



Oakland

From hype to value: The state of AI adoption in the UK

A practical guide to trust, connection,
and value in the age of AI



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Executive Summary

The gap between AI ambition and AI achievement has become enterprise technology's defining challenge. Organisations invest heavily in AI initiatives, yet most proof-of-concepts fail to deliver sustained value. The difference between success and failure isn't technology sophistication. It's the strength of three fundamental elements: **Trust** in data and outputs, **Connection** across systems and teams, and demonstrable **Value** delivered to the organisation.

This white paper examines two years of enterprise AI adoption, identifying the patterns that separate successful implementations from expensive failures. The findings challenge conventional wisdom. Transformation doesn't come from moonshot projects or the latest models. It comes from automating the unglamorous work that drains productivity, built on solid data foundations, and by creating AI solutions that integrate seamlessly into existing operations.

Three universal problems consistently yield AI value: managing information overload, unlocking insights from institutional knowledge, and scaling scarce expertise across organisations.

Success in these areas requires moving beyond generic productivity tools to process-native solutions built for specific business realities. The organisations winning with AI aren't waiting for perfect data or chasing every new capability. They're starting with focused lighthouse projects, proving value, and building momentum through delivered results.

The regulatory landscape, technical requirements, and organisational readiness all demand attention. But the opportunity for those who approach AI with rigour and patience remains significant. Trust, connection, and value aren't abstract aspirations. They're built through six concrete capabilities that this white paper explores.

These capabilities work in a reinforcing cycle. Delivering value builds trust. Trust encourages deeper data, system, and team connections. Better connection enables more sophisticated AI. More sophisticated AI delivers greater value. Break any link and the system weakens. Strengthen all six, and momentum compounds the value delivered.

The Softcat and Oakland Partnership

Softcat acquired Oakland to address a critical market need: customers require both broad technology capabilities and deep specialist expertise. This partnership combines Softcat's market presence and technology portfolio with Oakland's data and AI consulting depth, supporting organisations through the complete journey from strategy to sustained value.

SOFTCAT

Softcat is one of the UK's leading technology solutions providers, helping organisations navigate complex IT challenges through expert guidance and comprehensive technology capabilities. The acquisition of Oakland strengthens Softcat's position in data and AI, combining infrastructure expertise with specialist consulting to deliver complete solutions.

Oakland

Oakland is a specialist data and AI consultancy focused on helping organisations unlock value from their information assets. Now part of Softcat, Oakland brings decades of experience helping businesses move from data complexity to competitive advantage through pragmatic, outcome-focused delivery.

The enterprise AI tipping point

Market retrospective: The AI gold rush and its aftermath

The past two years have restructured the global technology economy. Nvidia became the world's most valuable company, with a market capitalisation of over \$4 trillion. The hyperscalers committed over \$255 billion in 2025 alone to AI infrastructure. Every vendor pitch led with AI. Every conference became an AI conference.

The acquisition frenzy tells its own story. Apple quietly acquired 32 AI startups in 2023 alone. AMD spent \$665 million on Europe's Silo AI. Microsoft's investment in OpenAI became the most consequential tech deal of the decade. By 2024, AI deals were up 32% year over year.

But beneath the excitement, volatility signals deeper questions. Concerns about an AI bubble have surfaced repeatedly in mainstream media throughout 2025. We see the market reacting quickly to AI news, reflecting uncertainty about sustainability.

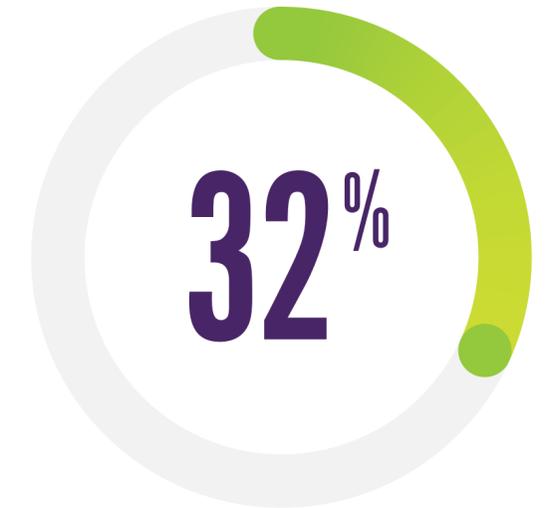
Yet whilst investors worry, businesses face a different reality. Large language models evolved rapidly. GPT-4 set benchmarks in March 2023, but by 2025, the landscape had exploded with competing capabilities from Claude, Google's Gemini, Meta, xAI, and Oracle. For many UK businesses, this abundance created hesitation rather than progress. Creating a need for pragmatic, expert guidance grounded in practical experience rather than technical enthusiasm.

