

PUBLIC

Podcast: Process Transformers Unplugged

Episode 05: New Technologies, New Boundaries



Fig. 1 – Cover art of Process Transformers Unplugged podcast

Figure description – A square cover image with a decorative geometric design of the SAP anvil in light blue. The title “Process Transformers” is featured in the middle of the anvil shape, with the label “Unplugged” appearing above the anvil design, and the logo for “SAP Signavio” is featured at the bottom left corner.

Introduction

Lukas Egger: Hello and welcome to Process Transformers, the podcast that explores business transformation at the intersection of AI and processes. My name is Lukas Egger and I'm the head of innovation at SAP Signavio. You have tuned into another episode of *Process Transformers Unplugged*. Unlike our usual episodes with expert guests unplugged episodes are just me. Unpacking one key idea on how AI is transforming business processes. No hype, no clickbait, just clear thought-provoking insights. Today's theme is "New Technologies, New Boundaries". Let's unpack that.

Technology Reshapes Business Boundaries

Looking at AI capabilities, most teams rush to add new features and tools to their products. Well, that's a solid start, no question. But here's the thing. The most powerful technologies don't just add features or improve efficiency. They let you redefine the business you are actually in. And strategy, at its core, isn't about matching rivals feature by feature. Think that through. In the end, matching your arrival would mean that there is no differentiation. Strategy is more about finding and building defensible moats, and sometimes that means changing where your business begins and where it ends. And AI is throwing a big wrench into all of that. Now, why is that? Features are visible and easy to copy. They're easily comparable, but real competitive modes live at boundaries where work crosses interfaces between your company and the outside world. And the rule is simple: costs define the boundaries. And when a new technology radically changes the cost of doing business, you get a one-time chance to redraw your company's shape.

Examples of Boundary Shifts

But let's make that more concrete. To understand how AI is redrawing boundaries today, it helps to look at other technologies and what they have done to businesses. First, let's think about "cloud kitchens", those delivery-only restaurant operations. Before apps like DoorDash or GrubHub existed, restaurants needed expensive locations with loads of foot traffic, beautiful dining rooms and a very strong brand. You were either Italian or Japanese or Mexican. But standardized food discovery -- you know, like searching for food on your phone or online -- and last mile logistics, those two technologies created an opportunity for changing what it means to be a restaurant or a restaurateur. Now, one kitchen can run five different restaurant brands. You can be Italian for lunch, Korean for dinner, and pivot to comfort food when the data says that that's what sells the most. Same cooking capability, completely different company, and all of it because technology changed the costs at the interfaces. So, third party apps made discovery easy, and gig workers solved the last-mile logistics issue. The key takeaway here is that technology didn't just make all restaurants better, it changed them. When discovery and delivery got cheap, the "dining room" moved outside of the restaurant. And these kinds of changes, these kind of patterns are exactly what we need to look for with AI. Apropos, speaking of logistics, that might even be the better example. Because before the invention of standardized containers, shipping cargo

was brutal. Workers spend days loading and unloading cargo, think crates, barrels, and sacks. Ships sat in port forever, and damage to goods was constant. Then came the standard container, which made it seamless to move goods between trucks, rail and ships without anyone touching what's inside. Containers made the interface between trucks, trains, and ships cheap, and so do boundaries moved. Shipping companies became global logistic networks. They redrew the map of global trade, and not by speeding up the boats, but by fixing the interfaces. Ships became logistics. The mode stopped being tonnage and started being end-to-end control. Some companies changed or just perished.

AI's Impact on Interfaces Today

So where is AI having impact today? Well, if you ask three analysts where AI will have the biggest effect, most likely you'll get five different opinions. The truth is, the jury is still out on which parts of the value chain will be most disrupted. But you don't need a perfect prediction to see what's already happening at the interfaces. Just to give two examples from the trenches: First, running experiments is cheaper than ever before. It used to be expensive to test new ideas. Now you can generate a good enough solution to run a test with a few customers in hours instead of weeks. Second, the cost of finding and connecting information isn't totally freefall. Synthesizing reports or customer feedback was once the domain of entire teams. Nowadays? Essentially a couple of AI prompts. And as these costs drop at key boundaries, opportunities open, as well as threats. So either you push or your competitors will push you.

Steps to Leverage AI for Boundary Redefinition

Okay, how can we translate these insights to work for your business? Well, most importantly, it doesn't start with technology. It starts with your customers and the problems you solve for them.

Step one: Make a list of the top jobs your customer hires you to do. Be honest, include the awkward in-between jobs, 'cause the handoff to you is clunky. That's a prime target for AI and shows where value leaks today, and subsequently where a boundary move matters.

Step two: Sketch the value chain for your most important job, step by step. Use a wordly map or boxes and lines are also fine, but mark the interfaces where handoffs, approvals, or contact switches happen. These interfaces are your potential points of leverage.

Step three: Experiment. Imagine AI makes the cost of work at those interfaces fall by 80, 90, a hundred percent. What new pieces of work would you take on or give away? This isn't about making an existing step faster. It's about asking if that step should be even yours to begin with.

And finally, **Step four:** Once you have an intuition of where to look, run a small AI powered pilot to test your hypothesis. The goal is to learn how taking on a new part of the value chain impacts your customer and your business.

And here's the litmus test of all those steps: If lead times and handoffs don't drop meaningfully -- you shipped a feature, you didn't move a boundary. Keep pushing for the boundaries. Now, to sum it all up, don't try to win a feature race against the rest of the world. The winning move is to redraw the lines of competition where technology lets you build an unfair advantage -- and hold it. While your competitors are busy asking, "How can we add AI to our products?", you should be asking, "Using AI, what business are we *really* in?".

Conclusion

And with that, thanks for listening to another episode of *Process Transformers*. This podcast is brought to you by the dedicated efforts and the work of our entire team, So, a heartfelt thank you to Beyza Kartal, Jahanzeb Khan, Reagan Nyandoro, Erica Davis, Cecilia Sarquis, Fawzi Mourad, and Julian Thevenod. If you have questions or comments, email us at processtransformers@sap.com, and until next time, for another transformative conversation.

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