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MOST BUSINESSES USE AI TO WRITE. FEW USE IT TO RUN THE BUSINESS.

Where small and mid-sized businesses lose the most time, what's working with AI and automation, and where to start.

THREE FINDINGS

01

Just 7% of small businesses using AI have fully built it into how they work.

02

The biggest costs are finding information, handing off work and retyping between systems.

03

The valuable work is the hard work, and that's exactly where results come from.

01 · WHERE BUSINESSES START

CHAT FIRST, AND MOST STAY THERE

Small businesses mostly use AI the way individuals do: to write, market and get through the day a little faster. Very few have moved past that into the work that runs the business.

46%

of small employer firms
use AI in some form.

Federal Reserve, 2026

83%

of those use it for
writing or marketing.

Federal Reserve, 2026

6%

of small business
workers who use AI use
it to automate
workflows.

US Chamber Foundation,
2026

Among small businesses that use AI, just **7% have fully integrated it**, and about half are still experimenting (Federal Reserve, 2026). A 2026 Goldman Sachs survey found the same pattern: 76% use AI, but only 14% say it's fully embedded in how they operate.

The smallest firms are standing still. AI use at firms under 20 employees stayed flat and under 20% from December 2025 to May 2026, while larger firms grew (Census, 2026). For firms that don't use AI at all, the top reason isn't cost or fear. **65% say it isn't applicable** to their business. They don't see where it fits.

WHY THE ADOPTION NUMBERS DISAGREE

Published AI adoption rates for small businesses run from under 20% to 77%. The Census asks whether AI is used in a real business function. Other surveys ask whether anyone uses it at all. Bank data settles it: only 17.7% of small businesses were paying for AI services at the end of 2025, with a median spend of about \$28 a month (JPMorgan Chase Institute, 2026).

The honest read: most businesses have tried free chat tools. Few have built AI into how they operate.

02 · WHERE THE HOURS GO

THE COST IS IN THE HANDOFFS

Ask where time goes and the same answer keeps coming back. It isn't one big task. It's the constant friction of coordinating, getting interrupted and moving information by hand.

87%

of knowledge workers say they lack the time or capacity to coordinate with each other.

Atlassian, 2026 (12,035 workers). Only 6% of executives see AI paying off across the whole organization.

2 min

between interruptions during core work hours, about 275 times a day.

Microsoft usage data, 2025. The most recent measure published.

22 hrs

a month spent by small business owners on financial admin alone.

Xero, 2026 (300 US small businesses).

\$9.40

average cost to process one invoice. The best teams spend \$2.78.

Ardent Partners, 2025. By 2026, 58% of accounts payable teams are piloting or using AI (Ardent Partners, 2026).

WHAT THESE HAVE IN COMMON

None of them is one person's task. Each one lives between people, tools or systems. A chat window can make one person a little faster. It can't close the gap between your inbox, your accounting system and your CRM.

03 · WHAT WORKS AND WHAT STALLS

NARROW TASKS WIN. PILOTS STALL.

WHAT CONSISTENTLY WORKS

+16%

in sales from an AI assistant answering shoppers' questions before purchase. One clear job, measured against real results.

Online retail field experiments, 2026

3 in 4

of the companies getting the most from AI redesigned how the work gets done, versus about 1 in 4 of everyone else.

McKinsey, 2026

WHAT CONSISTENTLY STALLS

22%

of organizations have scaled AI beyond a single business unit. Most pilots never become part of daily work.

Gartner, 2026 (1,303 organizations)

-19 pts

in accuracy when consultants used AI on tasks it isn't good at. Picking the wrong task makes results worse, not better.

Organization Science, 2026 (758 consultants)

WHERE SMALL BUSINESSES GET STUCK

Fit

They can't see where AI fits. 65% of non-users call it "not applicable." (Census, 2026)

Trust

Users worry about accuracy (46%) and about adapting tools to their business (43%). (Federal Reserve, 2026)

Help

They want help with training (38%), choosing tools (38%) and integration (31%). Half already work with an IT provider on AI. (GTIA, 2026)

04 · IS THE HIGH-VALUE WORK COMPLEX?

YES. THAT'S WHY IT'S VALUABLE.

The work that costs the most spans several systems, several people and a set of rules. That's also where AI on its own struggles most. The difficulty isn't cleverness. It's connecting systems, following policy and getting it right every time.

16–21%

of real paid freelance projects fully completed by the best AI agents, up from 2.5% in late 2025.

Remote Labor Index, 2026

17%

shorter support chats when an AI agent took over, but customer ratings fell. Faster isn't always better.

