

# THE AI-ENABLED ENTERPRISE

Escape Velocity Pushes You Past the Rentability Threshold



By James A. Tompkins, Ph.D.

Tompkins Ventures

August 4, 2026

[jtompkins@tompkinsventures.com](mailto:jtompkins@tompkinsventures.com)

## Table of Contents

|                                                          |    |
|----------------------------------------------------------|----|
| Executive Summary.....                                   | 2  |
| Introduction: The AI Shift That Changes Everything ..... | 3  |
| Why Most Companies Remain Stuck in Phase 3 .....         | 4  |
| Phase 1: AI as a Tool (2018-2022) .....                  | 4  |
| Phase 2: AI as a Worker (Late 2022-Mid 2023) .....       | 5  |
| Phase 3: AI as a Partner (Mid 2023-2025) .....           | 5  |
| Phase 4: The AI-Enabled Enterprise (2025-Present) .....  | 6  |
| Escape Velocity: AI Adoption Becomes Unstoppable .....   | 6  |
| The Rentability Threshold Redefines Ownership .....      | 8  |
| The AI-Enabled Enterprise Comes to Life .....            | 12 |
| Leading Your Enterprise to Phase 4.....                  | 13 |
| Own Becomes Rent. Rent Becomes Enable. ....              | 14 |

## Executive Summary

Since ChatGPT stormed into the news in November 2022, I have watched artificial intelligence fundamentally reshape how modern enterprises operate, scale and compete.

For decades, companies evolved through waves of digitization, automation and cloud adoption – but none of those shifts compare to what is happening today. In just a few years, AI has gone from a tool to a worker to a partner to an enterprise enabler.

Now, the AI-Enabled Enterprise lets companies rent capability they used to buy.

Artificial intelligence helps companies operate “larger than their payroll.” You can pair AI-enabled workflows with fractional bursts of elite human expertise. This changes how you allocate capital, design teams, execute strategy and deliver value. Executives who treat this as a productivity upgrade will miss the redesign happening underneath them.

Three forces are converging to drive that paradigm shift: accelerating AI capability, labor market restructuring and fractional expertise ecosystems.

Together, they push companies past what I call the Rentability Threshold.

Own becomes rent.

Rent becomes enable.

This perspective walks through what each framework means for how you run your organization today. I’ll explain where your company sits among the four phases of AI adoption, how to recognize escape velocity, when the Rentability Threshold applies to your own capabilities and what the AI-Enabled Enterprise looks like once you get there.

Companies that embrace this shift will scale faster, increase optionality and outperform competitors clinging to legacy staffing and ownership models. Companies that resist will spend the next decade maintaining capabilities they should have rented years ago.

[Tompkins Ventures has spent six years building the exact ecosystem](#) the AI-Enabled Enterprise requires – fractional executives, operations specialists and transformation leaders, deployed on demand. We built it on purpose.

## Introduction: The AI Shift That Changes Everything

Every major business transformation begins with a simple question: what changed?

In 1999, Salesforce answered with “[SaaS – software as a service](#).” Before Salesforce, running a CRM meant buying software licenses, installing servers to host that software and hiring programmers to maintain and customize your CRM – a fixed cost you carried whether you used it or not.

Salesforce let companies access the same capability through a browser, paying only for what they used. The capital expense of owning infrastructure became an operating expense that scaled with the business.

AWS answered the “what changed” question in 2006. Companies that once had to buy servers, forecast capacity years in advance and staff data centers now rented computing power by the hour through Amazon S3, [launched in March 2006, and EC2](#), launched that August.

With Amazon’s cloud computing, a company could scale from 10 servers to 10,000 overnight and give excess capacity back the moment demand dropped. Owning infrastructure stopped being a competitive advantage. Accessing computing power through the cloud, on demand, became one instead.

AI is answering the same question today – this time unbundling expertise from ownership.

For you, that shift changes how you scale, how you allocate capital, how you hire, how you compete, how you design your organization and how you deliver value.

