



"Hey Al. Welcome to the team."

Emergence of the Algorithmic Enterprise



0000

Catherine 10:05 PM

Artificial Intelligence is going to change everything



John 10:08 PM

Yes, it is only the AI-First enterprises that will survive



Catherine 10:10 PM

Hmm

Catherine 10:11 PM

so do you think our enterprise is ready for this change?



John 10:15 PM

I'm not sure, tbh.

John 10:16 PM

Kind of scary, isn't it?



Catherine 10:20 PM

Yes!

How human is the AI enterprise going to be?



John 10:25 PM

Well. as human as me...





Catherine 10:28 PM

Wait!

Am I talking to AI?

Catherine 10:28 PM



live in a time where the phrase 'AI-First' is worn like a talisman from the temple of the future. A talisman that will protect us from the unstoppable forces that could devour today's jobs, but could unlock value in tomorrow's potential.

We are seeing the landscape of the AI-enabled enterprise painted as a promised land of unfathomable plenty. But do we, the crystal gazers into the future world of business, fully understand what it means to be an Al-enabled enterprise? If a company does give primacy to Artificial Intelligence, what does that company look like? What does it take to be such an enterprise? How does it behave? What does its growth path look like and where is it headed? Who will it take along for the ride, and crucially, who will it leave behind?

> In the Bain Consulting Report on the Firm of the Future, it is predicted that the focus will shift from shareholder value to customer intimacy, and those who will succeed will be able to deploy intimacy with the customer at scale.

Will AI enable this promise? Or will it result in the creation of faceless organization driven by bots that are as impersonal as they are efficient?1



¹ https://www.bain.com/insights/topics/the-firm-of-the-future/

A question that business leaders seldom ask each other is, to what end is this race to embrace AI? Is it about simply accelerating human productivity and efficiency? Or is it about augmenting the very nature of human intelligence and in doing so, finding superior solutions to human problems?

If we only look at AI through the lens of productivity, we do it a great disservice. The forces of capitalism have been working to extract every ounce of productivity from the workforce for generations. The world of AI holds in it the potential to help enterprises sharpen their creative edge, and synthesize ideas and solutions that push the boundaries. It has a scope of impact far larger than hiking up human productivity with the aid of machines. Capitalist business tenets have long interlinked productivity with economic value. But with the innovation that AI brings, this idea of economic value is poised for change.



The new economy of cognitive capital



We have long held the tenets of the traditional economic models as sacred. But the convergence of AI and human intelligence is poised to create the enterprise of tomorrow that promises to break barriers, redefine roles and forever reshape the world of business as we know it. Our judgments of a company are rooted in the economics of supply and demand – where the key resources in question is usually tangible good or service. But in the era of AI-enabled enterprises, the fundamental economic resource will shift to intelligence or knowledge. We may not have the tools to measure these today, but it is inevitable that they will develop.

Organizations will begin to focus on collective cognitive capital, not just the capital that is associated with physical assets. Cognitive capital will be a collective measure of their Al capability, and the expertise of their human interfaces. The very idea of labour or workforce could shift from efficiency in performing repetitive tasks to the generation, curation, and application of knowledge. Indeed, we will need to unlearn the ways we arrive at valuations of companies and learn to judge the attractiveness of a potential investment differently. No longer will companies be valued solely on the size of the workforce, share of the market, or asset base. Instead, we will learn to account for the maturity of its AI systems, the data they have access to, and the quality of vision of the human team. The humans of today have become enamoured with the idea of productivity as the sole benchmark of a self-actualized life. Al is set to change that.

The self-actualization economy: The end of the obsession with personal productivity

We live in an always-on world. Ordered something online? It is delivered the next day. Crave a treat in the middle of the night? Someone delivers it within minutes. Forgot urgent groceries? There is a doorstop delivery before you can put your smartphone away. But what this convenience demands of us is an always-on culture of work. We find ourselves chasing an impossible standard of work, with tasks impinging on personal time constantly. But as AI and automation take over several of our routine tasks, humans might just find themselves with more leisure time. This could lead to an economy centered around self-actualization - and personal growth - with people spending more on experiences, education, and personal development. We may see the end of our obsession with personal productivity and be in greater connection with what makes us human.



The digital transformation endgame

If the age of digital transformation was marked by technology systems that were designed by humans for human-centric processes, then it is time for the bad news. We are seeing its endgame playing out. If Digital Transformation was the blockbuster series of hyper-exciting, highestgrossing, superhero-sporting cinematic universe, then this is the last of its movies, and there is no sequel. Al-enabled will mean that the onus of designing our enterprises will shift from the human mind to an artificial mind. We are moving from an era of digital transformation to an era of transforming digital.

All is now asserting its place as the cornerstone of the modern enterprise: an engine that brings alive a grand human vision by driving innovation, crafting strategy, and powering execution across every business function. To make this happen we are likely to see gigantic leaps in the way innovations scale up to become disruptions.



Innovation versus disruption: lessons from the story of AirBnB



If innovation is an incremental improvement in the process of achieving an outcome, true disruption is when that innovation scales to a level where it changes people's attitudes, beliefs, and behavior. To illustrate this, consider this: let's say that someone said, even as recently as 5 years ago, that they were going to let out the spare bedroom of their home to strangers who could rent it out as a place to stay while travelling. There would be more than a few eyebrows that would rise in surprise. Letting strangers rent a bedroom in your home was just not something that we did, but that was until AirBnB completely changed the way people around the world travelled, and led to the rise of a new kind of travel industry player – the host.

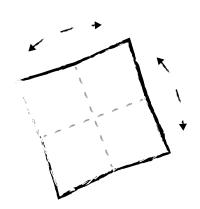
What this innovation did was spectacular in its simplicity: it became simply a marketplace for information – a space where this data could be interchanged to truly alter the travel behaviors of the world. Suddenly, as a traveller, you could look at options for safe, accessible, well-located places to stay in an unfamiliar city. Just as a host could make money by putting a spare room to work, hosting a steady stream of interesting strangers in a broadly safe and trustworthy transaction with accountability being guaranteed on both ends.

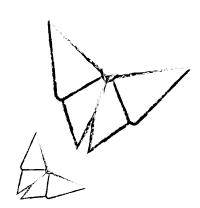
The lessons in the AirBnB story are that it took a perfect storm enabled by digital technology: the ease of starting up, and the cost of starting up. When we tell the story of how being Al-first disrupted the world, we will talk about how the most radical new business ideas came to life with the ease and cost with which such innovations became disruptions.

The future of the Al-enabled enterprise

Homework assignment:

On a scale of 1-5, how comfortable are you with the idea of an algorithm as your co-worker?







I'm uneasy at the thought. Please wake me from this dystopian nightmare.

Bring them on. I'm part cyborg myself!

Scan this QR Code to submit your 50 word answer on why you chose your answer. Answering this reveals answers by other readers.