Alibaba field experiment, 2026

<3%

of job tasks have reached 50% adoption of generative AI among the workers who do them.

St. Louis Fed, 2026

THE GAP BETWEEN POTENTIAL AND REALITY

57%

of US work hours could technically be automated today. (McKinsey, late 2025)

2.2%

of all US work hours are actually being saved by generative AI, up from 1.6% in 2024. (St. Louis Fed, 2026)

WHERE THIS IS HEADED

AI is improving fast. The length of task it can complete on its own has been doubling every three to seven months (METR, 2026), and agent results on real work jumped several times over in less than a year. As the models get better, the bottleneck moves to everything around them: connecting your systems, checking the results and keeping it all secure.

05 · WHERE TO START

DO THE EASY WINS. GET HELP WITH THE BIG ONES.

A simple test: look for anywhere someone copies information between screens, waits on an approval or rebuilds the same thing every week.

DO IT YOURSELF

One person, one app. Today's AI tools handle these well.

- Drafting and sorting email
- Meeting notes and action items
- Finding a file or answering handbook questions
- Summarizing long documents
- First drafts of proposals and job posts

BRING IN HELP

Several systems, people or rules. This is where the value is.

- Onboarding and offboarding employees
- Invoices from an inbox into accounting
- Keeping CRM, billing and scheduling in sync
- The report someone rebuilds every week
- Approvals that route and remind on their own
- Intake forms that land in the right place
- Customer status updates

WHAT TO LOOK FOR IN HELP**One team for security and integration**

Every connection touches logins and data. The people securing your systems should be the ones connecting them.

Costs that stay predictable

AI is moving to metered billing. Ask who watches the meter and what happens when usage grows.

Work you can take with you

Built on open standards, not locked into one vendor's tools, with results you can measure.

06 · WHAT AI ACTUALLY COSTS

CHEAPER PER TOKEN. PRICIER PER BUSINESS.

AI keeps getting cheaper per unit. Bills keep rising anyway, because pricing is moving to usage and agents do far more work per task than a chat does.

13x

cheaper each year for the same level of AI performance, since 2023.

Epoch AI, 2026

5x

or more rise forecast in what each agent workflow costs to run, through 2028.

Gartner forecast, 2026

HOW THE METER RUNS

Metered

Microsoft now bills advanced Copilot features through Copilot Credits, pay as you go, with admin-set spending limits. (Microsoft, 2026)

Per step

Copilot Studio charges 5 credits, or \$0.05, for each step an agent takes. Salesforce Agentforce lists \$0.10 per action. (Microsoft; Salesforce rate card, 2026)

Growing

Worldwide AI spending is up 47% in 2026, to \$2.59 trillion. (Gartner, 2026)

WHAT ONE AGENT CAN COST

An agent that takes four steps each time a request comes in, handling 10,000 requests a month, runs about \$2,000 a month at Copilot Studio's published rates. That's one agent, in one business.

Most small business AI bills are still small: a median of about \$28 a month (JPMorgan Chase Institute, 2026), or \$11.95 per employee (Ramp, 2026). That changes quickly once agents start doing real work, so plan for it before the first invoice surprises you.

07 · HOW COVI APPROACHES IT

BUILT ONCE. IMPROVED FOR EVERYONE.

Covi's Unified IT includes Integration Services. The same team that secures your systems builds what connects them, on a platform made to scale across every client we serve.

Build once, reuse everywhere

When we solve a problem for one client, the next one starts ahead. Improvements roll out to everyone at once instead of being rebuilt business by business.

The right model for each job

Fast, low-cost models for quick decisions and stronger ones for the hard calls. You don't manage credits or licenses.

Watched and maintained

We monitor for the failures you'd never notice, like runs that stop or connections that break, and fix them.

Yours to keep

Built on open standards and an open-source platform. Your work exports whenever you want it.

~30x**WE'RE OUR OWN FIRST CUSTOMER**

Over 30 days, AI handled Covi's own ticket triage for about \$6 in model costs. The same steps at Copilot Studio's published rates would cost about \$204.

Covi data, Aug 29 to Sept 28, 2026: 935 agent runs and 136 decisions. Model cost only.

Most providers only include what they can predict. We also include hosting, maintenance, AI usage and room to improve, with a clear cap.

Let's find your first win.
gocovi.com

SOURCES AND NOTES

Figures come from 2026 publications wherever one exists; the few older figures are dated in the text. Many sources are surveys, so treat self-reported time and adoption figures as indicative. Vendor research is labeled.

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24. Covi internal data: Bifrost agent runs and decisions, Aug 29 to Sept 28, 2026. Copilot Studio comparison maps each step to published credit rates; model cost only.