The rise of AI agents, autonomous workflows and fractional expertise ecosystems has created a new enterprise model – one where the core is small, the capability footprint is large, AI orchestrates work, fractional experts execute, outcomes replace headcount and rentability replaces ownership.

This is the AI-Enabled Enterprise.

## Why Most Companies Remain Stuck in Phase 3

I have watched AI move through four distinct phases since 2018, and where your company sits among them determines everything else in this perspective.

### Phase 1: AI as a Tool (2018-2022)

AI functioned as a better calculator, a smarter search engine.

[Bank of America launched a financial assistant](#) in 2018 to help customers manage their accounts.

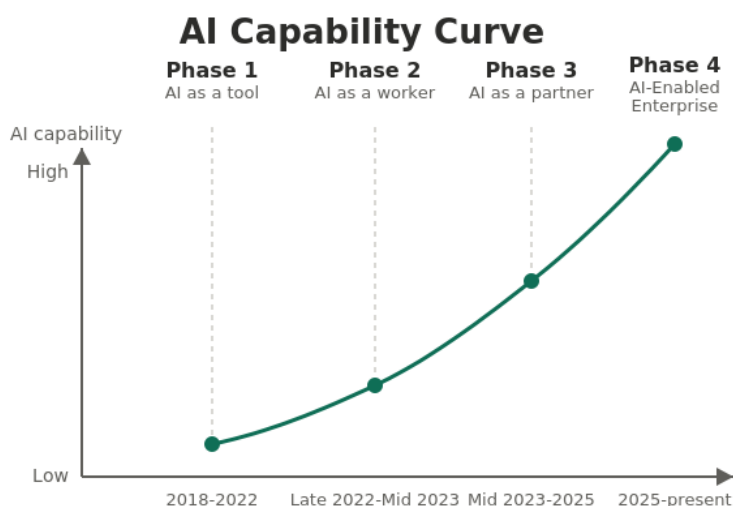
Then BERT – [Bidirectional Encoder Representations from Transformers](#) – rolled into Google Search the week of October 21, 2019. This AI-powered search system helped Google understand the nuance and context of human language. Google framed BERT as its biggest change to search in years.

OpenAI released [GPT-3 in June 2020](#), but as a developer API, not a consumer product. In other words, companies had to build something on top of it.

And companies did.

[GitHub launched Copilot](#) as a technical preview in June 2021, suggesting lines of code as you typed inside your editor – not a separate window you opened to ask it questions.

Grammarly did the same for writing – catching errors, suggesting fixes, staying in its lane.



Google Translate did the same for language: [between May 2019 and May 2020 alone](#), its translation quality improved by an average of five points across every language it supported, and seven points across its 50 lowest-resource languages.

AI answered questions and caught errors. But artificial intelligence did not do the work and was not a strategy. AI was Grammarly on steroids.

## Phase 2: AI as a Worker (Late 2022-Mid 2023)

ChatGPT launched on November 30, 2022, and the calculator became a worker overnight. Draft this email. Summarize this report. Respond to this customer. AI started producing output, not just checking it – but a person still had to ask, review and decide.

The market noticed immediately.

ChatGPT reached 100 million monthly active users within two months, a pace UBS analysts called the fastest consumer app adoption they had tracked in 20 years of following the internet. [TikTok needed nine months to hit the same number. Instagram](#) needed two and a half years.

## Phase 3: AI as a Partner (Mid 2023-2025)

Then AI gained context windows, multi-agent reasoning and the ability to reason across a problem instead of just responding to one. OpenAI's Assistants API, launched in November 2023, let developers build what the company called agent-like experiences – tools that could call other tools, retrieve information and run code on their own, not just answer a single question.

That same month, the context window for [GPT-4 Turbo grew to 128,000 tokens](#), enough to hold roughly 300 pages of text in a single conversation. Executives started using AI to find opportunities, evaluate options and build plans, not just draft the memo describing them. Most companies are still here, and most executives think this is as far as the technology goes.

AI goes much farther.

## Phase 4: The AI-Enabled Enterprise (2025-Present)

Phase 4 looks different in practice. AI agents now complete multi-step work without constant supervision. Enterprise adoption has crossed escape velocity – a term I’ll unpack in the next section.

