AUTONOMY ECONOMICS · WHITE PAPER · NOVEMBER 2026

The Agentic Profit Paradox and the Reorganisation of Value

How autonomous AI is reorganising where value is created, captured and defended. A guide for boards, investors and operators.

Elemi Atigolo
Autonomy Economics
Published by ConsultVP
November 2026

PRACTITIONER EDITION

AUTONOMY ECONOMICS · WHITE PAPER · NOVEMBER 2026

The Agentic Profit Paradox®

How autonomous AI is reorganising where value is created, captured and defended. A guide for boards, investors and operators.

by Elemi Atigolo

EVIDENCE CURRENT TO 31 OCTOBER 2026

About this paper

This practitioner edition is based on the full working paper *Autonomy Economics: The Agentic Profit Paradox and the Reorganisation of Value Capture*, published on SSRN in April 2026, where the framework is developed in depth with full argument, evidence and formal treatment. The framework was first introduced in *The Banker* in February 2026. This November 2026 edition is prepared for investors, private equity, boards and operators, and includes selected market developments observed since publication. The April working paper remains unchanged as the timestamped statement of the original framework and its predictions.

Live evidence register at autonomyeconomics.com/evidence

Executive summary

Firms must adopt autonomous capability to remain competitive, but adoption alone does not protect them. As autonomous capability makes it possible to carry activity forward, mediate interaction and access capability with less dependence on the conditions that once sustained them, it can weaken the conditions that make established commercial structures scarce and defensible. The pressure does not wait for full deployment. It can begin as soon as the capability becomes credible, as clients, competitors and markets adjust their expectations, and it may arise within the firm or from external actors. The **Agentic Profit Paradox**[4][5] arises when value capture remains anchored to those earlier conditions, misaligned with how activity is now carried forward, how interaction takes place and how capability is accessed. A firm can then become more capable and less economically secure at the same time, even as demand holds or grows. Exposure appears early where revenue depends on human-bounded progression, human-bounded interaction or capability scarcity. What determines the outcome is **alignment**. Firms that redesign value capture to match the new conditions can restore durability and capture new sources of value.

THE PAPER MAKES FIVE CLAIMS

1. **A new economic lens is needed.** Existing frameworks do not fully explain how autonomous capability changes the structural conditions supporting commercial value capture. Autonomy Economics provides a distinct framework for examining this relationship.
2. **Exposure is structural and operates across three axes.** Commercial value capture can depend on human-bounded progression, human-bounded interaction or capability scarcity, with multiple forms of exposure occurring within the same business.
3. **Autonomy reorganises value through three directional laws.** Value tends to move from production to orchestration, from access to outcomes, and towards the layers that absorb, govern and direct autonomous throughput.
4. **Capability and commercial alignment are complementary.** Increasing autonomous capability does not guarantee stronger economic returns. Where value capture remains anchored to weakening structural conditions, greater capability can coincide with declining commercial durability.
5. **The framework is falsifiable.** It specifies observable expectations, empirical tests, time windows and conditions under which its propositions would need to be revised.

For investors the question is whether value capture stays aligned as autonomous capability advances, and whether a business is building positions where value accumulates.

Contents

FRAMING

Executive summary 03

Why existing theory does not fully cover this 06

Defining autonomy and autonomous AI 07

Three structural conditions, three axes of exposure 07

THE MECHANISM

The Agentic Profit Paradox 10

The three laws of Autonomy Economics 11

WHERE VALUE GOES

Redesign, and where value reaccumulates 12

Autonomy-driven business models 13

The commercial units under pressure 15

IMPLICATIONS & RIGOUR

The two durability frameworks 16

What would prove this wrong 18

Post-publication evidence 18

What remains unresolved 20

The contrary view 21

OWNERSHIP & IMPLICATIONS

Capital-Structured Autonomy Ecosystems 23

What this means for investors and private equity 23

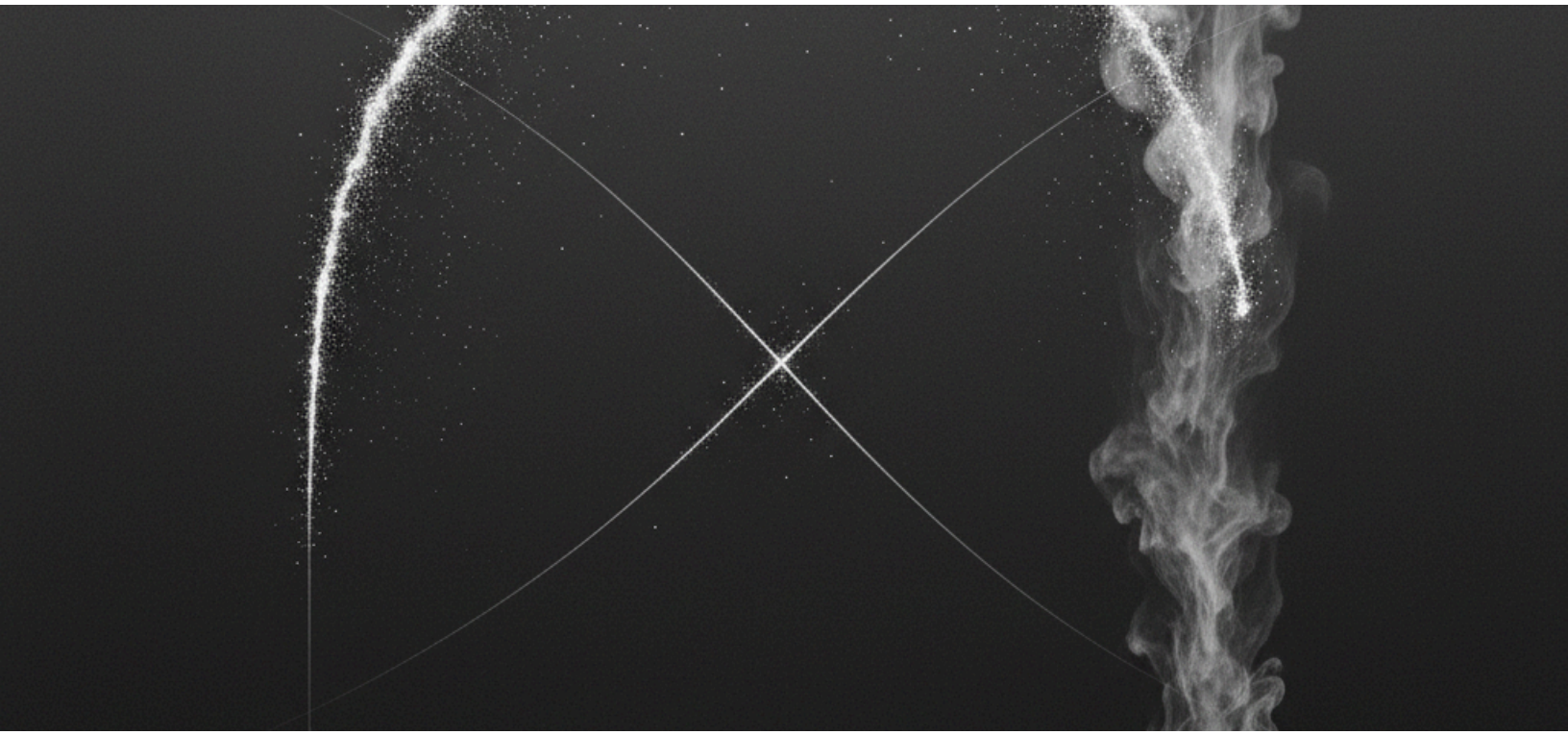
Conclusion 24

References 25

About the author and ConsultVP 27

FRAMING

A firm can become more capable while becoming less economically secure.



