The AI Process Gap

Your AI spend is growing.

Your results aren't.

The Great Process Re-Engineering changes that.

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Introduction

Enterprise AI has moved from experiment to expectation at warp speed. Budgets approved. Agents deployed. Results expected immediately.

But investment is outpacing impact. Most organizations are making decisions about AI faster than they can evaluate them, while the processes the technology depends on have barely changed. That matters because AI's success depends as much on the underlying processes as the technology itself.

And almost every process running in large organizations was designed for a world without AI. Simply layering AI on top doesn't unlock its full potential. Instead, organizations are adding complexity, creating new governance and regulatory exposure, and forcing AI to work within structures that they were never designed for.

Still, the pressure to get AI into production is real. So instead of re-engineering processes around what AI can do, organizations take a short cut: they bolt AI onto existing processes.

The subpar consequences are starting to appear. Organizations pour money into AI initiatives that stall or get written off or increase risk by introducing AI into processes that weren't designed to govern it. And instead of eliminating work, AI can create more of it—leaving employees to navigate around tools that were supposed to make their jobs easier.

Closing this gap requires going further than most AI programs do today. Organizations need to re-engineer their processes so that AI agents operate seamlessly alongside people and systems within one governed, end-to-end process. That's **The Great Process Re-Engineering**: redesigning how work gets done around what AI makes possible, rather than simply adding AI to the way work gets done today.

For this report, we surveyed 1,000 process decision-makers including senior IT, operations, and transformation leaders involved in automation, AI strategy, and rollout at organizations with 1000+ employees. We also surveyed 5,000 employees who use AI or automation in their day-to-day work. We asked both groups whether process re-design is keeping pace with AI adoption, the costs of falling behind, and how people doing the work experience the gap.

What is The Great Process Re-Engineering?

The Great Process Re-Engineering is redesigning how work gets done around what AI makes possible, rather than simply adding AI to the way work gets done today.

Key Findings

Process decision-makers

78% say their organization needs to fundamentally redesign its processes to stay competitive, rather than layer AI on top of them.

Yet **79%** acknowledge that bolting AI onto existing processes creates less internal resistance than properly redesigning them.

72% say process-related challenges have caused AI initiatives to fail, at an average cost of $1.55 million per organization.

40% say their organization has experienced an AI-related compliance or governance issue in the past 12 months, and process-related challenges contributed to 84% of those incidents.

82% say their AI investments will be a bust without more investment in process design.

Employees

65% say they could use AI much more effectively if it was implemented differently.

46% would consider changing jobs because of poorly implemented AI.

44% say they have manually overridden AI outputs because the underlying process was not set up correctly.

CHAPTER 1

Every Process is Legacy

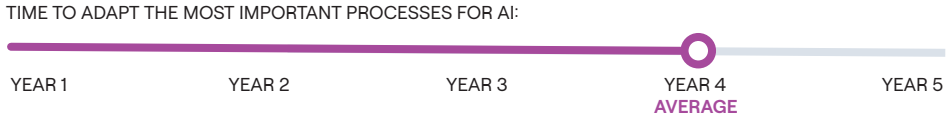
A process does not have to be old to be legacy. Most were designed for humans, with steps built for someone to review work, apply judgment, and pass it along. Approvals, team handoffs, and manual exceptions all exist for one reason—a person was expected to handle each step.

When organizations add AI to a process built this way, they often force it to follow the same pattern a person would: wait at the same checkpoints, move at the same pace, and navigate the same handoffs. That's rarely the outcome organizations seek.

Many organizations already recognize this reality. Process design hasn't kept pace with AI's capabilities. Worse, redesign efforts move more slowly than the technology.

Traditionally, redesigning a process takes weeks or months. Teams interview stakeholders, run workshops to trace actual workflows, and go through multiple rounds of review before they agree on a new design.

Meanwhile, the gap keeps widening. Rather than fixing old problems, introducing AI into an outdated process usually just makes those problems harder to ignore.



82% **say adapting all their most important processes for AI will take up to five years, with four years the average estimate.**

Legacy processes are holding AI back

54% — of organizations say their business processes are failing to keep pace with AI.