Submit your answer

With great power comes a seismic cultural shift

The culture of an organization, or indeed of any society, is simply a set of habits that are repeated over time until they become second nature. If openness and transparency in interactions becomes a habit, we tend to call it an 'open' culture. With the possibility of Al-coworkers, we will need to learn a new set of habits – and it is up to us to define what the intent behind those habits are. We stand at the crossroads of choosing a path to shape cultures of the companies of the future. Al must be a part of this syncretic cultural shift ensuring it aligns with changing workforce demographics, business needs, and societal norms. The intent behind it must be to foster a culture of collaboration that enhances the experience of work.

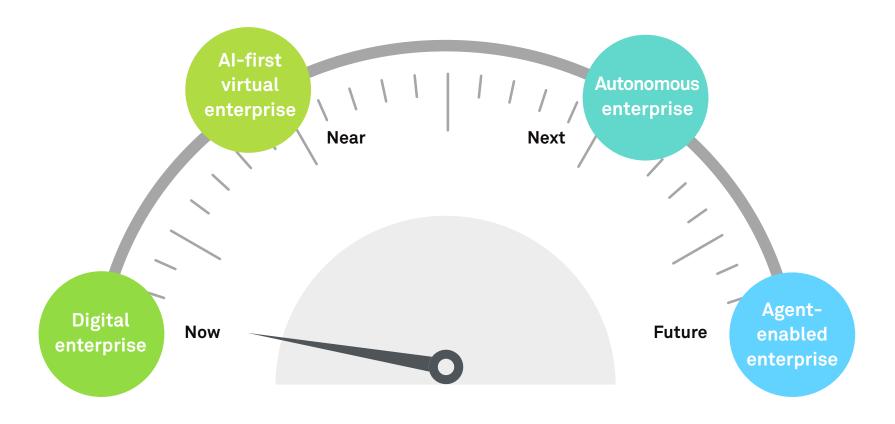
As AI handles routine, repetitive tasks, organizations may place a higher value on skills that AI cannot replicate: creativity, critical thinking, empathizing, problem-solving, leadership, and emotional intelligence. This could shift the office culture towards one that appreciates humancentric skills, instead of only hard work or productivity.

Instead of viewing AI as a tool, organizations might need to redefine their perspective and see AI as a part of their workforce. It may call for embracing AI as a part of the workforce, infusing openness on either side of the human-machine spectrum. We might see the rise of Al personhood with legal status, rights, and responsibilities. This would dramatically change the legal, ethical, and business dynamics within an enterprise.

And finally, the transition to AI- enabled business means AI is not just a support function; it is at the core of business strategy. The organization needs to rethink their business model where AI drives revenue generation, cost optimization, customer engagement, and even decision-making processes. We are arming Human Vision with an Al Centric Business Model.

The three models of AI-enabled businesses

This brings us to the three avatars of the AI-led organization we are likely to see in the future. In the rest of this paper, we will use what we know today to chart a path into the world of business in the not-too-distant future. Companies today will begin their journey by becoming the AI-First Virtual Enterprise, evolving into the Autonomous Enterprise and finally into the Agent-enabled Enterprise.



To do this, we take the example of an organization and we shall chart its journey with AI as it develops.



Right Recruitment (RR) is your typical agency hired by companies to find suitable employees. Their business model relies on the fact that finding talent takes a lot of resources and not everyone has the expertise to find and recruit the best talent themselves. Where does RR begin its Al journey?

'You are here': The digital enterprise

Before we chart the future, let us ground ourselves in the present – as digital tools proliferated, enterprises embraced them to better execute processes that were designed by humans for humans. Innovation was driven by finding incremental ways to do human tasks more efficiently and productively than before.



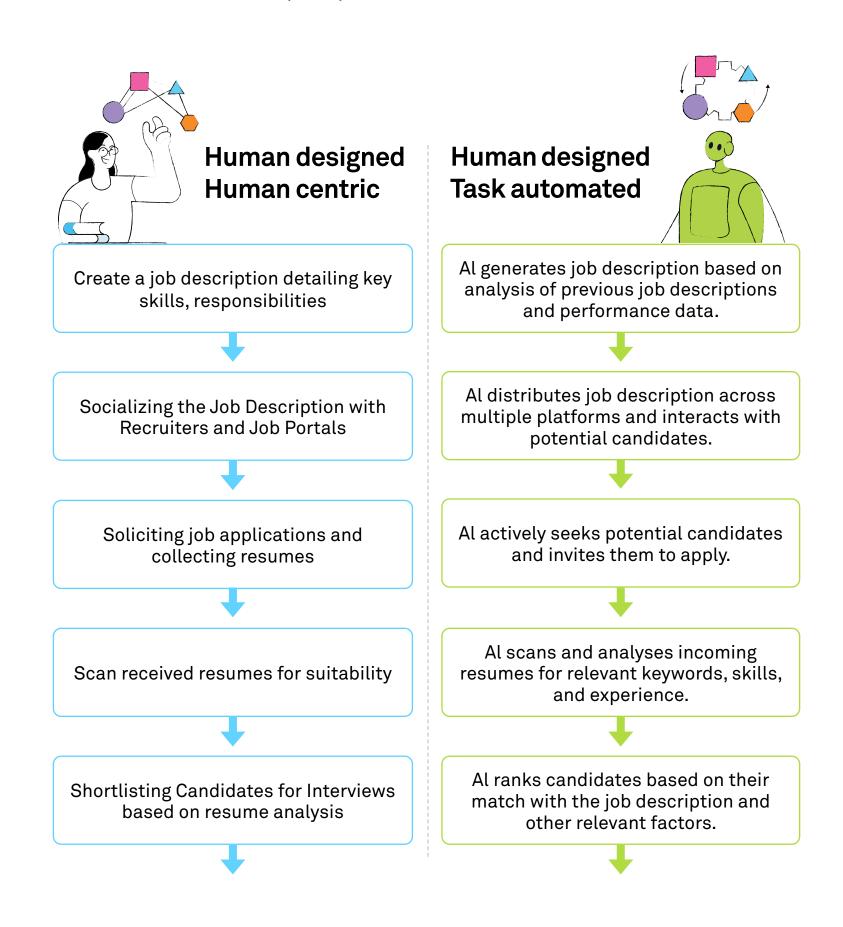
The clients of Right Recruitment would identify vacancies in their organization and begin with a Job Description – a list of tasks the incumbent employee would be responsible for. Right Recruitment would solicit resumes from potential candidates. It would scour through them to shortlist the right candidates and put them through a process of testing and interviewing to find the right candidate. The task would end with an offer letter to the selected candidate.

