4 operating model upgrades for success with AI

Enterprise AI Summit, Bletchley Park, UK | 2026-11-02

Matthew Skelton

Co-author: *Team Topologies* & *Adapt Together*
CEO at Conflux

matthewskelton.com

conflux

Adapt Together

Team Topologies

K313

Question:
“What operating model upgrades are needed for success with AI?”

Organizations that organize for bounded agency in humans are well-suited to adopting AI effectively and humanely.

A focus on bounded agency clarifies mission and focus up and down the organization: What value are we providing, and to whom?

Intentional ‘context curation’ by humans is vital to guide AI Agent goal-seeking and avoid model collapse.

Matthew Skelton

levers and language for tech-savvy value delivery

CEO at Conflux
Co-author of the books ‘Team Topologies’ and ‘Adapt Together’

matthewskelton.com

conflux

Team Topologies

Sk



Healthcare innovator (~ CNI)
Digital healthcare leader
GOV.UK departments
Energy operators (UK, USA, …)
Bioinformatics leader in EU
Leading UK charity

Four practical operating model upgrades for success with AI

Problem:
Why do 80% of firms report no benefit from AI

https://www.theregister.com/2026/02/18/ai_productivity_survey/ and https://www.nber.org/papers/w34836

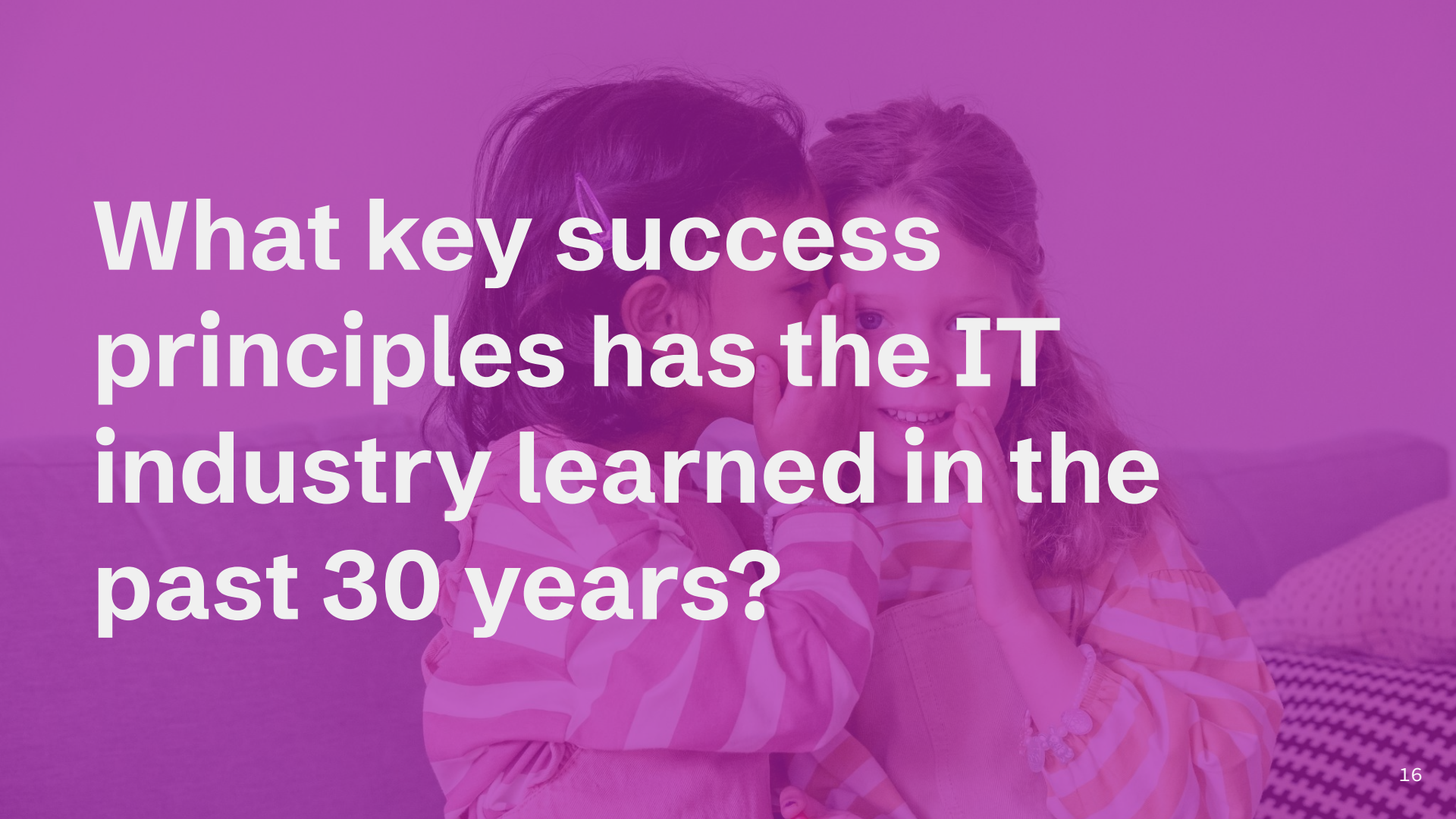
Problem:
How does the COO sleep soundly at night with 10k AI Agents operating 24x7?