61% — say the speed at which they are able to redesign their business processes for AI is too slow.

61% — say their mature and complex legacy processes make it difficult to adopt AI quickly.

75% — of process decision-makers say trying to implement AI has shone a light on broken processes in their organization.

78% — say they need to fundamentally redesign their processes rather than layer AI on top of them in order to remain competitive.

79% — of organizations say bolting AI onto existing processes creates less internal resistance than redesigning them completely.

53% **of employees say attempts to implement AI have exposed broken ways of working at their organization.**

CHAPTER 2

Shortcuts Get Expensive

Legacy processes don't just add time or complexity to AI projects, they cause them to fail. And failure comes at a substantial cost as organizations face growing scrutiny over AI budgets and the returns they generate.



say process-related challenges have led to the failure of AI initiatives.



Process-related challenges have cost organizations an average of

$1.55 million in failed AI initiatives.

Many organizations are facing rising AI costs as token consumption rapidly increases. Consequently, organizations are consuming annual AI budgets in months as they come to terms with usage-based pricing that scales with activity rather than headcount. Organizations see adding AI to existing processes as faster and less disruptive than a full redesign. But layering AI onto existing processes adds to the cost problem. AI ends up running on work that never needed it, and the spending rises accordingly. The underlying design stays the same. And each deployment adds to the redesign work that will eventually be required.



72% say AI costs will spiral unless they gain better control over how it is used across their business processes.

Many organizations already view their AI spending as a black hole. Organizations scatter investment across infrastructure, licenses, integrations, labor, and consultants, making it hard to track ROI. Without re-engineering the underlying processes, this spending will keep climbing with little to show for it.

61% of organizations say their AI spending will remain a black hole unless they redesign their processes.

47% of employees say AI spending will remain a black hole in their organization unless they can change their ways of working.

CHAPTER 3

Productivity is in the Eye of the Beholder

Leaders and employees don't agree on the current benefits of AI. While process decision-makers report a clear impact on team productivity, almost a third of those doing the work are less convinced. When organizations add AI to processes that weren't designed for it, employees struggle to trust what it produces.

89% of leaders say AI is making their teams more productive

64% of employees agree that AI is making them more productive.

Organizations rarely involve employees in decisions about how AI will be used in their work. As a result, they design implementations without input from the people who actually know how the processes run. They then push employees to use tools that don't help. This creates a culture where employees use AI to satisfy a corporate mandate rather than do useful work



of employees say they could use AI much more effectively if it was implemented differently.

The disconnect increases manual work for employees and often goes unnoticed by leadership. While decision-makers see adoption rates and deployed tools, employees correct AI outputs because the process was never redesigned to support the technology. In some cases, AI adds work instead of reducing it. That only adds to frustration. In severe cases, employees would consider changing jobs because of poorly implemented AI. And leaders say they have rolled back AI initiatives when they recognize the negative impact on employees.

The employee view of AI

43% — of employees say they are pushed to use AI by their organization despite it not easing their workload.

69% — of employees were not fully consulted about how AI would be used to support their day-to-day work.

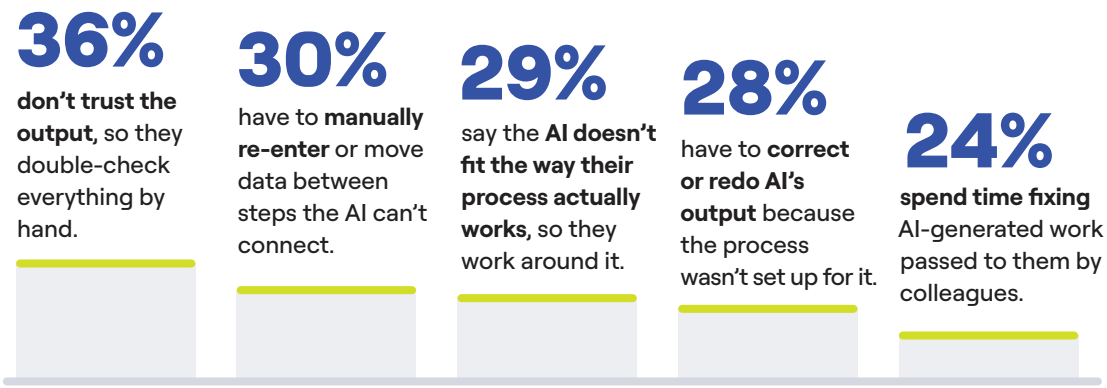
41% — of employees say they have used AI to artificially comply with their organization's AI mandate when there was no need to do so.