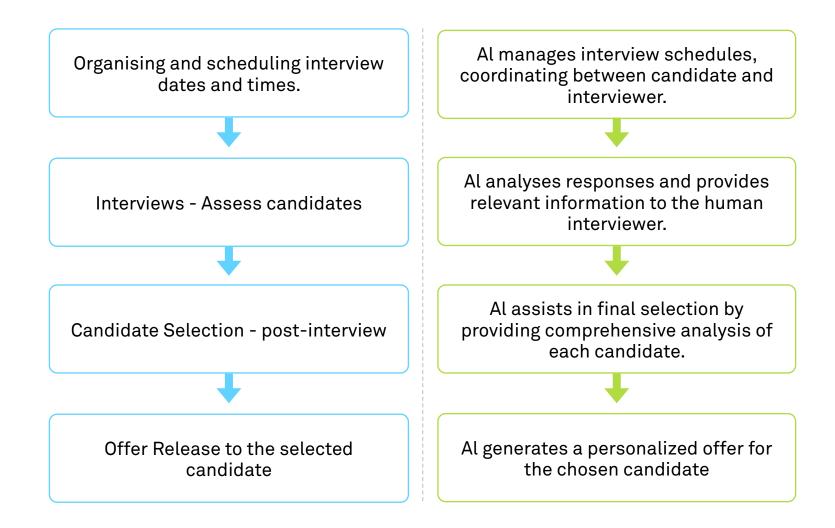
Progression stage: Digital enterprises

Also known as	Capabilities	Human role	Business impact
Dawn of digital revolution	Automation of routine tasks	Human-driven processes	Operational efficiency

Human-centric process flow

This is where we are starting from. We see a close correlation between human tasks and AI-tasks, and the reason is that AI is only performing human tasks, perhaps better.





With an eye on enhancing efficiency, AI was brought into this human-centric model. Rather than redesigning the process, AI was used to automate specific tasks, like job description creation, resume scanning, and even some parts of the interview process. While AI introduced speed and removed some biases, it was still stuck in the framework of the original human-designed process. This model is all about innovation. One that has evolved, but not transformed or disrupted. But what if we looked away from the lens of productivity first, and began re-thinking a process with AI at the center?

The first baby steps: Al-first virtual enterprise

What if we humans stopped designing processes for humans to execute? Would we design processes differently if we had the limitless computing power of an algorithm to execute it?

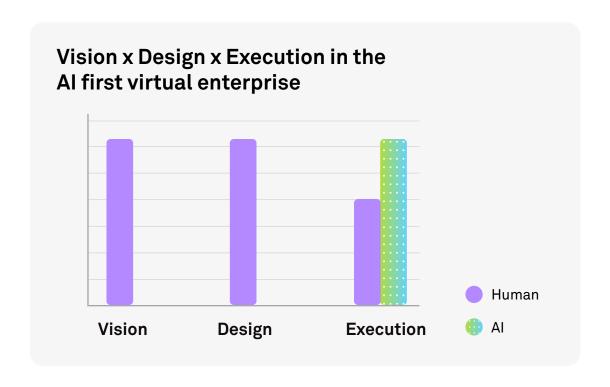
This brings us to the AI-First Virtual Enterprise, the first step in the evolution to the AI-enabled world. It will execute the human vision, designed by humans, but with stark differences. The humans designing the process will NOT design it for human execution but by machines. Designs will no longer be automated human-centric tasks. In an Al-First Virtual Enterprise, the organization's structure, operations, and business strategies are designed by humans around Al capabilities and the virtual workforce² from the get-go. While AI is often seen as a tool to enhance existing business models or processes, in an AI-First Virtual Enterprise, Al becomes the foundation upon which the entire enterprise is built and operated. Al does not play a supporting role here - it is the lead actor, unfettered by human limitations.

² An algorithm does not have a physical manifestation; it is a virtual co-worker, hence part of the virtual workforce.

Al at the core

The core of an AI-First Virtual Enterprise is a powerful AI system. It goes beyond just using AI to improve existing operations - here, every business process is human-designed around AI effectively assigning AI the core responsibility across all business functions such as designing products, consumer research, managing workflows, handling customer interactions, making strategic decisions, and much more. For example, imagine a digital marketing agency. Once the human team creates a marketing campaign, an AI system tailors them to individual users, executes them across multiple platforms, and then evaluates their success. The humans can tweak the campaigns in real-time, continually learning with Al feedback, resulting in improved user engagement.

What we are advocating here is that instead of humans leading the charge with AI stepping in where required, AI is at the helm of enterprise operations, with humans stepping in to provide guidance, when necessary. Processes are reimagined with Al's capabilities as the foundation, meaning humans pivot into roles that guide, supervise, and synergize with Al. Such a shift is no small feat: this proposes a brave new business world where processes are redesigned with Al's speed, precision, and learning capabilities as the driving forces for business operations, and human ingenuity, creativity, and emotional intelligence serve to elevate and direct these forces.