Framing

Why existing theory does not fully cover this

Existing strategy and technology frameworks do not fully explain what happens as autonomous capability increases and the commercial structures built around earlier conditions become less stable. A growing body of work examines how agentic AI affects execution, workflow and organisational design. This literature remains concentrated at the operational layer. It explains how systems perform tasks, support decisions and reorganise activity, but gives less attention to revenue models, commercial logic and durability once the conditions on which those models depend begin to weaken. Autonomy Economics addresses that gap. It studies how value capture, commercial logic and defensibility change as autonomous capability makes it possible to carry activity forward, mediate interaction and access capability with less dependence on the conditions that previously structured how value was created and captured[5].

Established frameworks each address important questions, and Autonomy Economics examines a different one. The task-based literature studies which tasks are automated, augmented or reassigned, and the consequences for labour demand[1]. Productivity frameworks explain how firms generate more output with the same or fewer inputs. Platform theory explains how value builds through coordination, interfaces and network effects. The focus here is how changes in the conditions under which activity is carried forward, interaction takes place and capability is accessed affect where value resides and how it can be captured. A firm can become more efficient and still see its economic position weaken.

Teece's dynamic capabilities framework addresses how firms sense, seize and reconfigure resources under technological change[29]. Autonomy Economics begins where that framework leaves off, asking whether the commercial structure a firm is adapting towards represents where value now accumulates. Structure-based traditions in industrial organisation explain outcomes through market-level conditions such as concentration, entry barriers and buyer power. Autonomy Economics examines the conditions on which a commercial unit was built. Christensen's disruption theory explains how entrants with simpler, cheaper offerings displace incumbents[8]. The pressure described here does not require a new entrant, and a firm can face it and still keep its market position, its client relationships and its operating performance. The business model innovation literature examines how firms create and capture value through the design of activity systems, and Autonomy Economics adds the question of whether a model remains aligned as the conditions beneath it change.

Slywotzky's value migration framework describes how value moves between firms and business designs as customer priorities change and incumbents fail to adapt[27]. Both frameworks observe that value moves when commercial models fall out of alignment with changed conditions, and both hold that firms need to redesign before the old model becomes visibly obsolete. The mechanism in Autonomy Economics is different. It does not require a competitor with a superior business design or a change in customer priorities, and a firm can face the Agentic Profit Paradox and still retain its customers, its market position and its brand. The unit of analysis is the misalignment between commercial units and the conditions that sustain them.

Research on artificial intelligence and economic organisation has examined how technological capability changes value creation, commercialisation and market interaction. Åström, Reim and

Parida (2022)[3] investigate the alignment of value creation and value capture in AI business model innovation, while Rothschild et al. (2025)[26] examine the economic implications of agent-mediated interaction and market intermediation. These contributions provide insights into particular dimensions of AI-related economic change.

Autonomy Economics examines how autonomous capability changes the structural conditions supporting established commercial units across human-bounded progression, human-bounded interaction and capability scarcity dependence. Its central mechanism, the Agentic Profit Paradox, explains how misalignment between these changing conditions and existing structures of value capture can weaken commercial durability, even as capability improves and demand remains intact. This exposure can arise through a firm's own development or deployment of autonomous capability, without requiring competitive displacement or the loss of existing customers.

Framing

Defining autonomy and autonomous AI

Autonomous capability is the extent to which activity can be carried forward, interaction can be mediated, or capability can be accessed through autonomous systems. Activity means any economically relevant function through which value is produced, advanced or made usable. To carry it forward is to coordinate, progress or bring it towards completion, whether by people, systems or both.

Autonomous AI, often described as agentic systems, is capability embedded in loops that plan, act across tools and systems, check their own output and complete multi-step work, with human involvement moving from execution towards direction and accountability. It does not need to replace people outright to matter commercially. Even as a complement, it can put pressure on a commercial model that remains tied to the wrong unit of value. Efficiency gains and cost reduction may follow, but they sit downstream of these effects.

Framing

Three structural conditions, three axes of exposure

Every established commercial unit held because specific structural conditions made it scarce and defensible. The paper identifies three, and therefore three axes along which autonomous capability can create pressure. Many businesses carry more than one, in different revenue lines.

EXHIBIT 1

The three axes of exposure

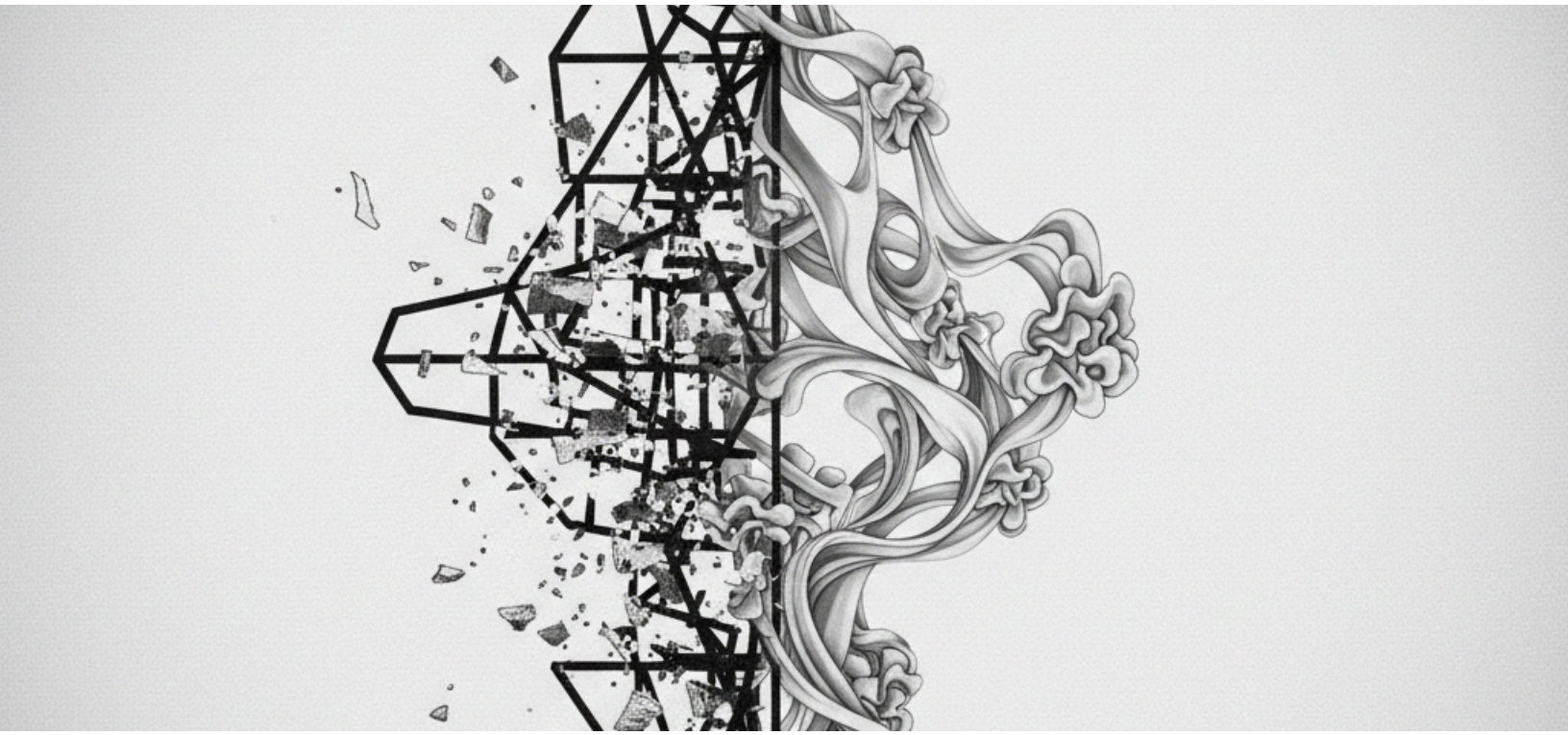
Axis	Value depends on	Illustrative exposure
Human-bounded progression (HBP)	Activity whose progress depends on human effort, review, coordination or intervention, such as hours, seats and review cycles	Audit and accounting, consulting, legal review, BPO, insurance operations, seat-based and cycle-based software
Human-bounded interaction (HBI)	Direct human attention, engagement, discovery, navigation or interface use through which demand is formed, routed or captured	Marketplaces, media, retail funnels, travel and booking flows, engagement-monetised platforms
Capability scarcity dependence (CSD)	Scarcity of, or controlled access to, underlying technical, cognitive, analytical or operational capability	AI models and underlying AI capabilities, specialised software, financial modelling teams, legal practices, diagnostic services and data providers. Exposure arises where value capture depends on the scarcity or controlled availability of capability.