This need for trusted expertise becomes even more pressing as the technology itself is becoming dramatically more accessible. Model Context Protocol and new agent-building frameworks are lowering deployment barriers. AI workload costs continue to fall as models become more efficient.

For UK businesses, this matters more than stock market volatility: implementation is getting cheaper and easier, making "wait and see" an increasingly hard position to maintain.

Organisations achieving genuine value weren't waiting for perfect models. They picked proven tools, focused on specific problems, and built solutions that worked. The differentiator wasn't having the latest model; it was understanding their data and implementing it properly.

This reveals something crucial: the patterns defining AI success are logical, learnable, and replicable.



AI deals were up year over year by 2024

\$255 bn

Hyperscalers investment in AI infrastructure alone in 2025

The lessons behind AI success

The much-referenced MIT research reported by Forbes stated that 95% of enterprise AI projects fail to deliver ROI. It's the kind of statistic that generates clicks and boardroom anxiety in equal measure. Yet behind the headline lies something more useful: logical patterns separating success from failure.

The research explains the gap. Many AI systems present outputs with unwarranted certainty, creating a verification burden that eliminates efficiency gains and erode trust. Many tools don't keep feedback or adapt to workflows, remaining stuck in pilot mode because organisations treat deployment as the finish line rather than the starting point.

The 5% who succeeded understood something fundamental: AI success requires ongoing adaptation, not one-time deployment. They built feedback loops that allowed systems to learn and improve. They focused on the specific, measurable problems. They automated mundane tasks before attempting complex workflows.

95%

of enterprise AI projects fail to deliver ROI

Early adopters in financial services and retail show what's possible. Customer service automation delivered 20-40% efficiency gains. Document processing that used to take days now takes hours. These weren't accidents or lucky breaks.

What separated success from failure wasn't simply the model chosen or the vendor selected, though both are important. It was the approach. Winners built on existing data foundations rather than starting from scratch. They measured benefits continuously and adapted based on results. They understood that the path from pilot to production requires a commitment to evolution.

This is precisely why Softcat acquired Oakland. Customers needed specialist expertise to navigate the rapidly shifting data and AI landscape. The combination of Oakland's data and AI consulting expertise with Softcat's technology capabilities created comprehensive support for the complete journey, not just deployment.

20-40%

Customer service automation efficiency gains

The understanding that AI demands sustained commitment makes the lessons from both the 95% and the 5% increasingly clear. The technology works. The question is whether organisations are willing to approach it with the rigour and patience required. For those who do, the opportunity is significant.

Yet rigour extends beyond technical implementation. As AI moves from experimentation to production, organisations face another reality: the regulatory landscape has matured alongside the technology itself.

“Everyone obsesses over which model to use; GPT-4, Claude, Gemini. But it's about data readiness and your ability to integrate AI solutions tightly with core business processes. Any AI solution is only as good as the data and workflow integration effort that's been put in.”



Andy Crossley

Chief Technology Officer, Oakland

The regulatory landscape

The regulatory environment has matured rapidly. The EU AI Act establishes clear requirements based on risk levels, whilst the UK takes a principles-based approach through existing regulators. ISO 42001 provides a structured framework for AI management systems. Together, these create a complex landscape that intersects with GDPR, sector-specific regulations, and security standards.