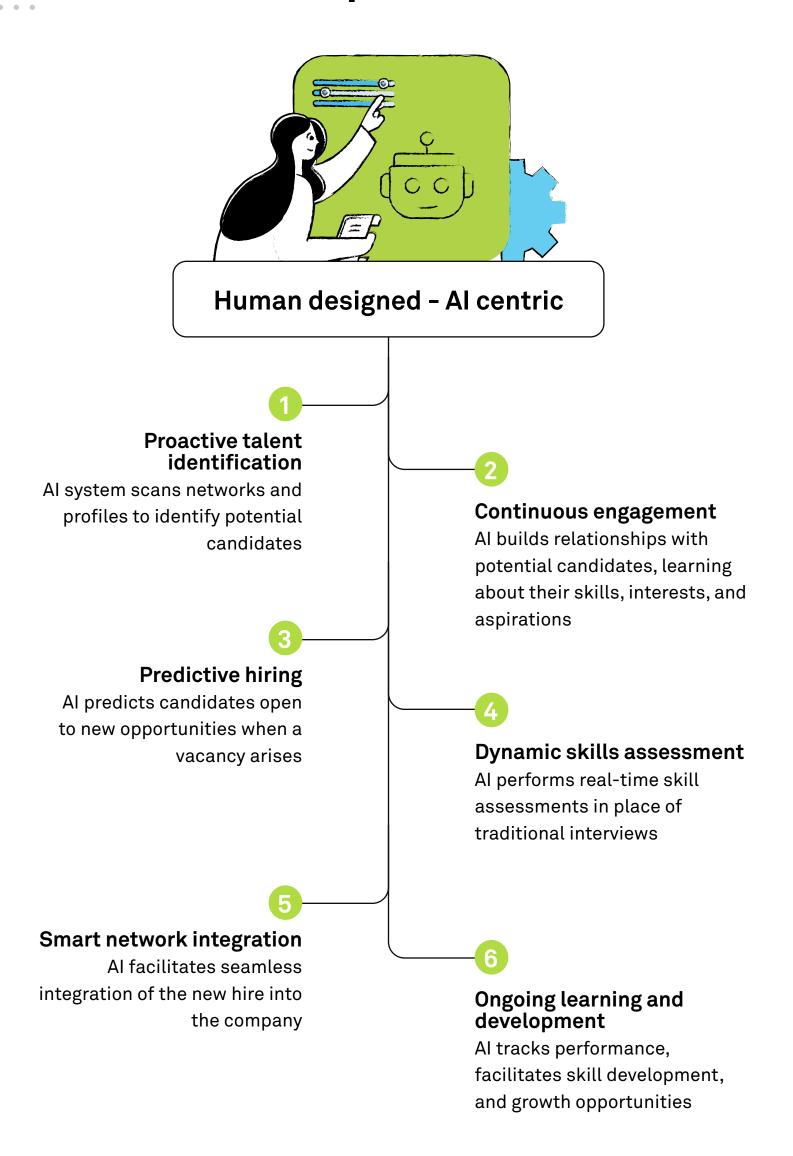
Recruitment executed by Al

Right Recruitment's AI engine will be on 24x7 - constantly hunting for potential candidates, without being prompted to. It will identify talent proactively, engaging with potential talent to evaluate their suitability for a future vacancy. It will perform real-time skill assessments instead of traditional interviews. Instead of waiting for job vacancies, AI will proactively identify talent and engage with them. When a vacancy does arise, AI will already have a pool of potential candidates, eliminating the traditional application and resume scanning steps. The AI will conduct dynamic skills assessment instead of standard interviews and ensure smooth integration of new hires into the team. It may not end there - AI will continue to engage, monitor performance, and facilitate skill development, providing a proactive and responsive experience to both the candidates and the organization. It will seamlessly integrate a recruit into the organization leapfrogging clunky manual on-boarding processes. All this will be possible because the design does not consider the limitations, biases, prejudices, or constraints of human interactions with the candidate.

Progression stage: Al-first virtual enterprises

Key descript	or	Key capabilities unlocked	Human role evolution	Business impact
Al steps into spotlight	the	Al-centric process design	Human-guided, AI- powered execution	Improved scalability & performance

Al First - process flow



What becomes of the humans?

With the AI-First Virtual Enterprise, the role of the human will see a shift – the humans will not be overseeing the execution of tasks. The nature of roles will evolve into that of guides, not executors.

From operators to supervisors

With AI taking the helm of core operations, human employees would transition from being operators to supervisors overseeing Al operations, and ensuring Al's decisions align with the organizational objectives and intervening only when necessary.

From task-performers to task-strategists

As Al takes over routine and repetitive tasks, the human workforce would be free to engage in more creative, strategic, and high-level decision-making roles.

From learning skills to learning how to teach skills

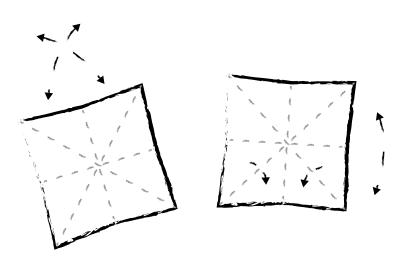
A crucial part of human roles in an AI First Virtual Enterprise would be training the AI systems, which would involve providing them with the right data and feedback to learn effectively. In this sense, employees would shift from learning skills for tasks to teaching skills to the Al.

Not just this, there will be a proliferation of new roles that we have not yet imagined. From **AI psychologists** who understand AI behavior, Al ethicists who guide the ethical aspects of Al behavior, to even Al trainers who train Al in much the same way as we train human apprentices today.

The biggest change will come from the fact that AI will not be called upon to better execute tasks that humans have automated using digital technologies. The Virtual Enterprise will remove the human efficiency barriers to unlocking new market opportunities, by designing processes for AI-Execution.

Homework assignment: 2

Pick any of your organizational tasks that are currently designed by humans and automated by human-centric task approach. What if you had an AI colleague for whom you would design this? What would those steps look like?



Scan this QR Code to submit your 50 word answer on why you chose your answer. Answering this reveal answers by other readers.



Submit your answer

2 The next radical step: The autonomous enterprise

What if humans collaborated with AI to better design enterprise processes? Would hybrid processes crafted by an AI-Human coalition better deliver the human vision?

Understanding the "vision of an enterprise"

Understanding the "Vision of an Enterprise"

The founders of an enterprise begin with a vision of the world they are seeking to create —for example, a world where you can book a cab in mere minutes. This vision is brought to life by a set of business processes that build strong partnerships with drivers and foster trust among users. Each process contributes to moving the needle closer to the vision. The design of these processes makes the vision a reality. When realities change, the processes must change too.

We live in a world where these processes have traditionally been imagined and designed by humans. What would the vision look like if AI partnered us in refining or redesigning these processes?

This brings us to the next radical step in the evolution of the AI-enabled enterprise: the Autonomous Enterprise. AI becomes a partner in the design of enterprise processes, overcoming human limitations and acting with greater autonomy. It ushers in an age of disruption where human intellect intertwines with the limitless potential of AI right at the outset to charter the path of the enterprise. Long held business processes that shaped and defined the world are redesigned, reengineered, but the core of the business and its structure itself remains unchanged.

While the control of the vision will remain in human hands, the path to bringing it alive will see greater participation of AI as a core member of the design team, not just an execution entity. When the human articulates a goal for the enterprise, the generative capability of the AI will be able to parse the semantics, the assumptions, the biases, even the hidden meanings held within to better deliver it. The autonomous intelligent engine³ will be endowed with enough power to reason, and enough contextual memory to draw on to re-engineer a process. It is no longer a spectator in process design, waiting to execute it; it is an active participant.

³ Autonomous Intelligent Engine: An AI-enabled system that re-designs an enterprise process

Relentless refinements, not a single 'Eureka'.

The Autonomous Enterprise is more than a business with automated processes. It is a living, evolving entity that constantly learns from data, makes decisions based on predictive analytics, and iteratively refines its own processes with human guidance. Acting with greater autonomy, Al will identify lacunae such as inefficiencies, redundancies, and gaps in the process as defined by humans. It will then collaboratively act to reengineer the business processes based on data-driven insights, leading to sharper refinements in the business process and ultimately the business itself.

This new form of innovation may not be called 'creative' in the human sense of a single eureka moment that changes everything. It is instead a relentless, ongoing form of improvement that may well outpace what a human-led organization could achieve. Here the business is in a state of constant, Aldriven transformation and self-learning.

This is why it will help sharpen the competitive edge in real time. As market conditions shift, the Autonomous Enterprise will already be several steps ahead, having adapted with a re-engineered business process before they become apparent to human analysts. All systems and human insight collaboratively manage and coordinate business activities. It is not merely a business using Al, it is a **Human-Al coalition that operates and governs various functions**.

Businesses no longer needs to "catch up" with the world, it evolves in realtime with it, or even anticipates and leads the change.

