MOZAIC

Future Ready

The Organisation of the Future

The Tipping Point

2025

Future Ready

Foreword

In every wave of technological change, there comes a moment when leadership teams feel the tension between acting now and waiting for clarity. For artificial intelligence and enabling technologies in general, that moment is here and it's arrived faster than many expected.

Conversations about AI are dominating board agendas. Some organisations are already experimenting with generative AI, machine learning, and now agentic AI systems. Others are still deciding where to begin. But in almost every case, the emphasis is on technology selection or high-profile pilots, and far less on the operating model changes required to make AI work at scale.

We've seen this pattern before. In cloud adoption. In robotic process automation. In the early days of digital transformation. The lesson is consistent: those who treat the technology as the solution tend to generate short-lived gains. Those who rethink their operating model, the way decisions are made, the way governance works, the way data is structured and owned, create lasting advantage.

This paper is the first in our Organisation of the Future series. We call it "The Tipping Point" because we believe we are entering a phase where decisions on AI adoption will have long-term strategic consequences. Move too quickly, and you risk fragmented, risky deployments. Move too slowly, and you risk being overtaken by competitors, or disrupted by entirely new business models.

Our message is simple: AI is not plug-and-play. The winners will be those who adopt with clarity, governance, and alignment across the enterprise. Now is the moment to build a clear vision and plan for how the organisation will be structured, resources, skilled, and managed.

Chris Fisher
Director

MOZΛIC

The Operating Model Specialists

An **operating model** is the blueprint for how an organisation delivers value. It translates strategy into execution by defining the **processes, data, tools, functions, people, sourcing and governance** that enable the business to function day-to-day, shaping and formulating a strong culture.

It is the **bridge between strategy (what you want to achieve) and operations (how you actually do it).**

Why is one needed?

▶ Execution of Strategy

A strategy without an aligned operating model often stalls. The operating model ensures the company is structured to actually deliver on its ambitions.

▶ Clarity & Focus

It defines the "rules of the game" internally, who does what, how decisions are made, and what success looks like, reducing friction.

▶ Consistency & Scalability

It creates a repeatable, reliable and secure way of working that allows scaling without chaos.

▶ Alignment of Resources

It provides clarity on where resources (capital, people, technology) should be deployed to support strategic priorities.

▶ Adaptability

A well-designed operating model can flex as strategy shifts (e.g., digital transformation, market disruption, new services being created).

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Introduction

In the past 18 months, artificial intelligence has moved from being a promising but peripheral technology to a front-page, board-level priority. Generative AI models can now draft complex documents, interpret medical images, write code, and simulate human dialogue at a standard unthinkable even five years ago. The arrival of agentic AI (autonomous systems capable of taking multi-step actions without direct human input) is adding a new layer of opportunity and complexity.

This shift has created an unusual corporate dynamic: the technology is advancing faster than the organisational structures, governance frameworks, and skills needed to manage it.

Across industries, we are seeing three common drivers for AI adoption:

Hype and competitive pressure
Organisations feel they must "do something with AI" or risk appearing behind.

Board and investor expectations
AI is now a standing agenda item, with executives expected to show progress.

Operational efficiency goals
Leaders see potential in automation but underestimate the organisational rewiring required to achieve it.

The problem is that these drivers often lead to technology-first adoption. Organisations race to select a platform, deploy a proof of concept, or showcase a pilot, without fully assessing how AI will reshape decision-making, whether data infrastructure can support scaled adoption, what governance is needed to manage ethical, legal, and reputational risk, and how roles, skills, and culture will need to evolve.

A recent MIT study reinforces this picture. Despite billions being invested in pilots and initiatives, 95% of AI projects are failing to deliver positive returns.

The lesson is clear: without operating model readiness, experimentation leads to wasted resources and frustrated expectations.

It is a familiar story. We saw it in the early cloud era, where enthusiasm for migrating workloads often outpaced security, cost-control, and operating model design. We saw it with robotic process automation, where many programmes delivered short-term savings but stalled when they tried to scale beyond a small number of processes.