Source: Autonomy Economics working paper (Atigolo, 2026b). Examples are illustrative, not sector classifications. A business can be exposed on more than one axis, and CSD is transversal, so it can sit within any business model.

The axes turn the question of whether a business is AI-exposed into a line-by-line diagnostic of which revenue lines rest on progression, interaction or scarcity. What matters then is whether value capture on each line stays aligned as conditions change.

THE MECHANISM

Capability expands what can be done. Value depends on whether the commercial model remains aligned with the conditions beneath it.



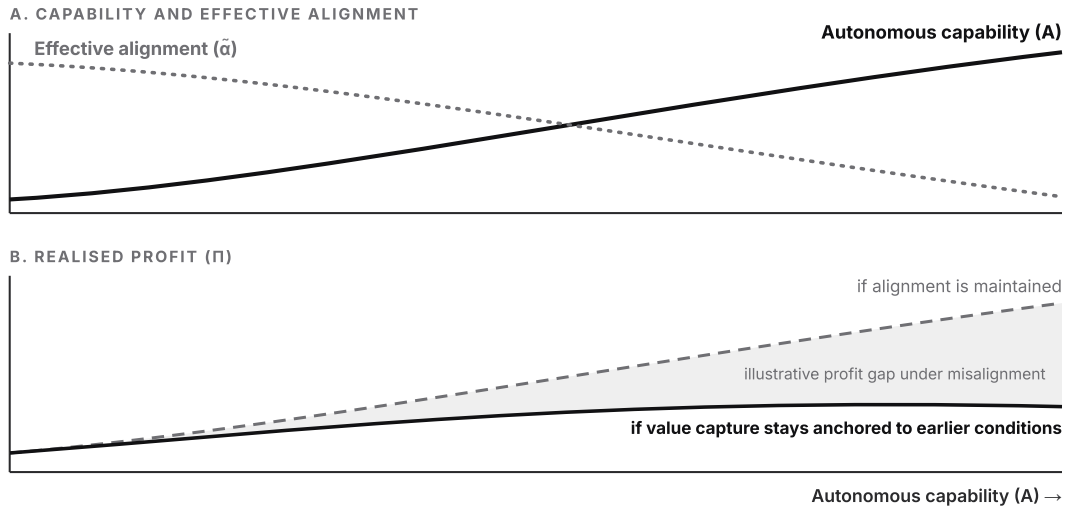
The mechanism

The Agentic Profit Paradox

The paradox is a condition of misalignment. Autonomous capability can weaken the conditions that made a commercial unit scarce and defensible, whether that capability is developed or deployed within the firm or arrives through clients, competitors and markets. Firms may need to adopt it to remain competitive and to reach new sources of value, but adoption alone does not protect them. When value capture stays anchored to the earlier conditions as the basis on which value is created and justified moves, a firm can become operationally stronger and commercially weaker at the same time. That is the paradox. It turns on **alignment**, the degree to which the structure of value capture reflects how activity is carried forward, how interaction takes place and how capability is accessed. A billable hour becomes misaligned once the work no longer depends on HBP in the same way, however good the output. So does interface-based monetisation when agents act for users and route demand past the interface, and value capture built on scarce capability once that capability becomes easier to access or replicate. One misalignment for each axis, and the same paradox in every case. The distinction that matters is between firms that adopt within inherited commercial structures and firms that redesign those structures around the new distribution of value.

EXHIBIT 2

The Agentic Profit Paradox



Π = Π₀ + f(A · α̃). Each panel has its own scale. The paths are illustrative, not derived from the equation.

Illustrative representation of the Agentic Profit Paradox. Autonomous capability can expand as commercial alignment weakens. Where value capture remains anchored to earlier structural conditions, the economic returns associated with additional capability may deteriorate. The direction and magnitude of the effect depend on the relationship between capability growth and changes in alignment.

The full paper formalises this as $\Pi = \Pi_0 + f(A \cdot \tilde{\alpha})$, in which autonomous capability (A) and effective alignment ($\tilde{\alpha}$) jointly determine the contribution of capability to profit. The model represents commercial misalignment as a constraint on the economic gains associated with increasing

capability. Where alignment changes as capability rises, the effect depends on the extent of that change and the shape of the profit function. Greater capability can therefore coincide with weaker commercial durability, although declining returns are not inevitable. Strong operating performance can still appear, because efficiency gains inside an unchanged model can hold for a period before comparable capability spreads and clients reassess what they pay for.

The paper's early illustration is now well known. In February 2026 the Financial Times reported that KPMG had pressed its own auditor, Grant Thornton UK, for a fee reduction on the explicit grounds that AI should make the work cheaper. The fee fell from $416,000 to $357,000, roughly 14%[14]. The audit was not replaced. Demand, regulation and the need for judgement remained. However, the client's expectation that AI could reduce the human effort required to deliver the work was sufficient to place pressure on the existing fee arrangement[23][22][17][10]. This illustrates how the perceived durability of a progression-dependent commercial unit can weaken before the underlying activity has been fully transformed.