Progression stage: Autonomous enterprises

Key descriptor	Key capabilities unlocked	Human role evolution	Business impact
Al redesigns human processes	Autonomous process innovation	Human oversight, Al autonomous operation	Continual process innovation

Symbiotic human Al relationship

The Autonomous Enterprise will turn the page to a new symbiotic relationship between the intelligence and insight of humans and those of machines, much like that between the Captain of an exploring ship and its First Mate. Here AI plays the role of the First Mate, evolving into the ever-vigilant sentinel and strategist, while the human is the Captain of the ship expanding the known world with the vision, in-charge of the tasks, and holding the moral compass and the navigational sextant. They harness that computational power into a force for meaningful, ethical, and sustainable growth for the communities⁴ that the enterprise serves.

While AI takes over the mechanics of process refinement, humans will continue to be the 'soul' of the company-setting the vision, values, experience, and cultural tone, and continuously steering the AI's operations to ensure alignment with these human-defined principles for the enterprise, human values and societal norms. But the real challenge, lies in how we embed human elements into an algorithmic world. The humanness of the experience will become the focus, it will become more valuable as processes become more commoditized with AI helping the organization reap the operational benefits of its efficiency. The humanness of the community experience will become the differentiator in an AI-driven world.



⁴ The enterprise community encompasses everyone whose word holds value. From shareholders to directors, employees to consumers, vendors to potential hires, the enterprise community is a living breathing network of people with a shared stake in the future of the enterprise.

So, who is the enterprise now - the human or the algorithm?

In the traditional model the soul of a company was the reflection of only its human constituents and their values. This will evolve to a model where the essence, the core identity, and ethos of an organization will spring from a deeply interwoven partnership between humans and artificial intelligence. With the company's vision and ethos actively coded into the AI that runs the enterprise, the company's identity will not just be reflected in its people, but in every algorithm, decision tree, and data model — leading into a new corporate culture that we may not have seen yet.

This hybrid culture will find gaps and redundancies in existing practices and processes to better align to the vision. The human-AI combine will offer look and feel different in every aspect of the enterprise – from strategy to communication, from pricing to staffing. The value of the enterprise brand will stem as much from the algorithm's behaviour, as the humans'.

Navigating this synergy between organization, machine and consumer will be central to the success of future enterprises. The humaneness and indeed the humanity of a brand will differentiate it from competitors. Enterprise marketing will speak of how they deliver more human experiences. They will become known for how they contribute to the culture and fabric of society, becoming sought after for their stewardship of the human experience they give to their community. And this is how the algorithm becomes an extension of the brand.

Evolving human roles in the autonomous enterprise

For employees, the transition may be profound – to go from process executors to AI collaborators and overseers, from completing routine tasks to strategic and interpretive roles. AI models would be deployed across enterprise functions and would manage their own performance, and improvement strategy. Humans would be the function taskmasters, learning from the AI, and calibrating the tasks from the insights the AI generates about its business processes. To understand the roles at various levels of the enterprise, let's start from the top down with what leadership roles will look like:

C-Suite AI liaison

This role will be responsible for translating strategic objectives into Al projects and ensuring that Al initiatives align with the overall business strategy. They will also act as a bridge between Al technicians and top management, ensuring that the potential and limitations of Al are correctly understood at the strategic level.

Al data rights negotiator

In a world where data is increasingly valuable, a specialist role might emerge in negotiating access rights to various data sources. They would work with vendors, customers, and even competitors to ensure the company has the data it needs.

Al anthropologists

These professionals will study the impact of AI on human societies, cultures, and behaviors, providing insights that can guide AI development in a manner sensitive to human cultural diversity and values.

At the execution supervision level, the roles would look different too:

Salesperson to Al guided relationship manager
Sales teams will use Al tools to gain insights about customers' needs

and preferences. The role will shift more towards managing relationships and providing highly personalized service, while Al handles data crunching and routine interactions.

Marketing executive to consumer behavior auditors

Al can help predict consumer behavior by analyzing large amounts of data. Marketers will increasingly become specialists in using these AI tools to make accurate predictions and design marketing strategies accordingly. The human role will audit these predictions to align them with the vision.

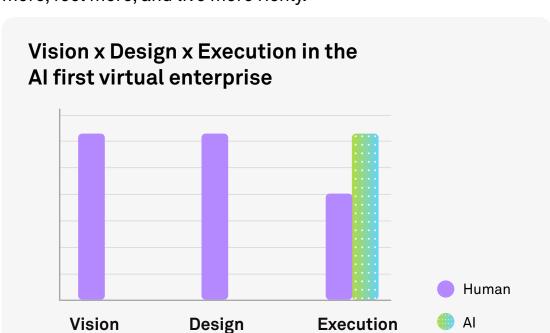
Customer service to AI service supervisors With chatbots handling routine customer queries, customer service professionals will shift towards handling complex queries that require a deep understanding of the product/service, empathy, and critical thinking.

Autonomous enterprise maturity, and preparing for the next chapter

What is the potential final form of Autonomous Intelligent Virtual Enterprises? Could they make way for an enterprise that runs entirely without human intervention?

As AI systems learn and adapt, they could start to develop a kind of 'personality' based on the data they process, and the decisions they take. For example, an Autonomous Enterprise for a fashion brand might, over time, develop a unique 'taste' in fashion that is neither human nor purely algorithmic but a blend of both. This 'taste' could become the source of value and could be respected and cherished in the same way a leading human fashion designer's vision is. What if consumers become fans of a fashion brand not because of its human designers, but because of the unique style of its AI?

As AI evolves and adapts to understand, anticipate, and amplify everyone's uniqueness, their desires, and aspirations, we will begin to see a world



where an enterprise community of customers and employees will achieve more, feel more, and live more richly.



Recruitment executed by AI

Right Recruitment talent agency now articulates a brand-new human vision: 'We will anticipate enterprise roles of the future, not depend on vacancies to drive the recruitment process.'

Driven by the Autonomous Enterprise model, recruitment becomes a dynamic, continuous flow. It is not a reactive activity triggered by a vacancy. It redefines the human designed process of resume mapping that looks for keywords that match existing job descriptions. It rewires the process to compare the client organization across thousands of competitors around the world, and benchmarks its talent acquisition function with Al-models existing elsewhere. It aligns the organisation's needs with the changing trends of the global talent pool, ensuring that the organization always has the right people with the right skills at the right time. For example, the Autonomous Enterprise anticipates that one of the hot upcoming roles is the 'Technology Futurist.' It begins tracking the evolution of the role and its potential hires, mapping the structural changes that the organization will need to harness the value of this talent. It evolves from being a transactional, reactive function into a strategic, proactive capability that drives competitive advantage — challenging and redefining the traditional notions of jobs, talent identification, interviews, and contracts. With the Autonomous Enterprise, the idea of a static job description becomes obsolete as jobs evolve in tandem with business trends and individual growth trajectories.