Problem:
How can the CISO reason about security risks from Agentic AI?

Problem:
How can I turn this organization into an AI-native learning organization?

Problem:
How can we align costs to value streams for simpler Exec Board reporting?



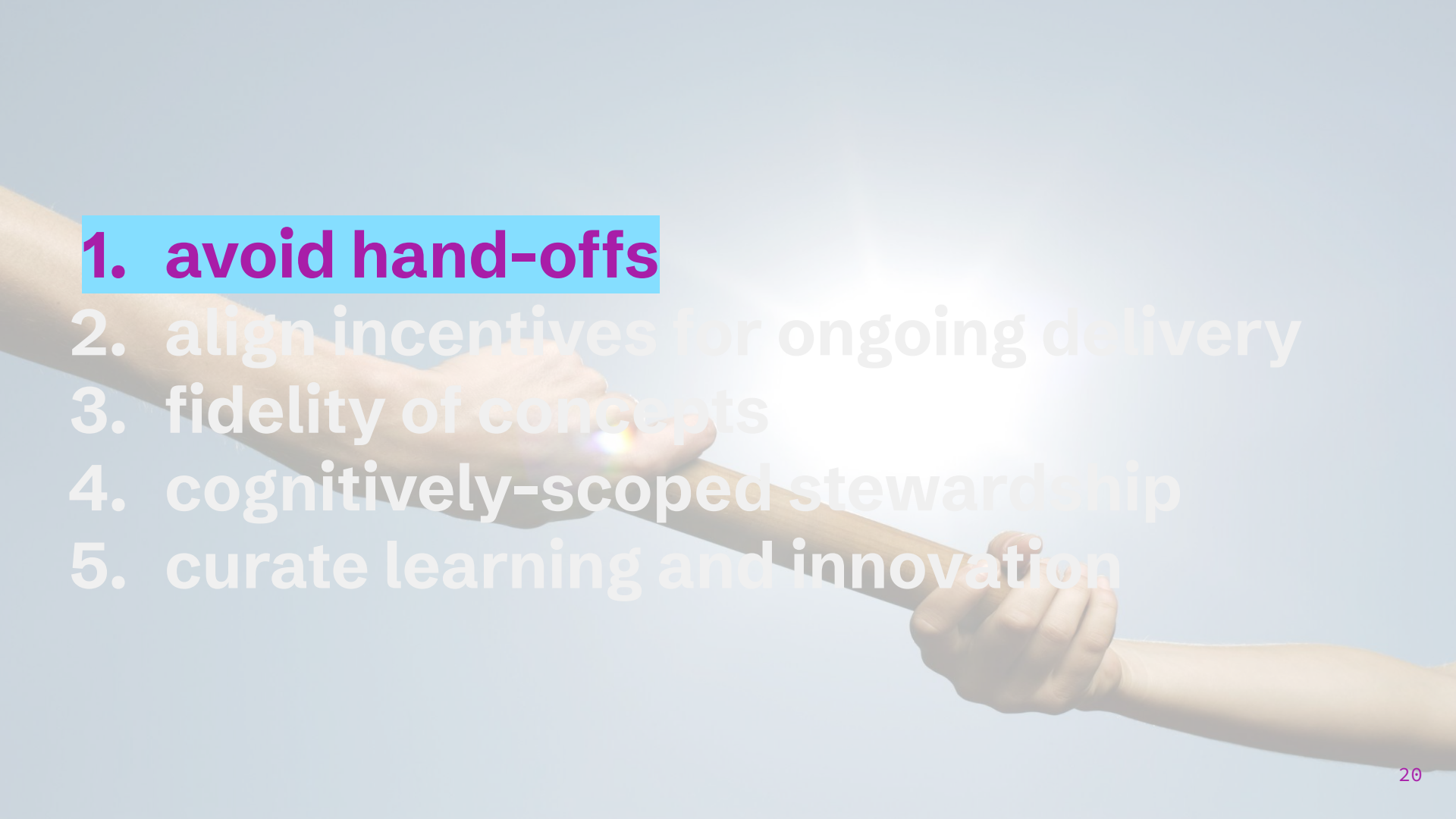


What key success principles has the IT industry learned in the past 30 years?

Instead of another ‘[technology]-first’ initiative - leading to more C-suite distrust - let’s start with known success factors for value delivery with humans

0. start with outcomes

1. avoid hand-offs
2. align incentives for ongoing delivery
3. protect fidelity of concepts
4. cognitively-scoped stewardship
5. curate learning and innovation



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Problem:
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1. Hand-offs everywhere
2. Misaligned incentives for ongoing value delivery
3. Fidelity of concepts ignored
4. Cognitive load and stewardship not treated as design principles
5. Limited learning and innovation



Four practical operating model upgrades for success with AI

- ❑ 1 - Trust Architecture for teams and AI founded on bounded agency
- ❑ 2 - Team Topologies as the ‘infrastructure for agency’ in humans and AI
- ❑ 3 - Curated Context and active diffusion of good practices to align, deduplicate, engage
- ❑ 4 - Empower teams of humans to be effective stewards of AI via ‘detoxified’ metrics