> *A firm can adopt the capability it needs and still lose ground if it does not redesign the model around it.*
>
> Autonomy Economics working paper, April 2026

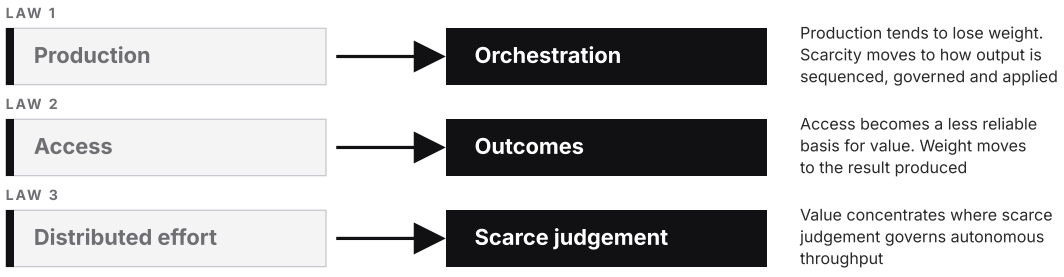
The mechanism

The three laws of Autonomy Economics

The paper states three laws describing the direction in which value reorganises once autonomous capability becomes commercially meaningful. They are directional regularities, not universally binding relationships, and each applies on all three axes of exposure. Drawing on cases across more than two centuries, from handloom weaving to cloud software, the paper shows this migration of value to be a recurring structural condition across technologies. It states the direction with more confidence than the pace.

EXHIBIT 3

Where value moves under autonomy



Source: Autonomy Economics working paper (Atigolo, 2026b), Laws 1 to 3.

Law 1. Value moves from production to orchestration.
Production tends to lose economic weight once output can be generated at much lower marginal cost. Scarcity moves to how that output is sequenced, checked, combined, governed and applied. In interaction-based models value moves towards the orchestration and routing of demand. Where capability was scarce, it moves towards how that capability is applied, combined and directed. Production still matters, but it is a weaker place from which to defend value.

Law 2. Value moves from access to outcomes.
Established models charged for access, through seats, hours, cycles and review stages, through attention, discovery and interface position, or through scarce capability. Once autonomous capability changes how activity is carried forward, access becomes a less reliable basis for justifying value, and weight moves from participation in the process to the result produced. Usage-based pricing is different, because it still measures activity. Access-based models can persist for a time through regulation, switching costs, embedded distribution or trust. This is why pressure can appear before demand falls. The client may still want the service. What weakens is the earlier unit of justification.

Law 3. Value concentrates where scarce judgement governs autonomous throughput.
As autonomous systems carry forward more activity, mediate more interaction and broaden access to capability, scarcity moves to the layer that directs, constrains, authorises and accepts that activity. That layer may sit in human decision-making, in governed systems, or in both. Its economic role comes from control and responsibility, whether or not a person is involved at every stage. Judgement, governance and control gain value as the activity they govern grows. Accountability, fiduciary duty and risk ownership do not disappear as capability expands.

Where value goes

Redesign, and where value reaccumulates

Redesign means changing how value is defined, delivered, captured and defended, including what is sold, how it is priced and how the organisation absorbs the capability. Its opposite, **layering**, means adding tools to unchanged workflows, unchanged commercial terms and an unchanged offer. Layering can produce real efficiency and may protect margins for a period, but it leaves the misalignment unresolved. Redesign is what converts capability into more durable economics and new sources of value. The paper identifies five layers where value accumulates as autonomous capability scales.

Two responses, two outcomes. Some firms respond mainly by reducing headcount and booking the saving. Their commercial logic stays as it was. Costs fall and throughput rises, but the freed capacity is not redirected into new creation, broader coverage or better outcomes, so efficiency improves and the basis of value capture can keep weakening. Others redesign around where value now accumulates, adjusting what is sold, how it is delivered and how activity is organised. These changes take longer to appear in performance metrics, but they preserve alignment and support more durable economic positions. The distinction that matters is between layering and redesign.

EXHIBIT 4

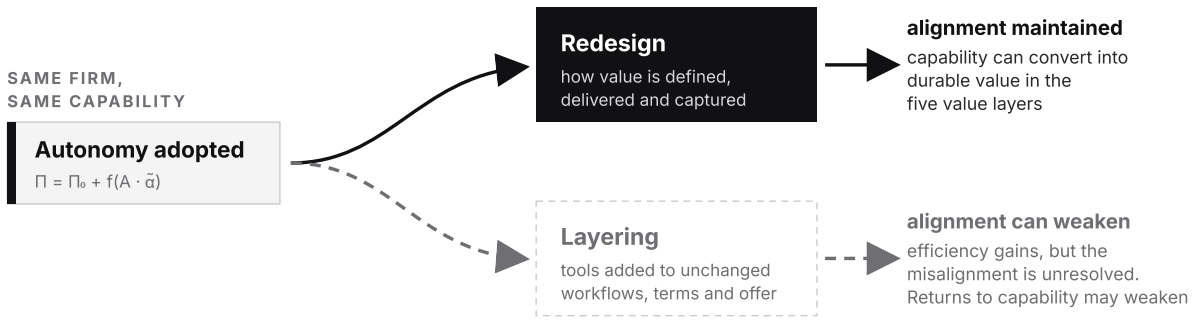
Where value accumulates next

Layer	What it does
Orchestration	Decides what autonomous capability does, in what order, to what standard and towards what purpose
Verification	Tests, evidences and traces autonomous output so that it can be relied upon
Governance	Defines what actions are allowed, where escalation is required and who carries responsibility
Absorption	Converts autonomous throughput into broader coverage, faster decisions and better outcomes
Judgement	Evaluates, directs and approves, and acts where conditions fall outside standard rules

Source: Autonomy Economics working paper (Atigolo, 2026b), Section 6.

EXHIBIT 5

Two responses, two outcomes



Stylised representation based on the working paper (Atigolo, 2026b), Section 3 and Appendix B. Outcomes are illustrative and depend on how far alignment weakens.

Where value goes

Autonomy-driven business models

Redesign has destinations. The paper defines an autonomy-driven business model as one in which autonomous capability is embedded in the commercial logic through which the firm defines, delivers and captures value[5]. Autonomy becomes part of the logic through which the firm defines value, competes and organises activity. There is no single standard form, and some models will remain partial as capability matures unevenly.

A management literature on AI-driven business model innovation exists and is growing quickly, from the assisted, augmented and autonomous intelligence framing[25], applied to business models by Garbuio and Lin[15], to a recent systematic review of the field[16]. The foundation paper positions autonomy-driven business models as a specialisation of that literature. These models tie value capture to agentic, continuously progressing activity, interaction, and the application of capability that no longer depends on earlier forms of scarcity[5][16]. The distinction matters because a firm can innovate its business model around AI and still be misaligned, adding autonomous capability to structures built for the old conditions. An autonomy-driven model proves more durable where value definition, delivery, governance and judgement align with how activity is now carried forward, how interaction takes place and how capability is accessed.

EXHIBIT 6

Autonomy-driven business models

Model	What is sold	Where the laws place it
Outcome-delivered services	The completed result itself, specified, verified and priced per outcome, with accountability attached	Law 2, capture moves from access to outcomes
Orchestration platforms and services	Direction of autonomous throughput, sequencing and routing work across agents, systems and people	Law 1, advantage moves to whoever directs the work
Verification and assurance	Trust in autonomous output where it carries commercial or regulatory consequence	Law 3, the verification layer
Governance and control layers	The rules, permissions and audit that let agents run faster because they can be trusted	Law 3, governance as the velocity layer
Absorption and enablement	The organisation’s capacity to integrate autonomy, operating model redesign, capability building, change delivery	Law 3, the absorption layer
Judgement-led models	Decision-making where stakes, ambiguity or novelty are high, unbundled from execution and priced as such	Law 3, judgement governs throughput

ConsultVP practitioner synthesis, mapping the paper’s laws and value layers (Atigolo, 2026b) to commercial models.