Salesforce is one clear example: [CEO Marc Benioff confirmed in September 2025](#) that AI agents now handle half of the company’s customer support conversations, letting Salesforce cut that division from 9,000 people to 5,000 while [support costs fell 17%](#).

JPMorgan Chase told the same story from a different industry. At its investor day in May 2025, Consumer and Community Banking CEO Marianne Lake told investors that AI would let the bank cut headcount in operations and account services by 10% – and called that a conservative estimate.

[“I would take the over on this projection,”](#) she said, “and I’ll bet we will deliver even more as the tools and capabilities just keep getting better and better.”

I believe deeper cuts to headcount are on the way – across all industries, not just customer support and banking.

Leadership keeps a small core. AI orchestrates the work. Fractional experts complete it. Full-time headcount no longer determines what a company can accomplish.

Most companies you compete against are still deciding whether Phase 3 is real. But for organizations like Salesforce, JPMorgan and others, the AI-Enabled Enterprise is already operating.

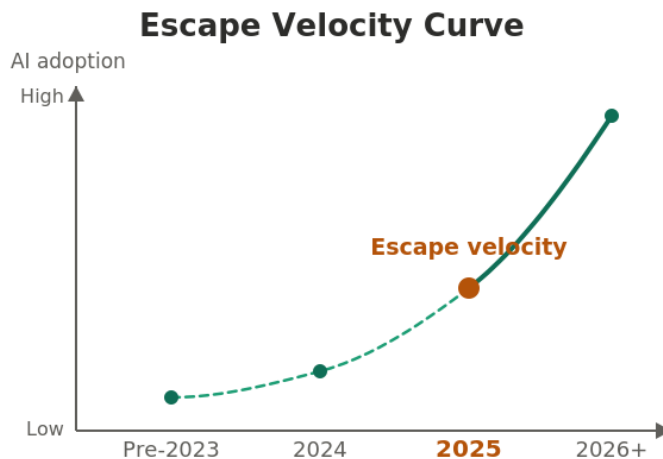
## Escape Velocity: AI Adoption Becomes Unstoppable

Companies in Phase 4 have crossed escape velocity. In physics, escape velocity is the speed an object needs to break a planet’s gravitational pull – fast enough that it stops falling back and just keeps going. Business works the same way. Escape velocity is the point where AI adoption stops needing a push. No incentives, no evangelism, no committee approving next year’s pilot program.

You can see it in the question executives ask. Before escape velocity, the question is “should we use AI?” After it, the question is “how do we reorganize the company around AI?” Once a market crosses that line, AI stops being optional, stops being experimental and stops being “something we’re looking into.”

Two signs tell you a market has crossed escape velocity.

The first is self-reinforcing adoption. Companies stop adopting AI because it is trendy and start adopting it because their competitors are gaining a measurable advantage. Once that shift happens, the adoption curve steepens on its own – no persuasion required, because the companies still asking “should we” are already behind the ones that stopped asking.



You can watch this happen with the same tool from Phase 1. Initially, GitHub Copilot was a technical preview most developers had heard of but few had tried.

Then GitHub Copilot crossed into self-reinforcing territory: Microsoft reported 20 million all-time users by July 2025, five million of them added in three months alone. And [90% of the Fortune 100](#) were already deploying it.

Gartner puts a number on where that curve goes next – from under 14% of enterprise software engineers using AI code assistants in [early 2024 to a forecast of 90% by 2028](#). Nobody had to convince the last wave of adopters. Their competitors already had.

The second is irresistible economics. AI is cheaper than labor, faster than teams and more scalable than departments. I’ll walk through exactly how that math works in the next section, on the Rentability Threshold.

Klarna, a buy-now-pay-later financial firm, went further than most, then pulled back – and the lesson in that reversal matters more than the headline number. It launched an OpenAI-built customer service assistant in early 2024. Within a month, AI was handling work equivalent to 700 full-time agents, [cutting resolution time from 11 minutes to](#)

under two. By its third-quarter 2025 earnings call, Klarna put that figure at 853 agents' worth of work and \$60 million in savings.

