with companies seeking technological solutions to enhance efficiency.
3. <https://www.ft.com/content/a3e113a5-4a4c-4487-8308-56352202a480> - Despite a government initiative to reduce quasi-autonomous non-governmental organizations (quangos), UK ministers are planning to establish two new bodies focused on AI security and health data. The Department for Science, Innovation and Technology proposes transforming the AI Security Institute into an independent entity to oversee algorithm testing for advanced AI models. Additionally, a new health data research service is planned to facilitate access to NHS data for drug discovery and patient care improvements, potentially structured as a government-owned company.
4. <https://www.reuters.com/business/world-at-work/workers-could-save-122-hours-year-by-adopting-ai-admin-tasks-says-google-2025-04-24/> - A Google report indicates that UK workers could save an average of 122 hours annually by integrating AI into administrative tasks, potentially contributing £400 billion to the British economy. The findings, based on Google's AI Works pilot programs with small businesses, educational trusts, and unions, highlight that simple measures—such as granting employees permission to use AI and providing brief training—can significantly boost AI adoption and ongoing use, especially among older workers from lower socio-economic backgrounds.
5. <https://www.techradar.com/pro/live/london-tech-week-2025-day-one-all-the-news-and-updates-as-we-see-them> - London Tech Week 2025 showcased the UK's growing role in the global tech and AI landscape, with keynote speeches from Nvidia CEO Jensen Huang and UK Prime Minister Keir Starmer emphasizing AI as transformative infrastructure requiring substantial investment. Starmer announced significant initiatives, including a £1.5 billion investment from Liquidity for its European HQ in London, £1 billion for scaling compute power, and plans to train 7.5 million UK workers in AI by 2030, supported by Nvidia.
6. <https://www.ft.com/content/cc04adfb-81b2-477f-b85c-ce042e8f83a8> - At London Tech Week, Nvidia CEO Jensen Huang highlighted the UK's lack of sufficient digital infrastructure despite its strong AI research talent and significant private investment. In response, UK Prime Minister Sir Keir Starmer announced a £1 billion investment to expand the nation’s AI computing capabilities, aiming to increase compute power twentyfold and transition the country into an AI leader. The funding will bolster the UK AI Research Resource launched in 2023 and support wider adoption of AI, including training for all civil servants.
7. <https://www.aboutamazon.co.uk/news/aws/aws-unlocking-ai-report-uk-business-adoption> - A recent AWS report reveals that AI adoption in the UK has grown by 33% in the last year. More than half (52%) of businesses now use AI, with at least one business embracing the technology about every 60 seconds. The report highlights that 92% of businesses that have adopted AI report increased revenue, indicating a significant impact on business performance and the broader economy.