Early market signals are consistent with movement towards these models. Software vendors are moving away from pure per-seat models[20][9]. Usage pricing is a step away from the seat, and outcome pricing is where Law 2 points. Professional fees are renegotiated against AI-linked savings once a credible alternative exists[11][14]. Each points to a legacy unit giving way to an autonomy-driven form. The strategic question for any incumbent is which of these models its redesign is building towards.

Where value goes

The commercial units under pressure

The paradox becomes concrete at the level of the commercial unit, the structure through which a business defines, delivers, captures and defends economic value. These units may be expressed through pricing, contractual arrangements, intermediation, controlled access or other forms of commercial organisation.

EXHIBIT 7

The commercial units under pressure

Commercial unit	Anchored to	How the pressure arrives
The billable hour and staged delivery	HBP	Clients can seek a share of AI savings once an alternative is credible. Scope and rate can reprice before substitution. Effort-based justification weakens first in structured, low-judgement work.
The per-seat licence	HBP	The marginal value of a seat can decline as agents carry more of the work. Pricing can move from seats towards usage and outcomes, and seat counts track value delivered less closely.
The review stage and checking work	HBP	Checking can move into the workflow itself. Accountable sign-off and judgement retain more economic weight.
Commissions, placements and transaction fees	HBI	Agentic buying and discovery can bypass interfaces and funnels. The position that captured the transaction can lose its toll, and intermediation can reprice towards demonstrable outcomes.
Access to scarce capability, data and analytics	CSD	Access broadens and the scarcity premium can narrow. Access gives way to outcome and throughput terms. Commercial models built on capability that becomes easier to access, replicate or substitute can lose the scarcity premium supporting their value capture.

Source: Autonomy Economics working paper (Atigolo, 2026b).

Two features recur across every unit. The pressure can be initiated by clients, competitors or markets once a credible alternative is visible, with no new entrant required, and it arrives dispersed and uneven, before the capability is fully mature, because commercial expectations move on credibility. In every case the outcome turns on whether the unit is redesigned to match the new conditions.

The two durability frameworks

If exposure is structural, durability can be assessed structurally, before it shows in reported financials. The paper's proprietary **Revenue Durability Framework™** holds that a revenue line's durability is the product of its structural advantages, such as data, regulation, distribution, switching costs and ecosystem position, and a composite of two protections. **Alignment** matches value capture to how activity is now carried forward, how interaction takes place and how capability is accessed. **Structural inertia** covers moats, contracts, regulation and switching costs that hold independently of alignment. Inertia provides a lag. A business with strong structural advantages does not lose durability the moment alignment weakens, and if alignment is not restored, durability converges towards its inertial floor. That floor can remain substantial where regulatory exclusivity, control of distribution, proprietary data or other structural advantages are strong. Persistent misalignment nonetheless creates exposure that inertia alone may not resolve. Two businesses with identical retention and growth can therefore carry very different trajectories underneath.

Its companion, the **Capability Durability Framework™**, applies at the level of the firm. It concerns the organisation's capacity to absorb autonomous capability and convert it into stronger competitive position as the structure of activity changes. The two are distinct, because exposure and capture move separately. A firm may recognise its exposure without building the structure needed to capture value. Together, the two frameworks give an investor a structural read on resilience, of the revenue line and of the firm, before either shows stress in reported numbers.

EXHIBIT 8

The two durability frameworks

Framework	Level of analysis	What it assesses	The question it answers
Revenue Durability Framework	The revenue line	Durability as the product of structural advantages and a composite of alignment and structural inertia, where inertia slows the pressure but may not resolve persistent misalignment	How durable is this revenue line once the condition it is priced on weakens, and is it held by alignment or by inertia?
Capability Durability Framework	The firm	The organisation's capacity to absorb autonomous capability and convert it into stronger competitive position	Can this firm turn greater autonomous throughput into durable advantage?

Source: Autonomy Economics working paper (Atigolo, 2026b). Applied at the level of a revenue line, a business unit, or a portfolio.

Market signals around the time of publication were consistent with the pattern, although macro conditions, sentiment and positioning also played a role. The KPMG fee reduction showed pressure without the service being replaced. Roughly $2 trillion of software market value was erased between the September 2025 peak and March 2026[19], including a single-day fall of about $300 billion across software, data and related stocks in February[21], and software traded at a discount to the S&P 500 on forward earnings for the first time[19]. Analysts described investors as having lost conviction in the durability of software's economic characteristics[13], with the fear that many SaaS companies were priced for a world that no longer exists[28]. PwC had already conceded sharing AI efficiencies with clients[11]. Survey evidence indicates that many organisations report efficiency gains without corresponding revenue improvements[12], and most chief executives reported no significant financial benefit from AI so far[24]. This is consistent with the distinction between capability adoption and durable value capture, although it does not establish commercial misalignment as the cause. Markets, in short, appeared to be reassessing durability before revenue moved, which is consistent with the sequence the framework describes.

Since publication, there has also been evidence of capability diffusion and substitution pressure on the CSD axis. Coinbase switched its default internal models to open-weight alternatives and cut its AI spend by roughly half, reserving frontier models for the tasks that demand them[30][18]. Microsoft began routing a small but growing share of Copilot requests in Excel and Outlook to its own MAI models, with its head of AI stating the goal of reducing and ultimately eliminating what it pays Anthropic[7]. Uber used up its entire 2026 AI budget within four months[2], and Meta, with internal AI costs reportedly in the billions, began tracking token use, with budgets due from 2027, and steering engineers towards its own coding tools[6]. These observations suggest that access to underlying capability is becoming more contestable. They do not by themselves show that any supplier's commercial structure has become less durable, which would require evidence on revenue composition, unit economics, retention, realised margins or bargaining position.

How the framework is being evaluated

The framework is being evaluated through two complementary activities, one ongoing and one planned. Neither amounts to conclusive validation.

Autonomy Economics Evidence Monitor. A live Evidence Monitor accompanies this paper as a growing longitudinal record of supportive, contradictory, ambiguous and boundary evidence relevant to the framework. It is an observational research register, not a representative sample of affected firms. The register tracks evidence from publication in April 2026 onward, and retains both supportive and contrary evidence. The observation window remains short, and contradictory evidence may still emerge. The monitor searches separately for evidence against the framework and keeps fact, interpretation and competing explanation apart. It also records changes in commercial structures and emerging patterns of value capture.

Company-Level Financial Study. A planned empirical study will examine company financial statements, segment-level performance, revenue composition, margins and changes in commercial structures. Its objective is to examine whether the economic relationships proposed in Autonomy Economics are observable in company performance, and under which conditions its expectations hold or require refinement. It will distinguish firms whose revenue grows because they have redesigned from firms whose unchanged models remain durable despite substantial autonomous exposure, which would be important evidence against parts of the framework.

autonomyeconomics.com/evidence

Implications & rigour

What would prove this wrong

Unusually for a strategy framework, the paper states in advance when its claims would be weakened and the framework revised. Each test runs from the point of credible deployment in a sector, the point at which autonomous capability has visibly changed how activity, interaction or access to capability works. Short-term margin expansion driven mainly by labour reduction, without durable value reaccumulation, does not on its own count as evidence against the framework.