But in May 2025, CEO Sebastian Siemiatkowski told Bloomberg the company had cut too deep and began rehiring humans for its most complex support cases.

The economics never reversed. Klarna just changed where the company drew the line. Leaders learned that AI augments a workforce instead of replacing everyone: automate the routine, keep people for the judgment calls and headcount goes down – but not to zero.

The caution for you is the same one Klarna learned the hard way. Know which of your tasks belong to AI, which belong to your people and which need both together – or your customers will find the problems before you do.

For now, the point is simpler: when the economics flip this far, adoption does not need a champion. It needs nothing more than a calculator.

Escape velocity means AI adoption has passed the point of no return, accelerating on its own and reshaping organizations – whether they planned for it or not.

## The Rentability Threshold Redefines Ownership

Every one of the shifts I've described so far follows the same pattern once you know to look for it.

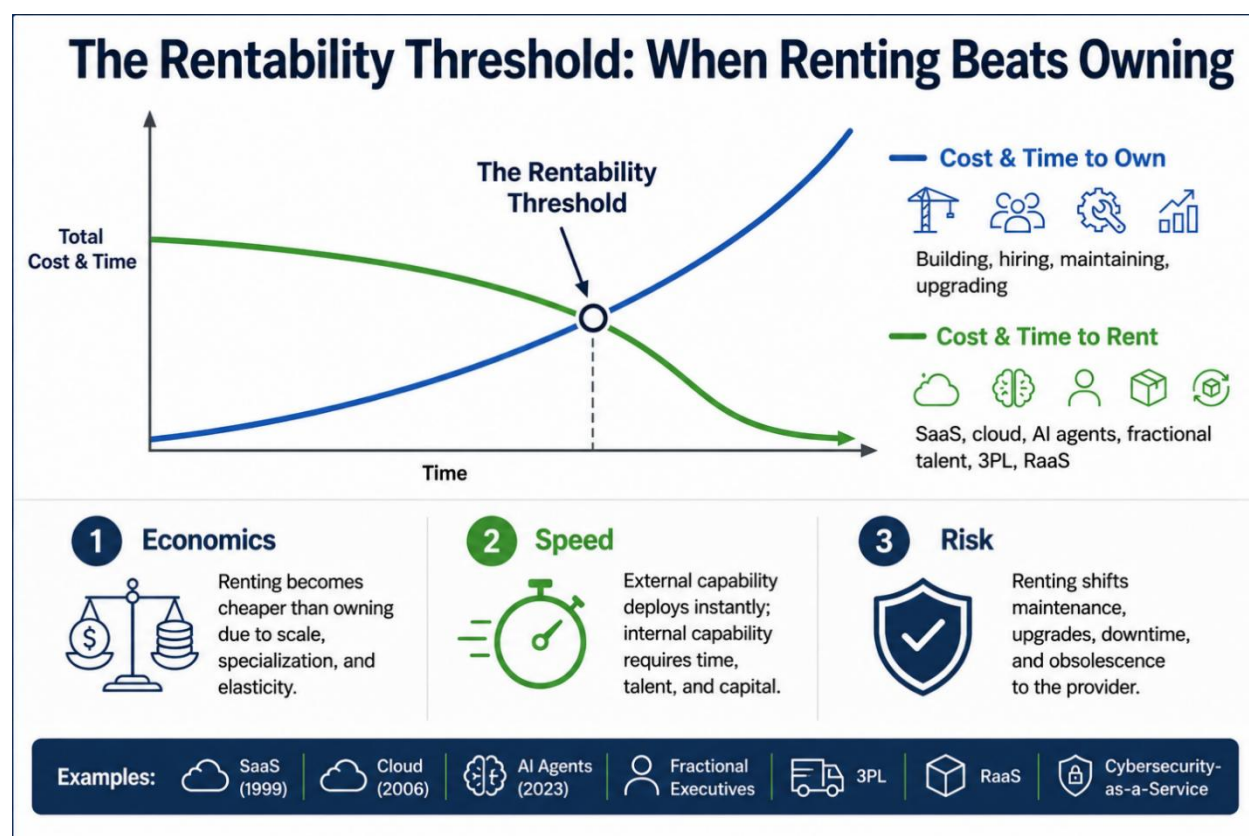
I already told you two of these stories, in the introduction, without naming the pattern behind them. That pattern's name? The Rentability Threshold – the point where a capability becomes standardized, digitized or AI-orchestrated enough that renting outcomes gets cheaper, faster and more flexible than owning the staff who used to produce those outcomes.