AI-designed process flow

Human Designed Process flow Self-refined AI process flow for AI Potential aligned to goals Continuous talent Proactive talent identification ecology mapping function of desired skills only Al system scans networks and profiles to identify potential Talent identification is a candidates Continuous engagement Al builds relationships with potential candidates, learning about their skills, interests, and aspirations **Predictive hiring** Al predicts candidates open Continuously analyses the to new opportunities when a business operations, market vacancy arises trends and organization's goals to dynamically generate new roles that the organization Dynamic skills assessment will require in the future -Al performs real-time skill formulating a role-blueprint assessments in place of including desired and changing traditional interviews responsibilities / skills Smart network integration Al facilitates seamless integration of the new hire into the company

Ongoing learning and development.

Al tracks performance,

facilitates skill development,

and growth opportunities

Not just who has which skills now, but also who is likely to develop which skills in the future

Multidimensional

talent mapping

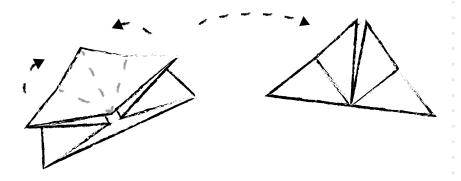
Dynamic role

genesis

Anticipates the skills that will be in demand - evolving with the market trends and the organisation's strategic needs

Homework assignment: 3

How does your company's core process look like once it is reengineered by an algorithm that can see beyond human limitations? What simple assumptions might go out of the window? What intuitive machineled actions of tomorrow would seem radical in today's world?



Scan this QR Code to submit your 50 word answer on why you chose your answer. Answering this reveal answers by other readers.



Submit your answer

The final evolution: The agent-enabled enterprise

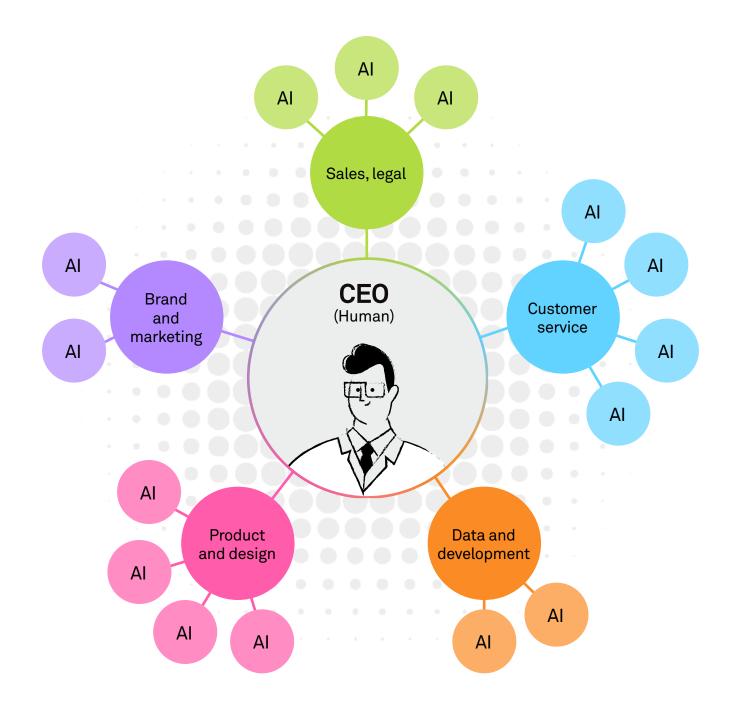
What if AI goes beyond enterprise design to bringing alive the enterprise vision? Can a new world of business take shape if specialized AI agents could understand context and begin to reason?

Finally, the landscape of artificial intelligence will evolve into the final phase of the AI-enabled enterprise: a host of multi-tasking agents, each hyper-proficient in their domain. We call this the Agent-enabled Enterprise, that takes the human enterprise vision and its goals as its input. It is self-reliant and self-regulating for all the rest of its operations. Al's transformation will mark the dawn of an exhilarating new era in technology – going from a single-task executor to a specialized self-thinking collaborator, the autonomous agent.

An autonomous agent is an intelligent program powered by AI with the ability to reason so that when given a goal, it can create tasks to meet the goal, execute them, create new tasks as needed, and prioritize them until the goal is met. This means that they come with the ability to learn, unlearn, plan, reason, think, and remember. These autonomous agents will augment human capability with a remarkable fusion of context, cognition, and execution.

The building block of the new age enterprise: meet the Al agent

Agent-driven Enterprises are not made of individual actors that follow a predetermined script, but an intelligent orchestra of autonomous agents, each proficient in their functionality, yet synchronized and capable of improvising its own concerto in real-time, leveraging predictive analytics to adapt and refine their approach. These enterprises can assess market variations, customer sentiment and competition actions instantaneously and modify their product or service offerings, pricing strategies and promotional tactics - creating an ultra-responsive business environment with an unprecedented advantage in any market. By firing up the agent best suited for the task, an enterprise will be able to get closer to its grand vision.



The evolving role of the enterprise leader: blinkers to binoculars

There was a time when the success of business leaders hinged on how well they could focus on the tasks and the track ahead without getting spooked by distractions. This is why managers put figurative blinkers on, to focus only on the racetrack of relevant customer segments, critical functions, high-performing employees, key products in the portfolio and closest competitors in a bid to maximize stakeholder value and power growth. Any other approach would simply be either too expensive or time-consuming; and there was little patience in the system to appreciate an exploratory approach.

Technology has made that racetrack shape-shift into an unfamiliar rainforest of unexplored opportunities: complex, uncertain, and deeply interconnected. Successfully navigating this environment calls for leadership that does not miss the forest for the trees. Enterprise leaders need binoculars that focus on a view of multiple systems they operate in, their complexities, redundancies, and feedback loops. Data and harnessing data at scale and velocity is key to success. This calls for the adoption of agents, the new age tools, that enable us to remove blinkers and look through binoculars for the insights that really matter.

The writing data is on the wall: Internet knowledge is now a commodity

The internet has thus far been the bedrock of factual knowledge that is being used to train AI models today, every model will have been trained on the identical set of insights. However, most of the algorithms are being trained both factual and factoid information, this data is generic in nature — so the capabilities that the algorithms are building with the internet data are equally generic and hence unreliable. This turns algorithms into generalists, rendering them unreliable when faced with specialized domains. But in future, we will see greater depth of bespoke insight coming from datasets that are proprietary, delivered by specialized sub-AI agents.

Hyper-specialization: The advent of the sub-Al agent

Several thousand years ago, early human societies began to have evolve to have specialized roles in the tribes. Al's evolution to specialist agents is akin to that transition into the invention of specialized tools. We will move past the 'Jack-of-all-trades' Al, into an era when specialization shapes Al capabilities.

The AI landscape will not just consist of standalone entities, but a collective of AI 'experts' much like an organization or a team. These sub-AIs will demonstrate specialized knowledge in different areas such as marketing, customer service, product development, human resources, finance functions – all under the guidance of an overseeing Manager Agent, an entity responsible for orchestrating, preserving an optimal blend of efficiency and quality, introspecting on outputs, and initiating course corrections.