Integration across capabilities

AI governance doesn't exist in isolation. Successful organisations integrate it across three critical areas:

- 1 Security:** AI systems introduce new attack surfaces. The NIST AI Risk Management Framework addresses AI-specific threats like model poisoning and adversarial attacks. Identity management extends to AI systems themselves, whilst data classification protects information throughout the AI lifecycle.
- 2 Infrastructure:** Your hybrid platform architecture provides the secure foundation for compliant AI. Secure development pipelines (MLSecOps), privileged access management, and cloud-native protection become prerequisites for meeting regulatory requirements.
- 3 Data Governance:** GDPR compliance in AI extends beyond traditional data protection. Privacy-preserving technologies, data lineage tracking, and automated retention policies enable compliant AI training and deployment.

The governance advantage

Organisations that built governance from the start are now ahead of both regulatory requirements and competitive threats. They embedded AI within existing governance, risk, and compliance frameworks, leveraging capabilities they'd already built.

For those without established frameworks. Adapt what you have. Extend existing data protection, security, and risk policies to cover AI-specific considerations. Establish basic controls for initial use cases, then expand as you scale. The goal isn't perfection; it's embedding governance from day one rather than trying to retrofit it later.

“ We see the same pattern repeatedly: organisations with twenty proof-of-concepts and zero production deployments. The winners pick one painful problem, solve it properly, then build from there. Momentum beats moonshots every time. ”



Joe Horgan
Principal Consultant,
Oakland

Customer value realisation

The triumph of boring automation

With governance as the foundation and focused implementation as the strategy, where does value appear? It's in the repetitive, time-consuming tasks that organisations have lived with for years.

Take one manufacturing client with eight million SKUs accumulated over three decades, with no consistent categorisation. Oakland deployed 300,000 AI agents working in parallel, understanding context and adapting to inconsistent naming conventions. The result, 90% of revenue mapped to clear categories for the first time, achieved in weeks at less than 10% of the cost of manual efforts.

This represents AI's true strength: high-impact work that's critical to the business but tedious for humans. When looking for AI projects, identify essential but thankless tasks. Let AI handle the repetitive grind whilst your people focus on work that requires human judgment.

The three problems that matter

In the Oakland AI Guide ([link](#)), three consistent challenges were identified where AI delivers immediate, measurable value:

1 The information tsunami: Every organisation drowns in incoming data. Support tickets accumulate faster than teams can read them. AI changes this dynamic completely. Every message gets read, categorised, and routed instantly. Priority items surface immediately. Your experts focus on complex problems, not inbox management.

2 The document mountain: Decades of accumulated knowledge sits dormant in your systems. Natural language processing makes this knowledge accessible. Users can query years of documentation conversationally. "What went wrong on similar projects?" gets instant, relevant answers. Not keyword matching, but semantic understanding.

3 The expert shortage: Your best people spend too much time answering routine questions. AI amplifies expert knowledge across the organisation. One specialist's understanding becomes accessible to hundreds of users. Routine analysis automates. Experts focus on strategic decisions.

Measuring what matters

These three problems share a common attribute: they are all measurable. Two years ago, organisations struggled to quantify the value of AI. Today, the metrics are becoming clearer and consistent:

Time to insight: From hours or days to seconds

Process efficiency: 14-40% productivity gains on routine tasks (Harvard/MIT/Stanford studies, 2023) [MIT Sloan](#) [CNBC](#)

Error rates: 60-80% reduction in data entry and classification errors ([healthcare AI study](#); [global bank RPA implementation](#))

Employee satisfaction: Significant improvement as mundane tasks disappear

Customer experience: Faster response times and more consistent service

These benefits are significant, incremental and compound over time. A 30% improvement here, a 40% efficiency gain there. These add up to competitive advantage, organisational improvements, and satisfaction enhancements.

“AI isn't about displacing workers; it's about freeing them up to focus on tasks requiring judgement and creativity that transform your business. You finally get full value from your people, and they get to do work that's meaningful.”



Joe Horgan

Principal Consultant, Oakland

Barriers to value

The patterns of success are clear. The metrics are proven. Yet, some AI initiatives struggle. Why? The barriers aren't technological; they're organisational, cultural, and foundational. Understanding what derails AI projects matters as much as understanding what makes them succeed.