Salesforce's "no software" wasn't just a slogan – 1999 marked the moment companies stopped hiring programmers to build internal systems and started renting software as a service instead. AWS did the same to servers seven years later: Amazon's S3 and EC2 launched the cloud computing paradigm shift in 2006, and companies started renting, not owning, computing.

Software and servers weren't the only capabilities to cross the Rentability Threshold, a phenomenon that existed decades before AI could touch the question. Private equity started renting operational expertise the same way, starting in the mid-1990s. TPG built one of the first formal in-house operating-partner groups in 1995. KKR followed with KKR Capstone in 2000. Portfolio companies stopped keeping full-time turnaround specialists on staff and started renting elite operators across an entire portfolio instead.

The oldest version of this pattern is not software, the cloud or operational expertise. It is the truck.

Before 1980, the government tightly regulated trucking. New carriers needed federal certification that was difficult to obtain, routes and commodities were restricted and bureaus, not the open market, set rates. [President Carter said as much](#) when he signed [the Motor Carrier Act of 1980](#): trucks were traveling empty because the rules governing what they could carry made no sense.



The new law tore that structure down. What followed, I know firsthand: a surge of new carriers created the conditions for the modern 3PL industry, and many companies started renting logistics capacity from a broker instead of owning the truck yard and the warehouse themselves.

The partners at Tompkins Ventures have spent decades inside that industry. This is not a new pattern to us. It is the oldest one in the room.

I wrote about an earlier stage of this shift 20 years before AI had anything to do with it. In 2005, I authored *Logistics and Manufacturing Outsourcing: Harness Your Core Competencies* with my brother Bruce Tompkins, Brian Upchurch and my colleague Steve Simonson.

We made the same argument then that I'm making now, aimed at a narrower target: determine what is truly core to your business and stop trying to own everything else yourself.

But there was always a catch. Most leadership teams believe they know their core competencies. Few take the time to define them rigorously.

In that book, we argued that leaders should break the company into discrete processes and place each in one of four categories: primary core, secondary core, primary non-core or secondary non-core.

To sort them, ask what customers know you for, what creates the most value and what competitors struggle to imitate. Those answers point to your primary core. Secondary core capabilities create customer value and must be done well, even though customers may never see them. Primary and secondary non-core capabilities may still matter, but they raise a harder question: should we really own this, or should someone else provide it better?

That framework matters even more today. An AI-Enabled Enterprise concentrates its people on primary and secondary core capabilities. It rents or AI-enables much of the rest, freeing leaders and employees to spend more time on the work that truly differentiates the business.

AI has not changed that logic. It has dramatically expanded the “everything else” category and made those capabilities much cheaper to rent.

Logistics started crossing the Rentability Threshold in 1980. Software crossed it in 1999. Servers crossed it in 2006. Operational expertise crossed it by 2000. Executive and strategic capability is crossing that threshold even as you read this.

You can see the Rentability Threshold pattern a fifth time, right now, involving full-time headcount.

Every capability moves through the same four stages on its way across that line.

You start by owning it. You hire the programmers, buy the servers, build the internal team – full-time headcount, high fixed cost, slow to scale.

Then you buy it instead. Licensed software, on-premise systems, an IT department to run them. Still staff-heavy. Still slow.

Then you rent it. This is where SaaS, cloud computing, PE operating teams and 3PLs all live – the cost spreads across many customers, and the capability becomes elastic instead of fixed.