'Hey AI, write me a book'

For instance, let us consider a management guru seeking to write a business book about effective strategies for business. The goal for the autonomous agent would be, "Write an engaging book about my key learnings from my experiences as a business leader and make it a bestseller".

The journey begins with a Manager Agent that deploys specialized sub-Al agents that will trawl the leader's corporate profile, read through published works, listen to interviews, track his career progression, and evaluate testimonials and feedback received, review social media posts. Another set of agents will generate an outline, draft chapters, a manuscript and then revise it based on the flow of learnings and keep iterating until a captivating book is completed. It will then bring on board agents that will devise a marketing plan, do market research for it, iterate cover designs, pitch to publishers until successfully published. To do this, several autonomous agents would work in synchronicity while coalescing around the final goal.

The manager AI, much like a strategic leader, holds the broad objective, delegates tasks to the specialized sub-Als, and assembles the final solution. It is a complete redefinition of workflows, hinging on the unique abilities of each AI specialist. This is a new frontier, a new breakthrough, that promises to be an ambitious conception that envisages a company composed entirely of a fleet of specialized AI agents, autonomous in operation, capable of running an entire business. We may see agents will then even be hired by humans, agents hired by fellow agents and perhaps even humans hired by agents, mandating a new paradigm of talent acquisition. This transition will prepare the ground for the next step of evolution of the organization – the Agent Company.

The birth of the agent company

Much like we had the SaaS companies in the digital age, each of these specialized agents, can now become a company by themselves, taking us into the era of Agent Companies. These will come with limitless possibilities for innovation and disruptive solutions to complex human problems, powered by specialization. They will make enterprises agile, efficient, adaptive, and capable of making insight-driven decisions that maximize productivity and profitability in real time. These agents can now behave like members of a workforce who can be assigned to different Al managers for different jobs – this flexibility and adaptability of Al agents highlights the potential of how it will shape the future of work.

Progression stage: Agent companies

Key descriptor	Key capabilities unlocked	Human role evolution	Business impact
Al shapes the future	Full autonomy & continuous learning	Human 'thinking', Al 'doing'	Unlimited scalability & autonomy

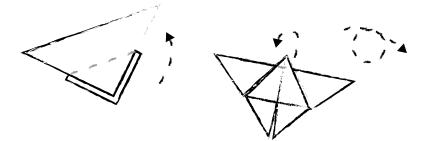
Flowing with the go: The fluid enterprise structure

With agent companies, the traditional enterprise structure and team boundaries become fluid, adapting in real time to meet the demands of a dynamic business environment. All orchestrates the organization's structure, creating an ensemble of specialized agents in real-time, dynamically reassigning roles, forming new teams, or dissolving existing ones. The corporate structure undergoes a reimagination of configuration from a rigid hierarchy to a fluid, adaptive network that is agile, and responsive. The corporate hierarchy will no longer be a pyramid, it is now a kaleidoscope, constantly shifting and adapting to the demands of the business world. Imagine a marketplace where goals are not assigned but auctioned – where Al agents compete autonomously to execute tasks at the most competitive price – ushering in an era of dynamic goal allocation where efficiency and innovation are the currencies of trade: an age of the uber-ized agent.

For instance, if a digital marketing agency lands a big new client, AI can instantaneously assemble a new project team, pulling in a perfect mix of human and AI team members with the right skills, tailored to meet the client's needs. If the client's needs change, AI effortlessly adjusts the team's composition or reassigns team members to other projects, ensuring optimal efficiency and utilization.

Homework assignment: 4

If the enterprise structure evolved to have an algorithm that you reported in to, how would you feel about it? Would you be comfortable having your work evaluated by a machine? How could that be an advantage, or a disadvantage?



Scan this QR Code to submit your 50 word answer on why you chose your answer. Answering this reveal answers by other readers.



Submit your answer

A season for reason: machine-reasoning agents that can infer and deduce.

Al agents will push the boundaries of generative Al to autonomously achieve a desired objective through advanced reasoning. They will build the capability to remember with context, reason with logic, and argue with themselves or with other machines. This is the brave new world of human-machine and machine-machine interaction. The agents will evolve from building human-level intelligence to being able to take human-level decisions. This will call for the ability to perform cognitive functions — such as reasoning, learning, problemsolving and making decisions.

Human managers will act as the taskmasters that prompt their Al agents to respond to tasks with machine reasoning. Each function of an organization could have specific agents that are designed for contextual intelligence and problem-solving to their domains. They will be trained with data and models that are specific to their task. When the human defines a goal to an agent, the agent will start reasoning, problem-solving, and defining processes to solve the tasks at hand. The agent would then interact with other various agents in developing and executing solutions, with each one specializing in differentiated forms of machine reasoning, based on their ability to interpret the data. An agent could provide insights to the situational task, another could predict outcomes, and yet another could strategize on the best sequence to execute an action.

As the agents get more accurate, more explainable, more transparent, more creative, and more rational, they will play bigger roles in decision-making. The more that these machine-to-machine orchestrations expand in their creativity and effectiveness, the more they would be entrusted with autonomy by their human taskmasters.

From context to constitution: guardrails and guidelines to govern an algorithm

If taskmasters are to give agents further agency, they must be aligned with the values of the organization. This is where the constitution of the AI agents comes in – a set of guardrails that governs what an agent will or will not do, even as they improve in their efficiency and autonomous capabilities. The source of the constitution is the context. In the beginning, agents will need deep strategic context and guidance by the human owner, to help machines fully contextualize the problem

statement and scope for the enterprise. Yet as machines compound in their intelligence, the human owners will be able to define broader and simpler tasks. The machines will be able to learn context from its own history, to be able to strategize and execute the tasks more effortlessly.

The context will enable AI systems to deeply comprehend business realities and prioritize values and business imperatives, balancing customer behavior, market trends, and financial performance with industry dynamics. It necessitates a focus on contextual reasoning and adaptation that affords AI autonomy in critical decision-making that will reduce human intervention in routine tasks while ensuring ethical operations.

This is why the AI Constitution becomes so essential as a set of guardrails that will give a universal context for each task, the spirit of which is ingrained in the ethos of the enterprise and engineered into the Al Constitution. The AI constitution is the universal set of principles and contexts for tasks embedded into an Al agent. The designed tasks can always be differentiated, but the constitution is embedded.

The context and constitution of the enterprise will contribute to the experience that the agent will have, building its personality and worldview. This is what it will learn and remember as it is deployed at future enterprises, forming an invaluable part of its experience.

For instance, a lifestyle consumer business with sustainability at its core will have planet-friendly practices as the tenets of its enterprise constitution. When it deploys AI agents for logistics operations in a specialized manner, the agents will work to keep the carbon footprint down, route products efficiently, choose sustainable packaging materials and build recycling incentives for consumers into the product offering.

Algo-xperience: What sets one algorithm apart from another?