The five pitfalls we see repeatedly

Oakland's AI Guide identifies five common patterns that separate successful AI implementations from failed ones. These challenges appear consistently across industries and organisation sizes.

1 The Moonshot Mistake: AI is expected to solve everything. Big moonshot projects look impressive in presentations but often fail to deliver. The pattern is consistent. Ambitious AI projects aimed at replacing high-level thinking fail.

2 Proof-of-Concept Paralysis: Cheaper and easier access lures businesses into trying AI everywhere. Powerful models are available for fractions of a cent per API call, agent framework tools become drag and drop. The temptation becomes irresistible. Implement AI everywhere, all at once. Resources scatter. Nothing gets proper attention.

3 Getting Lost in the Technical Jungle: The AI landscape changes weekly. Teams freeze, paralysed by choice. Meanwhile, competitors who pressed ahead are already seeing results. The best AI solution is the one that solves problems today. Not the one that might exist next year.

4 Data Quality: A Fork in a World of Soup: Your AI is only as good as your data. But what does data quality even mean with unstructured data? Traditional methods do not apply. Try tackling unstructured data with typical quality tools, and you'll feel like a fork in a world of soup.

5 The Integration Nightmare: AI gets added to workflows without the right context. It cannot access key systems. Processes are not adjusted. The result is friction, frustration, and failed projects. This drives organisations into the AI trough of disillusionment and damages trust.

The hidden barriers

Beyond these visible pitfalls lie deeper challenges:

Skills and capability gaps

Most organisations lack the blend of skills needed: data engineering, AI/ML expertise, change management, and domain knowledge.

Unclear ROI models

Many organisations struggle to build believable business cases for AI.

Governance and trust deficits

Without proper governance built from day one, trust erodes quickly.

Infrastructure foundation

Many organisations discover their infrastructure can't support AI at scale. A flexible platform foundation that integrates legacy systems, cloud services, and modern applications becomes essential for moving beyond pilots.

“Every failed project we review has the same pattern: great technology, poor implementation. They treated AI as a technical project rather than organisational change. The technology is the easy part; changing how people work is where the real challenge lies.”



Zoe Balroop

Data, Automation & AI Specialist, Softcat

Suggestions & next steps

Two years of enterprise AI adoption have revealed a fundamental truth: success isn't about technology alone. It's about building **Trust** in your data and outputs, creating **Connection** across systems and teams, and delivering measurable **Value**. These three elements are interdependent; each one reinforces the others.

You can't deliver value without trust in your AI systems. You can't build trust without connecting data, people, and processes effectively. And ironically, delivering value is itself the fastest way to build trust in AI adoption.

The organisations succeeding with AI understand this dynamic. They're not following generic playbooks but taking pragmatic, focused approaches that strengthen all three elements simultaneously.

The six essential capabilities for AI success

Building trust, creating connection, and delivering value requires six capabilities working in concert. These aren't theoretical frameworks but practical areas where organisations must develop strength. Each capability addresses critical elements of how AI succeeds in the real world.

- 1 Define your future:** Start with strategy, not technology. Identify specific problems where AI can deliver measurable value. Build a roadmap that connects investment to outcomes. Get stakeholder alignment early. Without clear direction, you'll join the 95% who fail.
- 2 Integrate your data:** Create the foundation for AI success. This doesn't mean perfect data warehouses; it means understanding your data landscape and building pipelines that work. Your infrastructure must provide the integration capability to connect diverse data sources whilst supporting various AI tools and workloads.
- 3 Build people, process, and culture:** Technology alone doesn't deliver value; you need people. Align governance, training, and change management from the start. Build ownership across business and IT. Create processes that embrace AI augmentation, not fight it.
- 4 Smart content and apps:** Remove technical debt that slows progress. Modernise document management and application architecture to support AI integration. This is where workspace transformation and productivity tools create the interface between AI capability and user adoption.
- 5 Bring AI to life:** Deploy AI where it delivers immediate value. Start with focused lighthouse projects that prove ROI. Build on success to scale gradually. Ensure tight integration with existing workflows and systems.
- 6 Support and optimise:** AI isn't deploy-and-forget. Continuous monitoring, optimisation, and evolution are essential. Build internal capability whilst maintaining partner support. Measure impact consistently and adjust based on results.