EXHIBIT 9

What would prove this wrong

Test	Window	The claim is weakened if
1. Commercial-unit durability	1 to 2 years	Revenue models calibrated to HBP, HBI or CSD sustain without redesign, with margins holding or expanding
2. Firm-level alignment	2 to 3 years	Firms adopt without redesign and still durably expand margins, with no reaccumulation of value elsewhere
3. Value migration	3 to 5 years	Value fails to accumulate in orchestration, verification, governance, absorption and judgement

Source: Autonomy Economics working paper (Atigolo, 2026b), falsifiability and empirical tests.

The framework would be weakened where commercially meaningful autonomous capability has been deployed, the relevant structural conditions have changed, and firms nevertheless sustain their existing value-capture arrangements and economic returns without material redesign beyond the specified testing windows. If those conditions remain fully durable beyond the windows in sectors where autonomous capability has been credibly deployed, the scope of the framework would be narrowed to exclude those sectors. The April paper stands unrevised as the timestamped record, and subsequent checkpoints score the evidence against these tests as the windows run. Where the evidence turns against the framework, the framework will be revised. The accompanying Evidence Monitor continuously records and classifies new market evidence against the framework, with the current register available online.

Implications & rigour

Post-publication evidence

The April working paper stands as the timestamped statement of the framework. The observations below were recorded after publication and are treated separately from the evidence used to formulate it. They are selected illustrations from the Evidence Monitor, not a representative sample

of affected companies or conclusive tests of the framework. Each is marked by the stage it shows, autonomous capability, structural commercial exposure or realised change in value capture, and assessed with a competing explanation and a condition that would weaken the interpretation.

EXHIBIT 10

Selected post-publication observations

Observation	What changed	Relevance to the framework
Blackstone 20 Sep 2026 · AE-2026-035 · Capability, exposure	Reported realised AI productivity gains across portfolio companies. Separately, it described multiple compression in professional services, software and information services where underlying businesses were often still sound. The presentation also discussed changing business models from seats to outcomes.	Relevant principally to the **Agentic Profit Paradox** and **Revenue Durability**. Productivity gains and valuation changes do not on their own show structural misalignment, and the interpretation is the framework's, not Blackstone's. The seat-to-outcome discussion is consistent with Law 2, but outcome pricing itself predates the presentation.
Salesforce 4 Sep 2026 · AE-2026-013 · Value-capture change	Help Agent is billed only for successful resolutions. Unresolved sessions are not billed.	Value capture tied to a delivered result rather than access or activity. Relevant to **Law 2**. It does not show that the earlier model was becoming unsustainable, and may reflect a new product category or deliberate experimentation.
Professional services 31 Aug to 1 Sep 2026 · AE-2026-014 / 018 · Exposure	The *Financial Times* reported consulting clients bringing more work in-house and pressing for lower, fixed or performance-linked fees. Major banks also pressed law firms to pass AI-linked efficiencies into fees.	Consistent with pressure on human-progression-based commercial units. Relevant to **HBP**, **Law 2**, **Revenue Durability** and the Profit Paradox.
FCA 2 Sep 2026 · AE-2026-020 · Capability, governance	A multi-firm review focused on frontier AI, harness engineering, cyber resilience, governance and vulnerability management, placing the control environment around the model at the centre of deployment.	Consistent with value moving towards the orchestration and governance layers described in **Law 1** and **Law 3**. It does not by itself show where profit ultimately accumulates.

Autonomy Economics Evidence Monitor. Evidence current to 31 October 2026.
Full source records, counter-interpretations and falsification conditions are at autonomyeconomics.com/evidence

Post-publication evidence

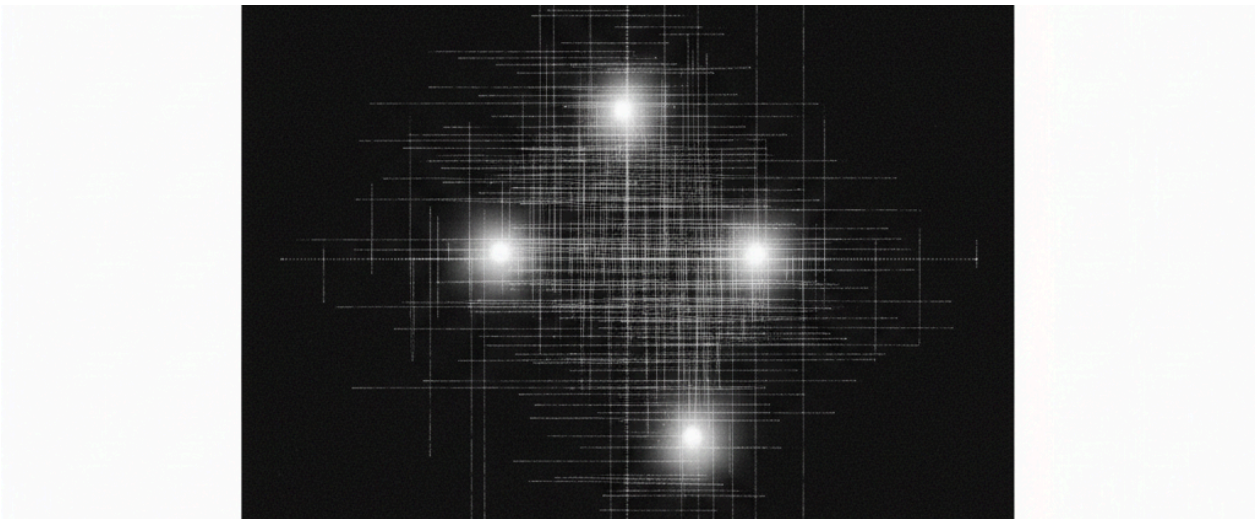
What remains unresolved

The register also contains boundary and ambiguous observations, again selected for illustration rather than as a complete account. They matter because the framework must be tested against evidence that complicates its own claims.

EXHIBIT 11

Boundary and ambiguous observations

Observation	What it means for the test
Big Law hours rise despite widespread AI use 3 Sep 2026 · AE-2026-022 · Boundary	Law firm hours rose 4.2% through the first half of 2026, a period of widespread AI use and client pressure on pricing. Buyer pressure may therefore arrive before a measurable fall in aggregate hours. The reported measure is total demand. The HBP mechanism concerns effort per comparable matter, so it remains only partly tested in legal.
Software financing reprices amid AI durability concerns 1 Sep 2026 · AE-2026-019 · Ambiguous	PE-backed software companies were reported to be paying more and accepting stronger creditor protections as lenders assessed AI-related durability risk. Leverage, interest rates, maturity walls and credit-market dynamics provide competing explanations, so the observation is recorded as ambiguous.
Salesforce remains economically strong as agentic architecture expands 26 Aug 2026 · AE-2026-012 · Boundary	Subscription growth alongside Agentforce, headless access and new commercial units is consistent with the framework where redesign preserves commercial alignment. It is a useful boundary on any simple claim that agentic capability weakens incumbents automatically.



A direction stated with more confidence than a pace, and built to be tested against evidence.

The contrary view

The paper devotes a full section to the strongest objections, stated in their best form. **First, firms may simply cut costs and hold prices.** Current data shows firms doing this, holding revenue and in some cases improving margins. The paper's answer turns on timing. When firms across a sector cut similar costs with comparable capability, the margin advantage can narrow and the question of how the fee is justified returns. The more decisive test is whether clients keep accepting units built on HBP, HBI or CSD once they can see the work being carried forward differently.