The difference now is pace and reach. AI is not an isolated tool. It is a suite of capabilities that cuts across every function, every process, and every layer of governance. The time between a technical breakthrough and market impact is compressing, measured in months, not years. This means the cost of delay is higher, but so is the risk of rushed, uncoordinated adoption.

MIT Media Lab. The GenAI Divide: State of AI in Business 2025. 2025, https://www.artificialintelligence-news.com/wp-content/uploads/2025/08/ai_report_2025.pdf .

To put scale into perspective: Gartner projects global spending on generative AI to hit around £509 billion in 2025, while Morgan Stanley estimates AI could generate between £10.3 trillion and £12.6 trillion in market value for S&P 500 firms by 2026, representing up to 28% of pretax earnings. These figures underscore that AI is not hype, it is a structural shift in the economy.

The organisations that act with clarity, governance, and alignment today will be positioned to integrate AI into their core business model tomorrow. Those that chase technology without addressing readiness will find themselves with fragmented pilots, rising compliance risks, and no clear route to enterprise-wide value.

Ahead of What's Next.

Civil Service Copilot users saving 26 minutes per day (avg), freeing up 14 workings days annually

Salesforce cut 4,000 support jobs and replaced them with AI

Ocado cuts 1500 technology and finance jobs as AI and Automated Packing Systems streamline fulfillment, boost efficiency, and reduce dependence on manual labor

The challenge and the opportunity is to build the organisation of the future before the tipping point passes.

A World of Change
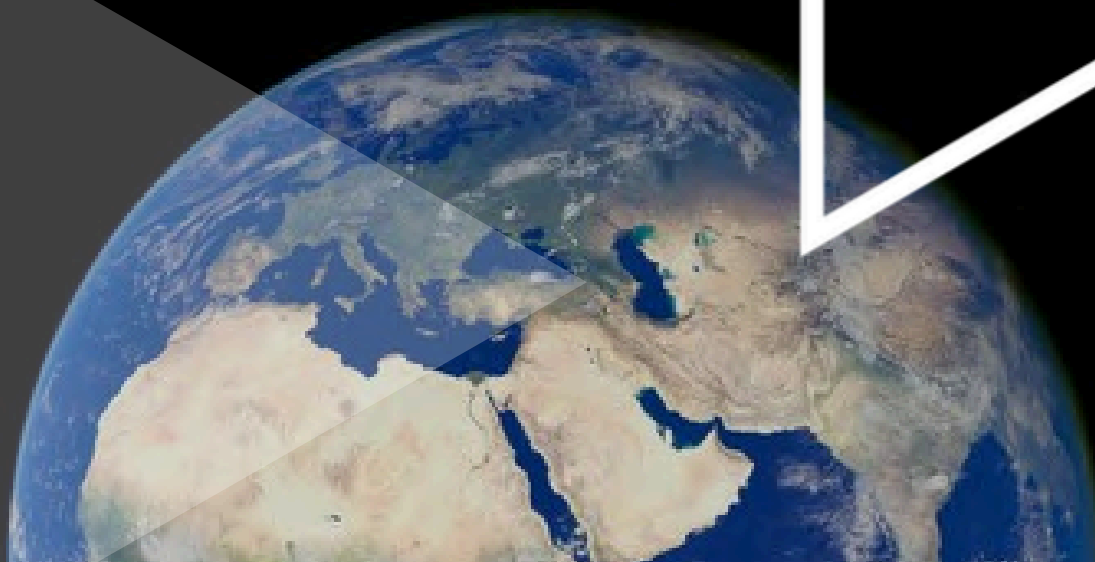
A World of Change

Every decade brings its own wave of transformation. For many leaders, today's AI conversation feels familiar. We have been here before, though the technology was different, the business challenge was the same: adapt or be left behind.

The internet reshaped entire industries in the late 1990s and early 2000s. Retailers that embraced e-commerce early built global reach and new revenue streams. Those that hesitated found themselves outpaced by more agile competitors.

