

Rethinking How Businesses Work in the Age of AI

How incremental improvements can build towards wider business transformation

Artificial intelligence is creating opportunities to improve almost every area of business operations.

Much of the attention is understandably focused on individual use cases: automating a particular process, analysing documents, improving customer service, supporting employees or making decisions more efficiently.

These applications can create significant value in their own right.

But there is a potentially bigger opportunity.

Rather than viewing each AI use case independently, organisations can consider how improvements to individual processes might progressively change the way the wider business operates.

This does not require a large-scale transformation programme or the replacement of existing technology. In many cases, the most practical approach will be incremental: start with a clearly defined business problem, demonstrate value, learn from the implementation and then extend into other areas.

The important consideration is to do this with a broader objective in mind from the outset.

The Opportunity Between Existing Systems

Most established organisations already have substantial technology estates.

Banks have core banking platforms. Insurers have policy administration and claims systems. Pensions administrators have pension administration systems. Wealth managers have investment and custody platforms. Companies across industries also rely on Customer Relationship Management (CRM), Enterprise Resource Planning (ERP), finance, document and content management, work management, and other specialist business applications.

Many of these systems are business-critical, underpinning either the core operations of the organisation or the processes through which day-to-day work is managed and delivered. They often represent years of investment and are deeply embedded within the way the organisation operates. AI does not change the need for them.

However, many business processes extend across several of these systems.

Information arrives through documents, emails, websites or other channels. Employees interpret it, retrieve additional information, apply business rules, consult policies and procedures, make decisions, update systems and communicate with customers or colleagues.

As a result, some of the most labour-intensive and fragmented parts of a business process often exist not within the core systems themselves, but around and between them.

People effectively provide the connection between information, knowledge, processes and technology.

AI creates the opportunity to change this.

Improving Processes Incrementally

The starting point does not need to be a fundamental redesign of an entire business process.

An organisation might begin with one specific problem where AI can create measurable value.

It could be customer onboarding, processing an insurance claim, transferring an investment, reviewing a contract, handling an application or responding to a customer request.

Within that process, AI might initially address only certain activities.

It could interpret incoming documents, identify missing information, retrieve relevant organisational knowledge, analyse a case, prepare correspondence or determine what needs to happen next.

Other activities may continue to be performed through established business rules, conventional software, existing systems or people.

Over time, further parts of the process can be improved as experience develops and the business case becomes clear.

The result may ultimately be a substantially different process, but the route to getting there can be incremental rather than transformational.

Use the Right Approach for Each Task

AI should not be used simply because it can be.

Different activities require different capabilities.

Where an outcome can be determined reliably through established rules or calculations, deterministic logic may remain the best approach.

Where information needs to be interpreted, compared or understood in context, AI may add considerable value.

Where information needs to move between applications, APIs and existing software may provide the most effective solution.

And where judgement, accountability, discretion or empathy is important, people should remain involved.

The opportunity is to combine these capabilities within the same process.

A well-designed process might therefore involve AI interpreting information, business rules determining eligibility, existing systems performing calculations, APIs exchanging data and employees reviewing exceptions or making decisions requiring judgement.

The objective is not to make the process AI-driven. It is to make the process work better.

Look Beyond the Cost of the Process

There is another important consideration when identifying where AI can create value.

The business case for automation has traditionally focused heavily on efficiency: how much a process costs, how many people perform it and how much time could be saved.

These remain important measures, but they do not necessarily capture the full value of improving a process.

Processes exist to achieve business outcomes.

Customer onboarding affects customer acquisition and time to revenue.

Investment and pension transfers affect how quickly assets arrive and the experience of customers and advisers.

Underwriting influences risk selection, conversion and profitable growth.

Claims handling affects cost, customer experience and retention.

Customer servicing can influence satisfaction, loyalty and future business.

The value of improving these processes can therefore extend considerably beyond reducing their administrative cost.

When considering AI opportunities, organisations should ask not only:

What does this process cost?

but also:

What value does this process create, protect or enable?

This can produce a very different view of where AI investment should be prioritised.

From One Process to the Next

The next opportunity emerges when organisations stop treating every AI implementation as an entirely separate project.