Second, value may consolidate at the infrastructure and model layer. The paper answers that this is a different level of analysis. A firm facing weaker pricing power is not protected by the fact that the capability creating that pressure is profitable for its supplier. Both dynamics can coexist, and often will.

Third, business models will simply evolve. They can. The paper treats this as consistent with the framework, because that evolution is the redesign response it argues for, and as a challenge only if it is assumed to happen automatically. Its scenarios add two boundary conditions. A capability plateau or coordinated regulatory constraint would extend the timeline, changing the pace of value migration more than its direction.

OWNERSHIP & IMPLICATIONS

Value is reorganised towards the parts of the system that remain economically important under the new conditions.



Ownership & implications

Capital-Structured Autonomy Ecosystems

The paper's final structural claim concerns where the most defensible position in the whole system may sit. Autonomous capability often advances faster where a central actor can coordinate adoption, set standards and align incentives across a group of firms. The paper terms the resulting arrangement a **Capital-Structured Autonomy Ecosystem**, an environment in which the deployment, scaling, governance and integration of autonomous capability are organised through ownership or control structures, with capital acting as the coordinating layer.

> *The most defensible position may no longer sit inside a single operating company. It can sit with the actor that coordinates standards, learning loops, operating models, and value capture across a wider group.*
>
> Autonomy Economics working paper, April 2026

For private equity this describes a latent advantage. A fund that coordinates adoption, standards, governance, learning and capability access across a portfolio holds a position no single portfolio company can build. The paper notes that the same structure can appear in corporate groups, franchise networks, large enterprises with shared services, sovereign wealth funds, holding companies and family offices. Coordination creates advantage only where it produces meaningful improvements in deployment, governance, capability access, commercial alignment or value capture. Common ownership on its own does not.

Ownership & implications

What this means for investors and private equity

At the asset level, diagnose exposure before it reports

Apply the three axes revenue line by revenue line. What share of revenue is justified by progression, by interaction, or by capability scarcity, and how credible is the autonomous alternative in each activity today? Then separate alignment-based durability from inertia-based durability. Inertia can screen well for years after alignment has started to weaken.

At the portfolio company, fund redesign over deployment

Efficiency gains are necessary but can narrow once comparable capability spreads. Operating agendas should be scored on redesign milestones, commercial model redesign, absorption capacity, governance and verification build-out. A company that reduces headcount and leaves its billable or seat-based structure unchanged has lowered its cost base and left the structural question unanswered.

At the ownership level, act as the coordinating layer

Treat the Capital-Structured Autonomy Ecosystem position as an ownership strategy. Funds that approach AI as an asset-by-asset initiative may leave the coordinating layer, and its economics, to others.

> **The board-level question set**
>
> - Which of our revenue lines are anchored to progression, interaction, or scarcity, and what is the credible autonomous alternative in each today?
> - If our largest client asked for the KPMG discount tomorrow, what is our answer, and does our value capture still reflect how the work is now carried forward?
> - What share of our AI spend is efficiency inside the old model, versus redesign of how we create, deliver and capture value?
> - Could our own deployment of autonomous capability weaken the conditions on which our existing revenue and commercial position depend?
> - Who owns our orchestration, verification and governance layers, us or our vendors?
> - At the fund level, are we coordinating adoption across the portfolio as an owner, or delegating that position to others?

Conclusion

The central claim of the paper is that autonomous capability can put pressure on commercial structures before it fully replaces the activities, interactions or access conditions on which they were built.

The changes this paper describes have a direct human dimension that deserves to be stated plainly. As activity is carried forward with less dependence on human effort, the structure through which contribution was defined, expertise was accumulated, and meaning was found changes with it. These are not neutral adjustments. Firms have choices in how they reorganise, and those choices will shape how the consequences are distributed and lived.

What determines the outcome is alignment, and the ability to redesign around where value now accumulates. The level of HBP, HBI or CSD is not on its own determinative. A model can come under pressure with little of it, or remain durable with more, depending on alignment.

The pace will differ across sectors and models. The direction appears clear. Firms may adopt autonomous capability and improve speed, cost and throughput, but those gains do not secure the model on their own. Redesign is what converts capability into new sources of economic value. Where the conditions supporting earlier units of value capture no longer hold, the structure built around them becomes less secure unless it is realigned, in time, with where value now accumulates.

References

Numbered to match the citations in the text. Third-party figures are reported as published by the cited sources and have not been independently audited.

1 Acemoglu, D. and Restrepo, P. (2019) 'Automation and new tasks: how technology displaces and reinstates labor', Journal of Economic Perspectives, 33(2), pp. 3 to 30. https://doi.org/10.1257/jep.33.2.3.

2 Angelo, J. (2026) 'Uber burned through its entire 2026 AI budget in four months. Now its COO is questioning whether it's worth it', Fortune, 26 May 2026. Available at: https://fortune.com/2026/05/26/uber-coo-ai-spending-tokens-claude-code/.

3 Åström, J., Reim, W. and Parida, V. (2022) 'Value creation and value capture for AI business model innovation: a three-phase process framework', Review of Managerial Science, 16(7), pp. 2111 to 2133. https://doi.org/10.1007/s11846-022-00521-z.

4 Atigolo, E. (2026a) 'The agentic AI profit paradox: why margins could collapse', The Banker, 24 February 2026. Available at: https://www.thebanker.com/content/29c4c121-a0fe-48c9-9b7d-acfa6a5a9a74.

5 Atigolo, E. (2026b) Autonomy Economics: The Agentic Profit Paradox and the Reorganisation of Value Capture. SSRN working paper, April 2026. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=6624558.

6 Bastian, M. (2026a) 'Meta shifts from "tokenmaxxing" to token managing as internal AI costs reportedly hit billions', The Decoder, 13 June 2026. Available at: https://the-decoder.com/meta-shifts-from-tokenmaxxing-to-token-managing-as-internal-ai-costs-reportedly-hit-billions/.

7 Bastian, M. (2026b) 'Copilot goes cheap as Microsoft phases out OpenAI and Anthropic models to cut costs', The Decoder, 7 July 2026, citing Bloomberg reporting. Available at: https://the-decoder.com/copilot-goes-cheap-as-microsoft-phases-out-openai-and-anthropic-models-to-cut-costs/.

8 Christensen, C.M. (1997) The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail. Boston, MA: Harvard Business School Press.

9 Cohan, P. (2026) 'SaaSpocalypse now: AI is disrupting SaaS, but not all software is doomed', Forbes, 6 February 2026. Available at: https://www.forbes.com/sites/petercohan/2026/02/06/saaspocalypse-now-ai-is-disrupting-saas---but-not-all-software-is-doomed/.

10 Cooper, T. (2026) 'Is AI slashing audit costs? How should CFOs negotiate their share?', Boardroom Brief, 30 April 2026. Available at: https://www.boardroombrief.co/p/is-ai-slashing-audit-costs-how-should-cfos-negotiate-their-share/.

11 Davalos, J. and Ford, B. (2025) 'PwC's AI chief says firm has cut prices as tech saves staff time', Bloomberg, 27 June 2025. Available at: https://news.bloomberglaw.com/financial-accounting/pwcs-ai-chief-says-firm-has-cut-prices-as-tech-saves-staff-time.