Mobile and app ecosystems in the 2010s transformed how customers interacted with brands, creating an expectation of instant, personalised, always-on services. Businesses that treated mobile as an add-on rather than a core channel struggled to catch up.

Cloud computing disrupted IT delivery models, enabling speed, scalability, and cost flexibility, but also exposing weaknesses in security, procurement, and governance when adoption was rushed.

Robotic Process Automation (RPA) promised to free workers from repetitive tasks. Many organisations launched pilots with great fanfare, but without process standardisation and governance, scaling stalled.

Each of these waves created winners and losers. The common thread among the winners? They did not just deploy the new technology; they redesigned their operating models to take full advantage of it.

AI's disruptive potential however is amplified by two factors...

Breadth of Impact

AI is not confined to a single business function or industry. It can influence every part of the value chain, from product development and customer service to risk management and compliance. The use of these technologies can help a pharmaceutical company accelerate drug discovery, enable a retailer to deliver hyper-personalised marketing, and assist a bank in detecting fraud in real time.

Pace of Evolution

In previous technology cycles, there was a clear runway between innovation and market adoption. With AI, breakthroughs like large language models and agentic AI go from lab to production use within months. This speed is compressing traditional planning cycles and putting unprecedented pressure on leadership teams to respond.

The headlines are currently dominated by generative AI and its applications. Now, agentic AI is capturing attention. These systems are capable of autonomously executing multi-step tasks. History suggests the spotlight will soon move to the next breakthrough. The specifics will change; the strategic imperative will not.

In times of rapid change, organisations face two opposing risks:

- Moving too fast and deploying immature solutions without adequate governance or alignment, leading to fragmented systems, compliance exposure, and reputational harm.

- Moving too slowly and missing the window for competitive advantage, leaving space for rivals or entirely new entrants to redefine the market.

The fate of WeightWatchers in the wake of GLP-1 weight-loss drugs is a vivid example from outside the AI world. A core business proposition, decades in the making, was undermined in under two years by a breakthrough outside their control. AI is a different domain, but the lesson is consistent: those who wait for certainty risk losing relevance.

Looking Beyond the Technology

While AI captures headlines, the real challenge for organisations lies not in acquiring technology, but in reshaping how they operate.

AI is not a plug-and-play solution; it is a catalyst for change across the entire operating model.

From our perspective, clients often focus on selecting tools or building proof-of-concept applications before fully appreciating what this means for the underlying organisation. Every function, process, governance structure, and source of data is affected. Existing roles, decision-making frameworks, and customer journeys must be reconsidered, and new responsibilities emerge as AI agents take on tasks once performed by humans. Job titles may proliferate, but the question remains: do they reflect genuine authority and sponsorship to drive transformation, or are they symbolic gestures of progress?

Looking Beyond the Technology

To understand the scale of change required, Mozaic uses its 7 dimensions of the operating model as a framework for AI readiness:

1 Processes

Processes form the backbone of how an organisation operates day to day. They describe the flow of activities through which value is created, whether serving customers, managing risk, or delivering internal services. Effective processes are not just efficient; they are designed to connect seamlessly across functions and to adapt when strategy or market conditions shift. In the organisation of the future, functional silos will give way to end-to-end, AI-enabled workflows. Traditional functional leadership roles will evolve into ownership of these integrated value streams.

2 Data

Data underpins decision-making. Organisations generate vast amounts of it, but its value depends on how well it is captured, structured, and governed. Reliable data enables insight, foresight, and accountability. Without it, leaders are left with fragmented or conflicting pictures of performance. Treating data as a shared enterprise asset, rather than as the property of individual teams, is fundamental to organisational effectiveness. "Junk in, junk out" still applies – but the potential consequences are now far greater. Without strong knowledge management and data control, organisations may be liable to delivering anything from poor service to breaking laws. Strong data governance will be central to the new organisation.

