

At the Corner

ISSUE 2:

AI for Small Business:
from Tool Sprawl to
Permanent Advantage

Read the second issue



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At the Corner, Issue #2

Small businesses are being sold AI the way homeowners used to be sold home services: everyone claims to be an expert, pricing is all over the place, and the buyer has almost no way to know who is legitimate.



That is the real problem with AI adoption right now. Not lack of access. Not lack of awareness. Not even lack of urgency.

Businesses buying disconnected tools, chasing vague promises, and launch "AI initiatives" that never turn into permanent advantage.

And for small businesses, that kind of drift is dangerous. They do not have the margin for endless experimentation. If they are going to take on the disruption, cost, and risk of implementation, the payoff needs to be real.

That is where the conversation needs to get more honest...

What Most Leaders Are Getting Wrong...

Mistake #1: Stop Thinking About AI as a Tool Purchase

Where is the company losing time every week? Where are customers experiencing friction? Where is inconsistency costing money? Where are good employees buried in repetitive work that adds little value?

That is where AI should start.

The best early use cases are rarely glamorous. They tend to be things like faster lead response, more consistent follow-up, customer-service triage, call summaries, quoting support, internal knowledge retrieval, documentation, scheduling, and marketing repurposing. In other words, the first real wins usually come from making ordinary work less messy.

That may not sound revolutionary, but it is usually where profitability begins. The companies that get the most from AI are not necessarily the ones doing the flashiest things. They are the ones using it to improve speed, consistency, and service quality in the workflows that already matter.



What Most Leaders Are Getting Wrong...

Mistake #2: Staff Augmentation vs. Institutionalization

There are really two ways to “use AI.” The first is staff augmentation. The second is institutionalization.

Staff augmentation means employees use AI tools to do their individual work faster. A marketer uses AI to draft content. A salesperson uses it to summarize calls, etc. etc. That can absolutely create value. But it is not transformation.

Why? Because the capability lives inside individuals, not inside the business. The AI advantage leaves with key personnel, because we simply gave a smart person a better set of tools.

Institutionalization is different. It means AI becomes part of how the business actually operates. It is built into workflows, customer-service standards, training, reporting, onboarding, management routines, and go-to-market execution. It becomes part of the operating system.

That is when AI stops being a productivity hack and starts becoming a strategic advantage.



What Most Leaders Are Getting Wrong...

Mistake #3: No Goal Setting or Outcome Measures

Every implementation comes with cost, even when the software itself is cheap. There is management time, process redesign, training, error correction, internal confusion, and sometimes customer risk. That means AI should not be judged by whether it feels modern or exciting. It should be judged by whether it produces net incremental profitability.

That means an AI initiative should connect to at least one of five concrete outcomes: more revenue per employee, faster lead-to-close cycles, lower cost to deliver service, higher retention, or stronger customer satisfaction at equal or better margins.

If it cannot plausibly tie to one of those outcomes, the business case is weak.

This is where a controversial take becomes useful: if an AI project cannot credibly produce a measurable improvement in a defined part of the business within six to twelve months, many small businesses should not prioritize it. Not because AI does not matter, but because undisciplined adoption is one of the fastest ways to waste money under the banner of innovation.

Small businesses do not need AI theater. They need economic evidence.



What Most Leaders Are Getting Wrong...

Mistake #4: The Hidden Challenge: Employee Acceptance

The technical part of AI implementation gets a lot of attention. The human part often gets ignored.

That is a mistake.

Employees do not automatically resist AI. What they resist is uncertainty. If management introduces AI in a way that feels like a headcount story, a surveillance story, or an unrealistic productivity story, people will quietly disengage.

That is why communication matters so much. Leaders need to explain what problem is being solved, what will change, what will not change, where human judgment remains essential, and how employees will be trained and supported. They need to make it clear that AI is there to remove repetitive work, not to strip away judgment or dignity from the role.

Acceptance is rarely a software issue. It is usually a leadership issue.



The Bottom Line...

Here is the strongest non-consensus view in the entire AI conversation: for most small businesses, AI should not begin as a transformation strategy. It should begin as a margin strategy.

That sounds narrow, but it is actually how sustainable change happens. Businesses improve response times, reduce administrative drag, tighten follow-up, standardize service quality, and free employees to spend more time on high-value work. Margins improve. Customers feel the difference. Teams gain confidence. Managers see the workflow more clearly.

Then, and only then, does deeper institutionalization become possible.

The winners in small-business AI will not be the ones with the most subscriptions, the loudest consultants, or the flashiest demos. They will be the companies that use AI to become easier to buy from, easier to work for, and harder to compete against.

That is the real opportunity.

Not more tools. Better judgment.



Where We're Advising Clients Now ...

We are currently helping clients with:

- ❖ Fractional C-suite and Strategy Implementations
- ❖ Exit or Fundraising Strategies that Increase Enterprise Value
- ❖ AI readiness assessments and roadmap design
- ❖ Financial modeling of AI investments
- ❖ Vendor risk evaluation
- ❖ Governance framework alignment
- ❖ Operational optimization aligned to exit strategy

If your organization is evaluating AI adoption, vendor expansion, or preparing for liquidity events, the strategic sequencing matters.



**At the corner of strategy, finance,
and execution — discipline wins.**

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About

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