Then, if AI is orchestrating it, you enable it – this is Phase 4, the AI-Enabled Enterprise I described in the last section. Leadership sets the priorities. AI scopes the work, routes the tasks and prepares the data. Fractional experts complete the assignments. The company operates larger than its payroll, because most of what used to require headcount now requires orchestration instead.

Own becomes rent. Rent becomes enable. I told you that at the beginning of this perspective, before I had shown you why it was true.

So how do you know when one of your own capabilities has crossed the line? Ask three questions. Has this capability become a commodity that any competent provider can deliver? Does renting it actually accelerate your outcomes, rather than just cutting cost? Does owning it create drag – fixed cost, slow scaling, risk you are carrying that you do not need to?

If the answer to all three is yes, you have crossed the Rentability Threshold.

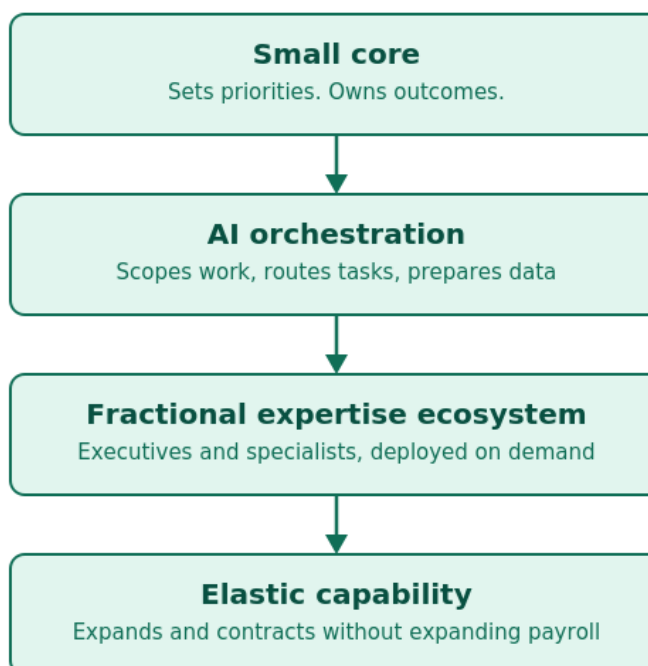
Every company that has crossed it so far has ended up looking like the same thing: a small core, extended by rented capability. In the next section, I will show you exactly what companies that pass the threshold look like.

## The AI-Enabled Enterprise Comes to Life

Strip away the frameworks and here is what this actually looks like from the inside.

A small core of full-time leadership sits at the center – the people who set priorities and own outcomes, and nothing else. AI orchestrates everything underneath them: it scopes the work, routes the tasks, monitors progress and prepares the data before a human ever touches it. A fractional expertise ecosystem executes what AI has scoped – executives, specialists and advisors, deployed exactly when the work requires them and released the moment it does not.

### The AI-Enabled Enterprise Model



Companies can expand or contract what they can accomplish without expanding or contracting their payroll.

Some companies already run this model.

A mid-market eCommerce fulfillment center came to us with a familiar problem: a labor shortage driving up costs, and inconsistent throughput no one could stabilize. We paired robotics-as-a-service with AI workflow orchestration instead of hiring more warehouse staff. Throughput rose 38%. Labor cost fell 22%. The client spent nothing on capital equipment. Renting the robots beat owning them – the Rentability Threshold again, just with hardware instead of headcount.

A \$150 million consumer goods company needed a VP of Supply Chain and could not justify a \$350,000 salary for the role. We placed a fractional executive instead, supported by AI-enabled analysis. Two hundred hours of elite leadership replaced 2,000 hours of full-time work, at a fraction of the cost – \$280,000 saved annually, with faster execution than the full-time hire would likely have delivered.

A national distributor needed its transportation network redesigned, a project that should have taken six months. AI agents and fractional supply chain experts did it in six weeks. Transportation costs fell 14%. Service levels improved 9%. The Rentability Threshold does not just apply to who does the work. It applies to how fast the work gets done.

Three very different problems – throughput, leadership and network design – and the same solution pattern underneath every one of them. The next section turns that pattern into a set of questions for your own organization.