3 Tools

Tools represent the systems, platforms, and technologies that support and enable those processes. From workflow systems to enterprise platforms, the toolset determines how information moves, how quickly decisions can be made, and how easily people can collaborate. The challenge for many organisations lies in achieving integration and coherence, rather than allowing a patchwork of systems to evolve in silos. The importance of the tooling will grow significantly, with platforms managed to enable reuse in a consistent, secure, and responsible way across the organisation.

4 Functions

Functions describe the core organisational units and their responsibilities. Over time, functions tend to solidify into established boundaries, but external pressures often require them to evolve. With the end to end value streams being brought together agentically, the traditional functional boundaries will dissolve. Significant change, bringing the back office enterprise service (IT, People, Finance etc.) functions has already started to happen in many organisations. We envisage this trend will continue.

Looking Beyond the Technology

5 People

People bring the operating model to life. Structures and processes matter little without the skills, mindsets, and behaviours of those who enact them. This dimension encompasses not only workforce skills and capabilities but also culture, incentives, and leadership. Organisations succeed when their people feel both empowered and equipped to deliver on the strategy. We envisage that many organisations will see a reduction in employee numbers as robotic agents take on more work. Those who remain will require new skills to manage and collaborate with this emerging type of colleague.

6 Sourcing

Sourcing addresses the question of where capabilities come from. No organisation operates in isolation. Some capabilities are best developed internally, others acquired from partners, suppliers, or external specialists. Choices about what to build, buy, or outsource have long-term implications for cost, agility, and resilience. The future sourcing decisions are therefore central to shaping how the organisation creates and sustains advantage and needs to consider how the services need to be priced and delivered differently as the new technologies evolve and mature.

7 Governance

Governance provides the mechanisms of decision-making, accountability, and control. It defines who has the authority to act, how risks are managed, and how compliance and ethical standards are maintained. Effective governance strikes a balance: too little creates disorder and exposure, too much creates rigidity and slows innovation. It is the thread that connects the other six dimensions, ensuring that processes, tools, data, functions, people, and sourcing work in harmony. Without it being redesigned to enable the new technologies to work effectively and responsibly, Gartner warns that 60% of enterprises will fail to realise expected AI value by 2027.

Many organisations are establishing a Centre of Enablement, a centralised team responsible for strategy, standards, and support across the business. This hub ensures initiatives are aligned, risks are managed, and knowledge is shared, avoiding siloed adoption that undermines value. We also see the introduction of Chief AI Officers into organisations to drive this huge transformational agenda.

Ultimately, success depends on viewing AI as an organisation-wide transformation rather than a technological upgrade. Only by addressing all seven dimensions intentionally, supported by clear governance, robust data practices, and empowered teams, can organisations unlock sustainable AI value while mitigating risk.

Shaping the Future Beyond the Tipping Point

Every wave of transformation produces winners and losers. The winners are not those who wait for perfect clarity, nor those who rush blindly into adoption. They are the organisations that see technology as a catalyst for rethinking the fundamentals of how they operate.

AI's breadth and pace make this moment different in scale, but not in principle. The organisations that act now with clarity, coherence, and courage will not only cross the tipping point successfully, they will shape the markets, industries, and societies that emerge beyond it.

What Next?
Free Executive
Alignment Briefing

Move from pilots to outcomes with a shared executive view.

To help leadership teams act with confidence, Mozaic is offering a free executive alignment session. This is a focused session for your board or ExCo to develop a common understanding of what AI adoption really means for your organisation: where value sits, the risks to manage, and the potential operating model changes required across functions, processes, governance, data, tooling, sourcing and people.

In this session we will...

- Clarify your strategic intent and risk appetite for AI

- Map key implications across Mozaic's seven operating model dimensions

- Identify 3-5 priority focus areas and the preconditions for success.

You will receive...

- A one-page executive brief capturing agreed ambition and priority focus areas

- A simple readiness snapshot across the 7 Operating Model Dimensions

- A suggested next-steps pathway to inform deeper assessment, design, and business case work

With independent evidence showing most AI initiatives are failing to deliver returns, early alignment is the fastest way to avoid wasted spend and to target value safely and at pace.

Get in touch. **Click here**

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