

Why AI Point Solutions Fall Short

Operating partners at private equity (PE) firms face a growing challenge: advising their portfolio companies on AI adoption while navigating all of AI point solutions' choices, hidden costs, and inefficiencies. Each portfolio company may need unique tools tailored to its processes, but managing and understanding a diverse array of point solutions across multiple companies creates significant burdens. For PE firms focused on operational efficiency and value creation, the more intelligent move enables portcos to flexibly adopt technology using an enterprise-wide AI platform approach.

The Hidden Costs of AI Point Solutions

AI point solutions are tools designed to address specific, narrow use cases, such as automating customer service emails or scoring leads in a CRM. Their simplicity makes them easy to deploy, and their low initial cost can seem attractive. **However, their limitations quickly become apparent:**

1

Siloed Implementations

Each tool may improve a task but still operates in isolation, creating disjointed workflows and data silos that hinder collaboration across teams.

These silos make it difficult to extract organization-wide insights or implement processes that span multiple systems.

2

Limited Scalability and Adaptability

Point solutions are rarely extensible, forcing businesses to patch together new tools to address evolving needs.

This piecemeal approach leads to operational inefficiencies and technical burdens, slowing improvements within individual companies and across portfolios.

3

Escalating Total Cost of Ownership

Each tool's deployment, integration, and ongoing maintenance require significant IT resources.

As PE firms advise multiple portfolio companies, understanding and managing the lifecycle of numerous tools becomes a resource-intensive challenge, especially as AI innovates rapidly.

4

Data Fragmentation

Narrow data access limits the effectiveness of these tools, as they cannot leverage the broader context of enterprise-wide information.

Insights generated are often incomplete, reducing their utility for decision-making.

For PE firms, advising on point solutions requires not only understanding the specific tools but also their integration into each portfolio company's broader operational strategy. This creates a compounded administrative burden, from managing contracts and renewals to evaluating each tool's contributions to business growth.

Why Point Solutions Can't Scale Across Portfolios

The rise of AI has increased complexity. Many point solutions now incorporate AI features, but their narrow scope prevents them from addressing broader operational workflows. **They fail to:**



Deliver actionable insights tailored to specific users and situations.



Automate end-to-end processes involving multiple teams or systems.



Adapt as business needs evolve without requiring costly new integrations.

Even orchestration tools like Zapier or RPA like UiPath, which aim to connect disparate systems, fall short since they focus on user automation instead of end-to-end processes. These tools add layers of complexity and require substantial effort to scale, further straining IT resources. For companies striving for long-term operational excellence, relying on fragmented solutions leads to rising costs, poor system alignment, and slower improvements.

Why Generative AI Tools Aren't Enough

Tools like ChatGPT, Gemini, and Claude offer useful features for generating text or insights, but they fall short of providing enterprise-level solutions. **Here's why:**



Lack of Context and Integration

These tools cannot handle personalized, end-to-end workflows or integrate seamlessly with enterprise systems.

Uploading a few documents into ChatGPT won't automate workflows, track outcomes, or align with KPIs.



Limited Contribution to Business Processes

Generative AI accounts for only 5% of the solution. The remaining 95% involves orchestrating systems, managing data, ensuring security, and automating processes.

While these tools can draft memos or summarize reports, they lack the capabilities to drive enterprise-wide value creation.

To truly harness the capabilities of generative AI, businesses need to integrate it into a platform that eliminates security risks, contextual gaps, and unnecessary complexity for users. Krista achieves this by seamlessly embedding generative AI into end-to-end workflows, freeing users from becoming prompt engineers and enabling them to focus on actionable outcomes.

Krista: A Unified, Scalable AI Platform

Krista offers a fundamentally different approach by providing an enterprise-wide AI platform that unifies cross-functional workflows, systems, and data to improve the business, not just a task. Unlike fragmented point solutions, Krista creates a centralized system where businesses can integrate existing tools and streamline operations using everyday language to drive innovation without complexity. Operating partners at private equity firms often find themselves advising portfolio companies across diverse needs and technologies—a scenario where Krista excels. By orchestrating business processes across multiple systems and AI, Krista minimizes the learning curve for different tools and provides a consistent, scalable solution. This eliminates the need to understand and manage dozens of point solutions, allowing companies to focus on higher-value strategic initiatives.



Moreover, Krista's platform is designed for adaptability. It scales effortlessly across varied portfolio company needs, enabling each business to implement custom workflows without requiring costly integrations or technical expertise. The platform's built-in AI continuously learns and improves from organizational data, ensuring portfolio companies stay ahead in an evolving technological landscape. By simplifying processes and delivering actionable insights, Krista reduces operational costs and accelerates value creation—helping PE firms achieve their broader goals and operational excellence.

End-to-End Orchestration

Krista integrates existing tools, including point solutions, into a single cohesive framework, eliminating silos and reducing complexity.

Workflows are managed holistically, enabling real-time insights and seamless automation across the organization.

Scalability Without Chaos

Unlike point solutions, Krista is flexible and scalable, adapting to changing business needs without requiring additional patchwork integrations.

This adaptability ensures that portfolio companies can grow without incurring escalating costs or operational inefficiencies.

Built-In Learning and Optimization

Krista's AI capabilities improve over time by interacting with enterprise data and processes, reducing the burden on IT teams and end users.

Customization is intuitive, allowing businesses to tailor workflows without hiring expensive machine learning engineers.

Rapid ROI

By centralizing operations and optimizing workflows, Krista delivers measurable ROI faster than fragmented solutions.

PE firms can track improvements in operational efficiency, cost savings, and EBITDA growth across their portfolio.

Conclusion: Ditch the Patchwork, Embrace a Platform

For operating partners at PE firms, the choice is clear. Point solutions may offer quick fixes, but their cumulative costs, inefficiencies, and limitations make them a poor long-term strategy. Krista provides a unified, scalable platform that empowers portfolio companies to unlock the full potential of AI, driving value creation and operational excellence across the board.

Stop managing a patchwork of tools. With Krista, you can simplify workflows, reduce costs, and deliver measurable ROI at scale. It's time to find answers on AI adoption and how to choose an approach that grows with your portfolio—Ask Krista.