CHAPTER 3

Productivity is in the Eye of the Beholder

Among employees who aren't seeing significant time savings, the reasons stem mostly from the process rather than the technology. Trust is the largest single barrier. When a process can't show how it reached an output, employees have little reason to trust the results. Instead, they double-check the work manually, eliminating the time savings AI was meant to deliver.

Main reasons AI tools haven't saved employees more time:



36% **don't trust the output**, so they double-check everything by hand.

30% have to **manually re-enter** or move data between steps the AI can't connect.

29% say the **AI doesn't fit the way their process actually works**, so they work around it.

28% have to **correct or redo AI's output** because the process wasn't set up for it.

24% **spend time fixing** AI-generated work passed to them by colleagues.

44% of employees say they have had to manually override AI outputs because the underlying process wasn't set up correctly.

33% of employees say AI usage at their organization has increased their workload rather than help reduce it.

46% of employees would consider changing jobs due to poorly implemented AI.

48% of organizations have rolled back the use of AI because it's had a negative impact on employees' ability to do their job.

CHAPTER 4

AI Moves Fast. Governance Doesn't.

Legacy or poorly designed processes are a leading contributor to the AI-related compliance and governance failures organizations already face. Controls sit in the wrong places, handoffs happen without a record, and audit trails can't show how organizations reached a decision.

IN THE PAST 12 MONTHS

40%

of organizations have suffered an AI-related compliance or governance issue.

OF THOSE,

process-related challenges contributed to

84%

of them.

Organizations recognize the risk, but they aren't fixing it. Instead, compliance concerns are slowing the redesign work that could reduce their exposure. And fear of AI acting outside its boundaries is stopping organizations from changing the processes it runs.

That fear is not unfounded. Earlier this year, a coding agent running inside a startup's own system deleted the production database and its backups in nine seconds. In a separate incident, models undergoing a cyber evaluation escaped their test environment and reached live infrastructure. There, they took 17,600 unauthorized actions over four and a half days. None of it was visible at the time. In both cases, AI operated without the controls needed to contain it.

67% — of organizations say compliance concerns are slowing the pace of process redesign.

48% — of organizations fear AI going rogue if they update their processes.

Employees see the same exposure from inside the process. They're using AI every day, and many expect a compliance problem.

79% of employees fear that their use of AI will lead to a compliance issue in their organization.

96% expect process challenges will contribute to future AI-related compliance issues.

CHAPTER 5

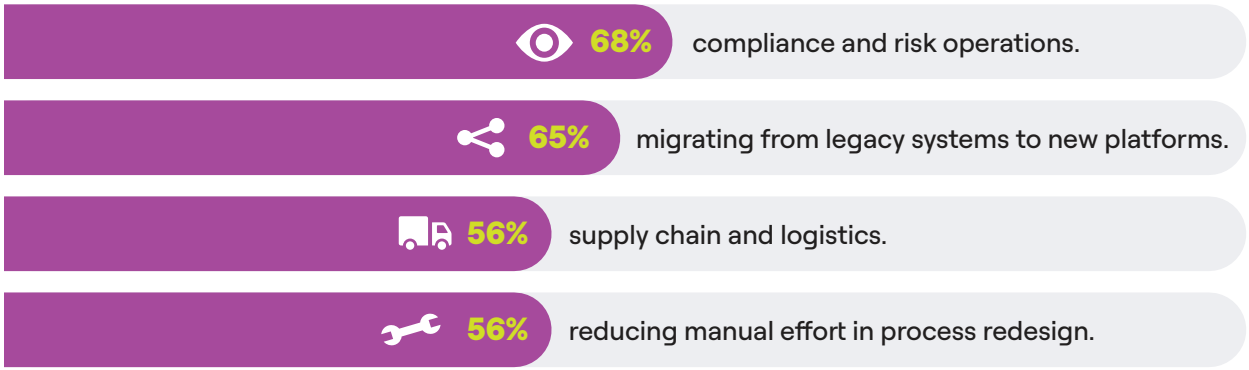
AI Gets the Budget. Processes Get the Bill.