The implementation journey: From strategy to value

The six capabilities provide the 'what'; now let's address the 'how'. Through hundreds of implementations, we've refined a proven journey that takes organisations from initial discovery through to sustained value:

Build: Set up change projects or programmes to deliver the strategy

- Programme and governance arrangements
- Success measures and measurement framework
- Change management planning
- Training and communication materials

Design: Shape the strategy, architecture, and frameworks to achieve your goals

- Strategy and operating model design
- Policy and framework creation
- Road mapping and programme design
- Business case development

Discover: Clarify your starting point, vision, and the value to unlock

- Current state capability assessment
- Business strategy alignment
- Opportunity mapping and sizing
- Gap analysis and strategic needs

Deploy: Implement the strategy through projects and programmes

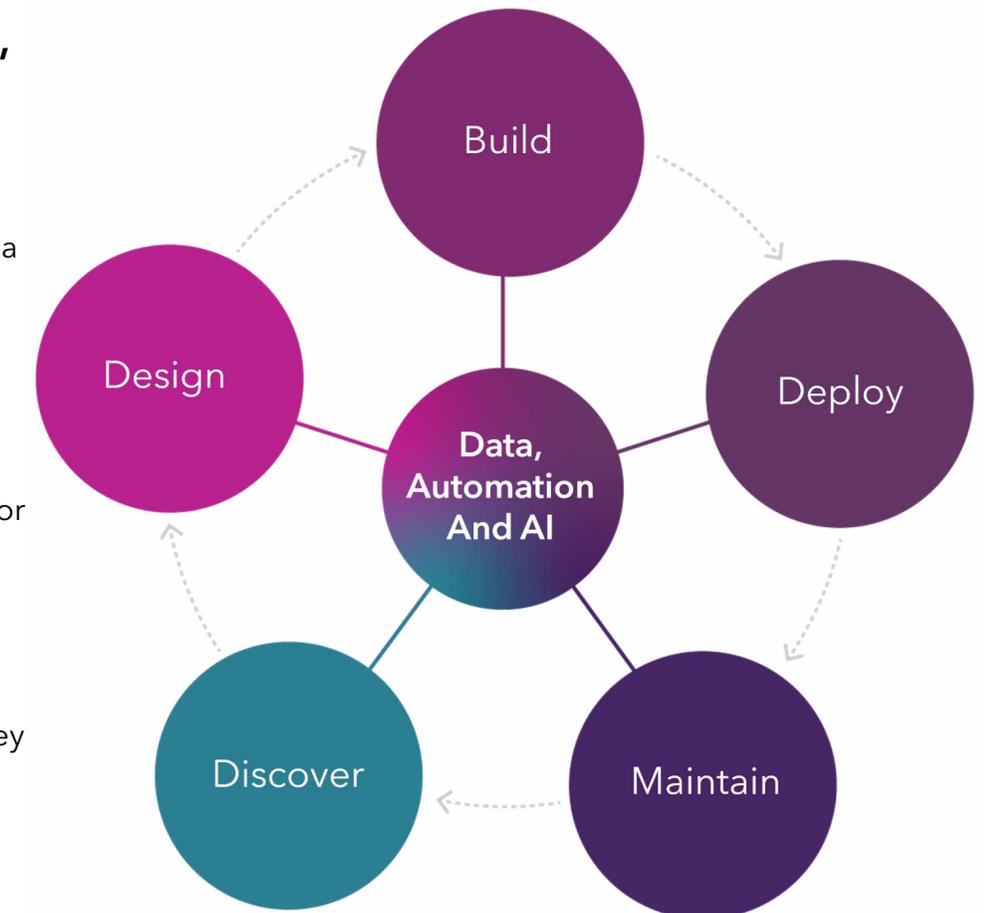
- Programme launch
- Change delivery
- Ongoing monitoring and measurement

Maintain: Adapt and improve based on feedback and evolving needs

- Transition to business as usual
- Feedback gathering and benefit monitoring
- Continuous evolution and optimisation

This journey isn't linear; it's iterative. Each capability area moves through these phases at its own pace, creating a continuous cycle of improvement and value delivery. We see organisations entering at different points based on their maturity and needs. Some require support across the full cycle, whilst others need focused help in specific areas like governance design or deployment optimisation. The insights from one stage inform the others.