Consider an organisation that initially applies AI to customer onboarding.

The implementation may require access to product information, customer data, policies, business rules and operational procedures. It may create integrations with existing systems and develop agents capable of performing particular activities.

Some of those capabilities may subsequently be relevant to customer servicing.

Others may be useful for transfers, claims, applications, complaints or another operational process.

The knowledge assembled for one application does not necessarily need to be assembled again. An agent developed for one workflow may be reusable elsewhere. An integration with an existing system can support multiple processes. Common business rules and controls can be applied consistently.

Each successful implementation can therefore contribute capabilities that make subsequent applications easier to develop.

AI investment becomes cumulative rather than simply a succession of unrelated projects.

Connecting the Business More Effectively

As this develops, something broader begins to happen.

Individual processes start to share knowledge.

Agents and other capabilities can be reused across workflows.

Information can move more effectively between existing systems.

Activities that previously required manual hand-offs can be coordinated automatically.

Processes can increasingly be integrated and orchestrated across existing systems. By connecting to those systems and bringing together AI agents, organisational knowledge,

data, business rules, APIs and human decision-making within the same process, activities can be coordinated across the existing technology environment.

An AI agent might interpret an incoming document or request, retrieve relevant information from one or more systems, apply organisational knowledge to determine what needs to happen next, invoke business rules or calculations, update another system through an API and route an exception to an employee where judgement or approval is required. The process can then continue based on the outcome.

People can become involved at the points where their expertise, judgement or accountability is most valuable rather than acting as the connection between otherwise disconnected processes and systems.

The organisation begins progressively connecting its people, knowledge, data, processes and existing technology in a different way.

Importantly, this does not require everything to be built at once.

The transformation can emerge from a series of individual initiatives, each addressing a genuine business problem and each capable of demonstrating value independently.

Implement Incrementally, Think Strategically

This creates an important balance for organisations developing their AI strategy.

Large-scale transformation programmes can be expensive, slow and difficult to justify, particularly while AI technology continues to develop rapidly.

At the other extreme, pursuing numerous disconnected AI use cases risks creating another layer of fragmented technology and duplicated effort.

There is a middle path.

Organisations can start with individual problems where there is a clear opportunity to create value, while considering how the knowledge, agents, integrations, workflows and controls developed for each implementation could subsequently be reused.

Start small enough to demonstrate value.

Learn from each implementation.

Extend into adjacent processes where there is a strong business case.

But make decisions with the broader direction in mind.

Over time, individual improvements can begin to form a more connected way of operating across the business.

From Using AI to Changing How the Business Works

The longer-term significance of AI may therefore be greater than the automation of individual tasks and processes.

Existing enterprise systems will continue to perform many of the functions for which they were designed.

What can change is how information, knowledge, decisions and activities flow through, around and between those systems.

AI agents can interpret information, apply organisational knowledge, support reasoning and participate in workflows. Business rules and conventional software can continue to perform activities where predictable and deterministic outcomes are required. Existing systems can remain the systems of record. People can focus increasingly on activities requiring expertise, judgement and accountability.

Implemented progressively, these capabilities can change how work gets done across the organisation.

The journey can begin with a single use case.

The strategic opportunity is to ensure that each successful implementation does more than solve one problem. It should also contribute to the knowledge, capabilities and connections from which the next improvement can be built.

That is how incremental AI adoption can ultimately lead to wider business transformation.

Where Kognoesis Fits

Kognoesis provides an enterprise platform for organisations to build and progressively extend AI-enabled processes and workflows across their existing technology environment.

The platform brings together AI agents, organisational knowledge, enterprise data, business rules, workflow orchestration, existing systems and human decision-making within a governed environment.

Organisations can begin with an individual use case and then reuse the knowledge, agents, integrations and workflow capabilities created as they extend into other processes.

Kognoesis is LLM-agnostic and enables AI to be combined with deterministic logic, data processing, APIs and conventional software, allowing the most appropriate approach to be used for each activity.

This enables organisations to implement AI incrementally while building towards a broader capability that connects people, knowledge, data, processes and existing technology more effectively across the business.