## Leading Your Enterprise to Phase 4

I just gave you three case studies that all followed one pattern. The table below shows how crossing the Rentability Threshold into Phase 4 can transform your organization:

| Legacy model       | AI-Enabled Enterprise     |
|--------------------|---------------------------|
| Fixed roles        | Elastic capability        |
| Full-time staff    | Fractional experts        |
| Owned systems      | Rented outcomes           |
| Slow scaling       | Instant scaling           |
| Internal execution | AI-orchestrated execution |

That shift does not happen overnight – nor should it. Most organizations move through a middle stage first: a hybrid workforce with AI-augmented full-time roles before fractional capacity replaces them outright.

I will leave you with the same four questions I ask every executive I sit across from. Not for my benefit. For yours.

Where are you on this journey – Phase 1, 2, 3 or 4?

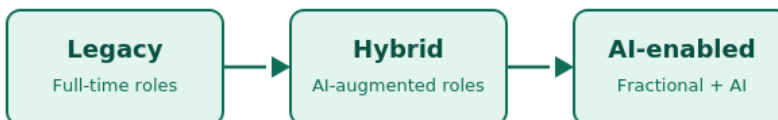
Which capabilities do you still own that the market now rents?

If you could rent 200 hours of world-class expertise instead of hiring someone for 2,000, where would you start?

What would your organization look like if you kept only the core and rented everything else?

You already have the frameworks to answer them. What you do with the answers is up to you. Are you still deciding whether Phase 3 is real, or do you want to operate in Phase 4?

## AI-Enabled Workforce Transformation



## Own Becomes Rent. Rent Becomes Enable.

You do not have to wait for the AI-Enabled Enterprise. Just join the companies already running the model.

I opened this perspective with a simple claim: companies used to buy capability, and now they rent it. Since then, I've been making the case for why that claim is true, and what it means for you specifically.

You have seen the four phases AI moved through to get here – tool, worker, partner and now, in the phase you are living through, an enterprise enabler. You have seen escape velocity: the moment adoption stops needing a champion because the economics already made the case. You have seen the Rentability Threshold and watched it cross logistics starting in 1980, software in 1999, operational expertise by 2000 and servers in 2006. Now that Rentability Threshold applies in your organization to whatever full-time capability you are paying to own instead of renting.

And you have seen what it looks like once a company actually crosses that line: a small core uses AI to orchestrate the work, a fractional ecosystem executes the work – and the business can expand or contract without touching its payroll.

A fulfillment center running 38% more throughput on zero capital expenditure. A consumer goods company getting a VP-level supply chain leader for \$280,000 less than a full-time hire would have cost. A national distributor completing a six-month redesign in six weeks. Salesforce cutting its support division nearly in half while its own AI agents pick up the difference. JPMorgan's own leadership betting publicly that 10% workforce reductions are a conservative estimate.

None of this required a genius forecast. It required watching the same pattern repeat four times. Then recognizing that pattern a fifth time – when AI entered the picture.

Own becomes rent. Rent becomes enable. You have the whole arc behind you now, and so does every competitor who is paying attention.

The four questions from last section determine where you sit among the four phases, which of your capabilities the market already rents more cheaply than you own them, what 200 hours of rented expertise could do that 2,000 hours of a full-time hire could not and what your organization would look like if it kept only its core. Every quarter you wait to answer them is a quarter the competition answers them before you.

[Tompkins Ventures](#) has spent six years building toward this moment, not reacting to it. Long before “AI-Enabled Enterprise” had a name, we were already assembling the fractional executives, the supply chain specialists, the transformation leaders and the advisors who make a small core capable of outcomes that used to require a much larger payroll. We built the ecosystem first and watched the market catch up to where we are.

That gives you a choice. Spend the next few years maintaining capabilities you should have rented already, the way every company that clung to owned servers or in-house software did before unwinding that decision anyway. Or start now, with whichever capability is easiest to test first, and let the results make the case for the next one.

I started this perspective with a question: what changed? You already know the answer. [Let's have a conversation about](#) what you do next.