Operating model upgrade #1:

Trust Architecture for teams and AI founded on bounded agency

Amanda Laucher Graham

Head of AI and Fortune 100 Advisor



“[AI] governance cannot live only in policies and review boards. It has to live in system architecture to scale. …

If you are building visibility into what is running, encoding risk appetite in enforceable thresholds, and giving your agents identities and traceability, you are probably ahead of where most organizations are today.”

Sk

https://www.linkedin.com/pulse/ai-governance-engineering-discipline-amanda-laucher-graham-ajgfe/

“Just grant access to all data stores and applications for the Agentic AI”

“Just grant access to all databases and applications for the Agentic AI”

Nope!



OWASP GenAI

“Excessive Agency can lead to a broad range of impacts across the confidentiality, integrity and availability spectrum…”

https://genai.owasp.org/llmrisk/llm062025-excessive-agency/

Scaling Value Delivery and AI-Native Engineering through Team Topologies at loveholidays

teamtopologies.com/loveholidays



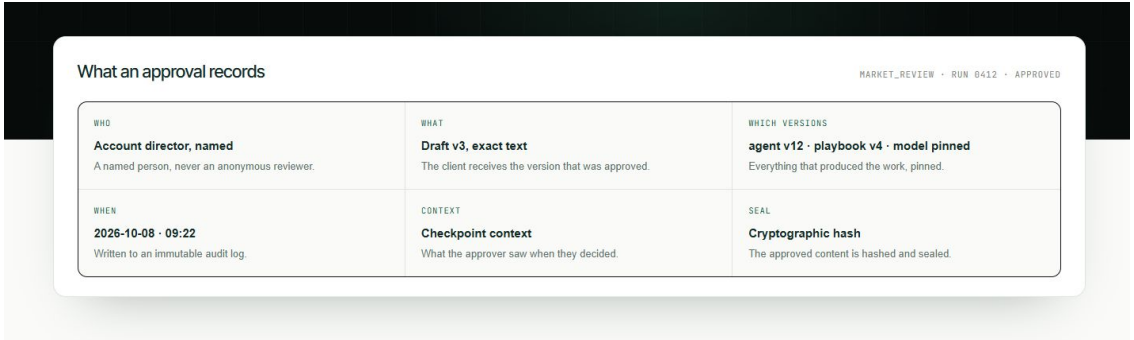
- Disciplined practices and clear team ownership guided AI use to increase code quality
- Aligned autonomy across all mission teams
- Enabling team pattern increased technical excellence
- Metrics that included team health: 2x deployments while reducing incidents
- Use of CodeScene tool drives improved code health via AI*