12 Deloitte AI Institute (2026) The State of AI in the Enterprise: The Untapped Edge. Survey of 3,235 leaders, January 2026. Available at: https://www.deloitte.com/global/en/what-we-do/capabilities/ai/research/state-of-ai-in-enterprise.html.

13 Fogarty, J., Qiu, L., Hargis, K. and Winkelmann, T. (2026) 'Software's big sell-off: structural risk or narrative noise?', AllianceBernstein, 5 March 2026. Available at: https://www.bernstein.com/our-insights/insights/2026/articles/softwares-big-sell-off.html.

14 Foley, S. (2026) 'KPMG pressed its auditor to pass on AI cost savings', Financial Times, 6 February 2026. Fee figures converted from sterling. Syndicated at: https://www.irishtimes.com/business/2026/02/06/kpmg-pressed-its-auditor-to-pass-on-ai-cost-savings.

15 Garbuio, M. and Lin, N. (2019) 'Artificial intelligence as a growth engine for health care startups: emerging business models', California Management Review, 61(2), pp. 59 to 83. https://doi.org/10.1177/0008125618811931.

16 Jorzik, P., Klein, S.P., Kanbach, D.K. and Kraus, S. (2024) 'AI-driven business model innovation: a systematic review and research agenda', Journal of Business Research, 182, 114764.

https://doi.org/10.1016/j.jbusres.2024.114764.

17 Khawar, M. (2026) ‘What goes around comes around: KPMG’s AI-driven fee argument raises uncomfortable questions about audit pricing models’, Verdantix, 10 February 2026. Available at: https://www.verdantix.com/client-portal/blog/what-goes-around-comes-around--kpmg-s-ai-driven-fee-argument-raises-uncomfortable-questions-about-audit-pricing-models.

18 Koundinya, S. (2026) ‘Coinbase cuts AI spend by half with open-weight models, smarter routing’, AIM, 29 June 2026. Available at: https://analyticsindiamag.com/ai-news/coinbase-cuts-ai-spend-by-half-with-open-weight-models-smarter-routing/.

19 Lemkin, J. (2026) ‘The SaaS rout of 2026 is even worse than you think. For the first time ever, software now trades at a discount to the S&P 500’, SaaStr, March 2026. Available at: https://www.saastr.com/the-saas-rout-of-2026-is-even-worse-than-you-think-for-the-first-time-ever-software-now-trades-at-a-discount-to-the-sp-500/.

20 Lykkegaard, B. (2025) ‘Is SaaS dead? Rethinking the future of software in the age of AI’, IDC, 2 December 2025. Available at: https://idc.com/resource-center/blog/is-saas-dead-rethinking-the-future-of-software-in-the-age-of-ai.

21 Muir, D. (2026) ‘$300 billion evaporated. The SaaS-pocalypse has begun’, Forbes, 4 February 2026. Available at: https://www.forbes.com/sites/donmuir/2026/02/04/300-billion-evaporated-the-saaspocalypse-has-begun/.

22 OnlyCFO (2026) ‘AI is coming for audit fees: KPMG just proved it’, OnlyCFO’s Newsletter, 13 February 2026. Available at: https://www.onlycfo.io/p/ai-is-coming-for-audit-fees-kpmg.

23 Parikh, S. (2026) ‘How a Big Four audit fee cut raises a bigger AI question’, MYCPE ONE Insights, 9 February 2026. Available at: https://my-cpe.com/insights/news-and-insights/accounting-and-taxes/how-a-big-four-audit-fee-cut-raises-a-bigger-ai-question.

24 PwC (2026) 29th Annual Global CEO Survey, survey of 4,454 chief executives, January 2026. Available at: https://www.pwc.com/gx/en/issues/c-suite-insights/ceo-survey.html.

25 Rao, A. (2017) ‘A strategist’s guide to artificial intelligence’, strategy+business, 10 May 2017. Available at: https://www.strategy-business.com/article/A-Strategists-Guide-to-Artificial-Intelligence.

26 Rothschild, D.M., Mobius, M., Hofman, J., Dillon, E., Goldstein, D.G., Immorlica, N., Jaffe, S., Lucier, B., Slivkins, A. and Vogel, M. (2025) ‘The Agentic Economy’, Microsoft Research, May 2025. Available at: https://www.microsoft.com/en-us/research/publication/the-agentic-economy/ (arXiv:2505.15799).

27 Slywotzky, A.J. (1996) Value Migration: How to Think Several Moves Ahead of the Competition. Boston, MA: Harvard Business School Press.

28 Tan, G., Eisenberg, S. and Stanke, M. (2026) ‘Surviving and thriving in the AI-driven SaaS landscape: a new guide for investors and software firms’, Oliver Wyman, April 2026. Available at: https://www.oliverwyman.com/our-expertise/insights/2026/apr/how-agentic-ai-reshaping-saas-valuations.html.

29 Teece, D.J., Pisano, G. and Shuen, A. (1997) ‘Dynamic capabilities and strategic management’, Strategic Management Journal, 18(7), pp. 509 to 533. https://doi.org/10.1002/(SICI)1097-0266(199708)18:7<509::AID-SMJ882>3.0.CO;2-Z.

30 The New Stack (2026) ‘Coinbase runs 1,200 agents and just slashed its AI bill in half’, 7 July 2026. Available at: https://thenewstack.io/multi-model-ai-infrastructure/.

About the author and ConsultVP

Elemi Atigolo is the founder of Autonomy Economics and Managing Partner of ConsultVP (Consult Venture Partners), a specialist AI advisory firm serving investment-led institutions. He introduced the Agentic Profit Paradox in The Banker in February 2026 and formalised the field of Autonomy Economics in the April 2026 SSRN working paper.

ConsultVP advises asset managers, private equity and financial institutions on AI strategy, exposure diagnosis and commercial redesign. Enquiries via consultvp.com.

The full academic version of this work is available as a preprint on SSRN (papers.ssrn.com/sol3/papers.cfm?abstract_id=6624558). This white paper is a practitioner edition and should not be read as a peer-reviewed publication. JEL codes B41, B59, O33, L20, M21 and D21.

Put the frameworks to work

ConsultVP applies the frameworks in this paper as engagement instruments for investors, private equity and boards.

Exposure Diagnostic. A portfolio or asset screened revenue line by revenue line across the three axes, with durability scored under the Revenue Durability Framework™ and the Capability Durability Framework™, before the pressure reports.

Redesign Programme. Commercial model redesign, build-out of the value layers and absorption, converting capability into an autonomy-driven business model.

Coordinating-Layer Strategy. Fund-level design of the Capital-Structured Autonomy Ecosystem position with shared standards, governance and capability access across a portfolio.

Commission a diagnostic at consultvp.com · Research and foundation paper at autonomyeconomics.com

NOTICES

Agentic Profit Paradox® is a registered trade mark. Autonomy Economics™, the Three Laws of Autonomy Economics, the Three Axes of Exposure, the Revenue Durability Framework™, the Capability Durability Framework™ and Capital-Structured Autonomy Ecosystems are proprietary frameworks of the author and Consult Venture Partners. © 2026 Elemi Atigolo. Published by Consult Venture Partners. All rights reserved.

This document is provided for general information to professional audiences. It does not constitute investment, legal or accounting advice, and no investment decision should be made on the basis of this document alone. Third-party data points are reported as published by the cited sources and have not been independently audited.