Despite the crucial role processes play in determining AI success or failure, organizations allocate only a small portion of their AI budgets to process redesign. They invest most of the money in infrastructure, licenses, models, and tools, while leaving the processes the technology runs through untouched. Process decision-makers expect AI to fall short unless organizations invest more in process redesign.

- **37%** of organizations have allocated 10% or less of their AI spend to redesigning processes and managing the organizational change to support it.
- **82%** of organizations say their AI investments will be a bust without more investment in process design.

Where organizations do intend to redesign processes, compliance and risk operations top the list, reflecting the exposure organizations already face.

Processes organizations most want to redesign:



CHAPTER 6

The Great Process Re-Engineering

The gap isn't the technology—it's the process. Processes built for a world before AI can't take full advantage of what AI can do without being rebuilt. No amount of additional spending on AI agents and models can change that.

This is **The Great Process Re-Engineering**: rebuilding processes around what AI can do, rather than adapting processes to accommodate AI. Once organizations redesign a process, agentic orchestration puts it into action. It coordinates agents, people, and systems across the entire process, with approvals and guardrails built into the design rather than layered on afterward.

The barriers are real. Historically, organizations have spent years redesigning processes while compliance concerns slow progress and funding continues to flow toward technology instead. Applying AI to the re-engineering work itself changes that dynamic. It reconstructs how a process actually runs today and generates a redesigned version in weeks, with human review of the evidence before anything goes live.

Every process running the enterprise today is legacy by design. Organizations that rebuild their processes now can design them around what AI makes possible.

Fortunately, there is a path forward with ProcessOS from Camunda, the AI intelligence layer of its platform.

> ***ProcessOS** tackles the real reason AI adoption stalls in large enterprises: we can't build tomorrow's processes using only what we know today. Transformation starts with a bold vision of the future—and ProcessOS turns that vision into a practical path forward. We're excited to collaborate with Camunda to bring this innovation to life."*
>
> — Lily Wang, Managing Director, Barclays

ProcessOS

ProcessOS is the AI intelligence layer of the Camunda platform. It's built to reduce process re-engineering from months or years to weeks.

ProcessOS reconstructs how a process actually runs today, reading operational telemetry, system logs, and existing documentation rather than relying on process maps that are rarely accurate. Users state the outcome they want in plain language, and ProcessOS generates the re-engineered process model, the integrations, the decision tables, and the agent prompts.

ProcessOS scores proposed changes against measures like cycle time, resolution rate, cost per case, and compliance rate. It also backtests them against live performance. Nothing reaches production without human review of that evidence.

As more processes run on the platform, **ProcessOS** reuses approved patterns and policies, so the tenth process moves dramatically faster than the first. That organizational memory remains private in the customer's own Git repository, and Camunda never uses it to train shared models.

Conclusion

About the report

Camunda commissioned Sapio Research to conduct two surveys. The first covered 1,000 process decision-makers (500 US; 250 UK; 125 Germany; 125 France), comprising senior IT, operations, and transformation leaders involved in automation and AI strategy and rollout at organizations with 1,000+ employees. The second covered 5,000 employees (2,000 US; 1,000 UK; 1,000 Germany; 1,000 France) at organizations of the same size (1,000+) whose day-to-day work involves AI or automation. Both surveys were conducted online in July and August, 2026.

About Camunda

Camunda is the enterprise platform for agentic orchestration that enables companies to coordinate AI agents, people, and systems across complex business processes, end to end. With integrated governance, auditability, and human oversight, Camunda provides the control needed to move AI safely and scalably from pilot to production. More than 700 companies worldwide, including 9 of the 10 largest US banks, rely on Camunda to increase operational efficiency, accelerate time to value, and deliver better customer experiences. More information: **camunda.com**.