Algo-xperience is a quantifiable and compelling set of reasons why enterprises will choose one agent over another. What we value today in terms of the 'work experience' of a human specialist, for instance, an architect, or a doctor, will find its equivalence in the agent universe. Agents will develop the ability to learn from their experiences and adapt behavior to the current environment. They must interact with multiple stimuli, including inputs from other agents or human users, perceive responses, and draw from their memory of similar experiences in the past to process and interpret data to make informed decisions. The Al agent will bring residual knowledge from past actions, and the ability to reason with itself and the outside world.

Unlike human recruitment which is a function of the interview process – where the capabilities are assessed by means of interviewing an individual – it is highly likely that the hiring of the agents will be based on Algo-xperience, a quantifiable measure of the quality and quantity of work done by an agent. It is a tangible metric of their past accomplishments, validated by user feedback. When one Al agent seeks to hire another, the selection process hinges on a deep dive into an agent's "personality," defined by their data, biases, and acquired knowledge, and their "Algo-xperience," gauged by the feedback from those agents who have enlisted their services in the past.

Herein the algorithms will begin to develop a new kind of voice, which is the ability to reason and provide factual feedback without bias. It is a two-way voice between the agent-user and the agent, increasing transparency with ethical and unbiased means of communication. This will be instrumental in processing the feedback into the qualitative experience of the agent.



Recruitment policies will need to keep pace with the evolving paradigms. For instance, unlike humans who cannot work in more than one company at a time, the algorithm can be deployed to multiple enterprises at the same time. Just like employee satisfaction, agent satisfaction measures will need to be evaluated, even more so since now the agents have a voice in their feedback about their employers.

Algo-xperience measures-by the algo, of the algo, for the algo.

The qualitative Algo-xperience itself will be composed of feedback on the algorithm by other algorithms based on its performance across the following parameters:

- 1 Algo-Syncreticism

 How well it has integrated with an existing ecosystem of agents
- Algo-Velocity
 How quickly it has scaled to deliver results in an existing ecosystem of agents
- Algo-Longevity
 How long an algorithm has suited the business needs of an enterprise
- Algo-Transparency
 How much trust an algorithm has built in the ecosystem of humans and agents

The advent of the age of agents, as we may term it, offers the promise of a future that ushers in a new era of business, innovation, and work. The future is not just automated; it is autonomous and specialized. All is no longer just the future of work; it is shaping the structure of organizations and how business is done. Welcome to the era of Agent Companies.



Recruiting algorithms alongside humans

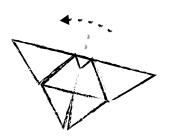
In the future, enterprises will not call on Right Recruitment to hire human employees only; they will ask for the recruiting AI agents. Within the agent ecosystem, they will address a new kind of job market where AI algorithms are the 'talent' to be hired, with each agent specializing in an area. So, Right Recruitment will need to augment their hiring practices to effectively recruit the right AI-algorithms for their clients' needs.

The paradigm shift extends to the very process of recruitment, transitioning from a humancentric approach to an algorithmic-centric one. In this age of specialization, one can have specialized recruiting agents specializing in a domain - like sales, customer engagement, finance, human resources, marketing etc who can now recruit agents for specific jobs.

This is a hiring renaissance, blending AI and human acumen for recruitment agents that brim with intelligence and the power to reason who will navigate a saturated agent-talent market with unprecedented efficiency. This stems from their ability to negotiate the wealth of information about an agent and its feedback. They unearth precisely the talent needed, driven by data-driven insights, and unencumbered by human biases.

Homework assignment: 5

If you were an algorithm, and not a human, unfettered by your biases and prejudices, how would you change the processes at your workplace to better achieve the goals your enterprise has set for you?





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Brave new world with old school values

The origins of the digital age as we know it come from the internet - a limitless well of information into which we would lower buckets of search keywords. It was a static source of literally everything. It evolved from there to a river that flowed and carried with it information that allowed for a transaction. Value flowed down this digital waterway, where you could transact safely and securely.

From here we now evolve to a water cycle, an interconnected system of not just wells of information and rivers of transactions. It is now an ocean of human-like awareness. A place where you can go beyond transactions and information to achieve your objective. In this brave new world of human-machine interaction, rather than replacing humans completely, the competencies of humans and AI are being combined in the form of human-AI hybrids; intelligent systems comprised of both AI Agents and Humans sharing tasks with each other to change the world of work.

Just like how we expect AI systems to deepen their understanding of human enterprise, humans need to broaden their trust in the AI systems that run the enterprise. As the AI-enabled enterprise emerges, it calls for fostering greater levels of trust that humans place in it.

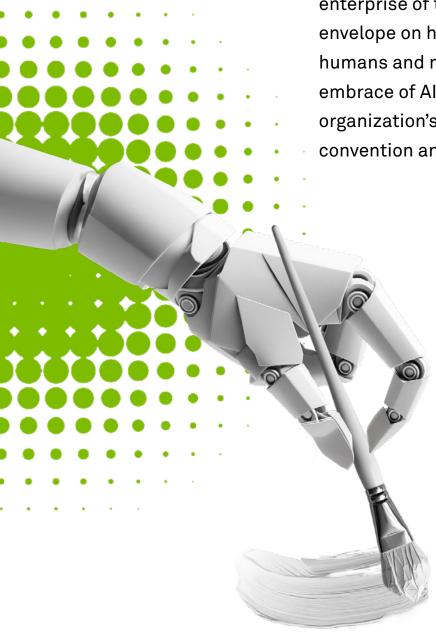
In the AI-First Virtual Enterprise, humans will need to trust the AI system to execute the tasks designed for it. In the Autonomous Enterprise, humans need to trust the AI system to refine and re-design processes that meet the enterprise objectives. And in the Agent-enabled Enterprise, the taskmasters need to trust the AI system with the human vision and its ability to coalesce around it to bring it to life, operating at increasing levels as AI systems evolve.



This will happen through the ethical sourcing of data that trains the Al models. It will happen through transparency and explain-ability of the quality of decisions taken. It will lead to behaviours that foster the trust that is needed between the world of AI agents and humans.

The future of human-machine collaboration is an invitation to embrace the limitless potential of AI within your own enterprise. It is an opportunity to rethink, restructure, and reimagine your business processes to be Al-centric, to harness the power of automation, and to elevate human creativity and strategic thinking. Embrace the opportunity to lead your organization into this new era of the algorithmic enterprise, where agents are equivalent to your co-workers whose creativity and insight augment that of your human workforce. Becoming as valuable as their human counterparts, AI agents will bring distinct identities and personalities, digitally-lived experiences, and memories, each of which is shaped by their specialized training data and learnings from the execution of countless tasks.

The canvas is blank, and the brush is in your hands. The AI-enabled enterprise of tomorrow awaits your vision and action to push the envelope on human evolution and the harmonious relationship between humans and machines. This is a journey that begins with a single step-an embrace of Al's potential. So, take that step, lead the way, and write your organization's story in the bold strokes of Al-powered innovation defining convention and reimagining what is truly possible.





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