What makes this approach different is the recognition that AI adoption isn't a onetime project. It's an ongoing journey where each cycle learns from the last, deepening capability, expanding use cases, and compounding value.



Andrew Hermsen

Chief Technologist
Data and AI, Softcat

“ Frameworks set the boundaries, but shouldn't be rigid. Real progress happens when we align with the customer's journey. We see the greatest impact when we move in step with them, providing support where it matters most, when it is needed most. ”

Conclusion:

Your path to AI success

After two years of market upheaval, billions in infrastructure investment, lessons have been learned. Success doesn't come from chasing the latest model or from building endless proofs of concept. It comes from three fundamental principles that separate those who succeed from those who fail.



Focus beats breadth

Organisations winning with AI pick their battles carefully. Focused, practical solutions to real problems. When people see AI solving their challenges, they recognise the value. Trust follows naturally.



Foundations that scale

Success requires three elements working together: data you can access and trust, integration capability connecting diverse sources, and platform architecture for compliant AI. These foundations determine whether you scale from pilot to production.



Partnership accelerates progress

No organisation has all the capabilities for AI success. The technology moves too fast, the skills gap is too wide, and the complexity is too great to go it alone. The right partner brings technical expertise and relentless enablement to your teams. This becomes your competitive advantage.

Why Softcat and Oakland?

The combination Softcat's technology expertise and Oakland's data and AI specialisation isn't just another vendor relationship. It's a partnership engineered for enterprise AI adoption, bringing together the complete capabilities needed to deliver AI solutions rather than disconnected parts.

Softcat brings three decades of technology excellence

We've helped over 10,000 UK organisations build secure, connected, and productive technology environments. Our expertise spans the capabilities AI demands:

Hybrid Platforms: Infrastructure foundations that scale AI workloads efficiently through high-throughput data integration and distributed system optimisation.

Networking & Connectivity: Programmable, scalable, low-latency architecture enabling real-time AI applications with continuous monitoring to prevent bottlenecks.

Cyber Security: Protection from design through deployment. Secure data flows for training data and models. Identity management for both users and AI systems. Threat modelling safeguarding autonomous systems from manipulation, prompt injection, and adversarial attacks.

Workspace: AI delivered where people work through integrated collaboration tools, smart productivity apps, and user support. Training and feedback loops drive adoption and continuous improvement.

Oakland brings four decades of making data and AI deliver value

Now part of the Softcat family, Oakland has guided hundreds of organisations from data chaos to competitive advantage through real implementations, not theoretical frameworks.

Our approach connects AI investments to outcomes through strategic roadmaps. Data integration creates AI-ready foundations. People, process, and culture alignment breaks down silos. Embedding intelligence into operations transforms data into measurable organisational value that builds over time.

Together, we provide what others can't:

- Complete coverage from strategy to implementation to optimisation
- Proven methodologies refined through hundreds of successful projects
- Vendor-agnostic recommendations focused solely on your success
- Long-term partnership that evolves with your needs

The AI revolution isn't slowing down. Infrastructure investment is expected to exceed £300 billion this year. Models will get more powerful. The pressure to adopt will intensify. But the fundamentals of success remain constant: focused execution, solid data foundations, and the right partnerships.

The question isn't whether you'll adopt AI; that decision has been made by the market. The question is whether you'll be among the success stories.

“ We're past the point where AI is optional. Every organisation will use AI; the only question is whether they'll do it well. Those building on solid hybrid platforms with clear focus will thrive. Those chasing every shiny new model will struggle. Choose your path carefully. ”



Andy Crossley

Chief Technology Officer, Oakland



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Find out more www.softcat.com