* See https://codescene.com/customers/loveholidays

example

Stackmint

Governance for AI operating systems



https://stackmint.ai/en/products/governance



https://matthewskelton.com/all-articles/stackmint-bounded-agency-why-enterprise-ai-needs-governance-before-autonomy

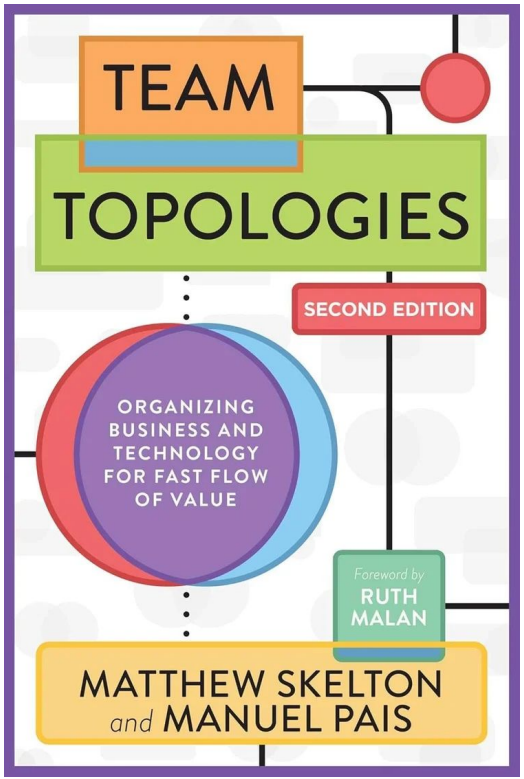
Sk

trust follows from clear execution scopes, repeatable quality, traceability, and ongoing accountability for actual outcomes

Use well-chosen boundaries to protect both data and domain fidelity and to enhance trust via simplified reasoning

Operating model upgrade #2:

Team Topologies as the ‘infrastructure for agency’ in humans and AI



Team Topologies

Second Edition

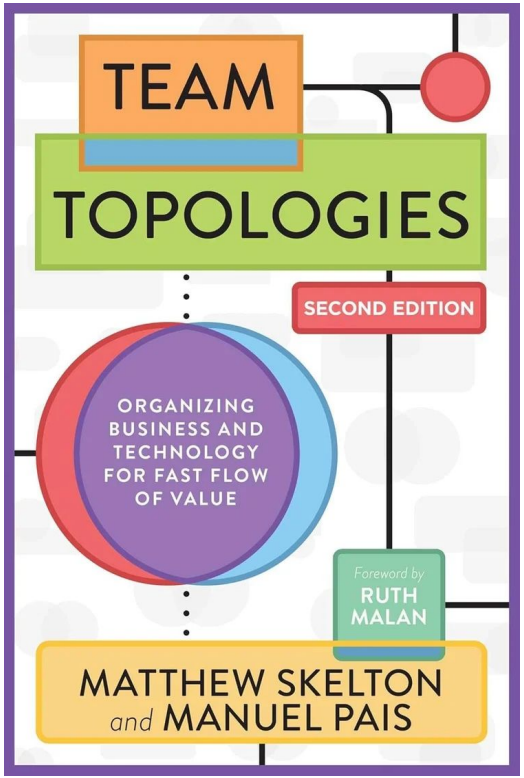
Organizing Business and Technology
for Fast Flow of Value

By Matthew Skelton and Manuel Pais

Second Edition: September 2025

10 new case studies from around the world

https://teamtopologies.com/book



Team Topologies

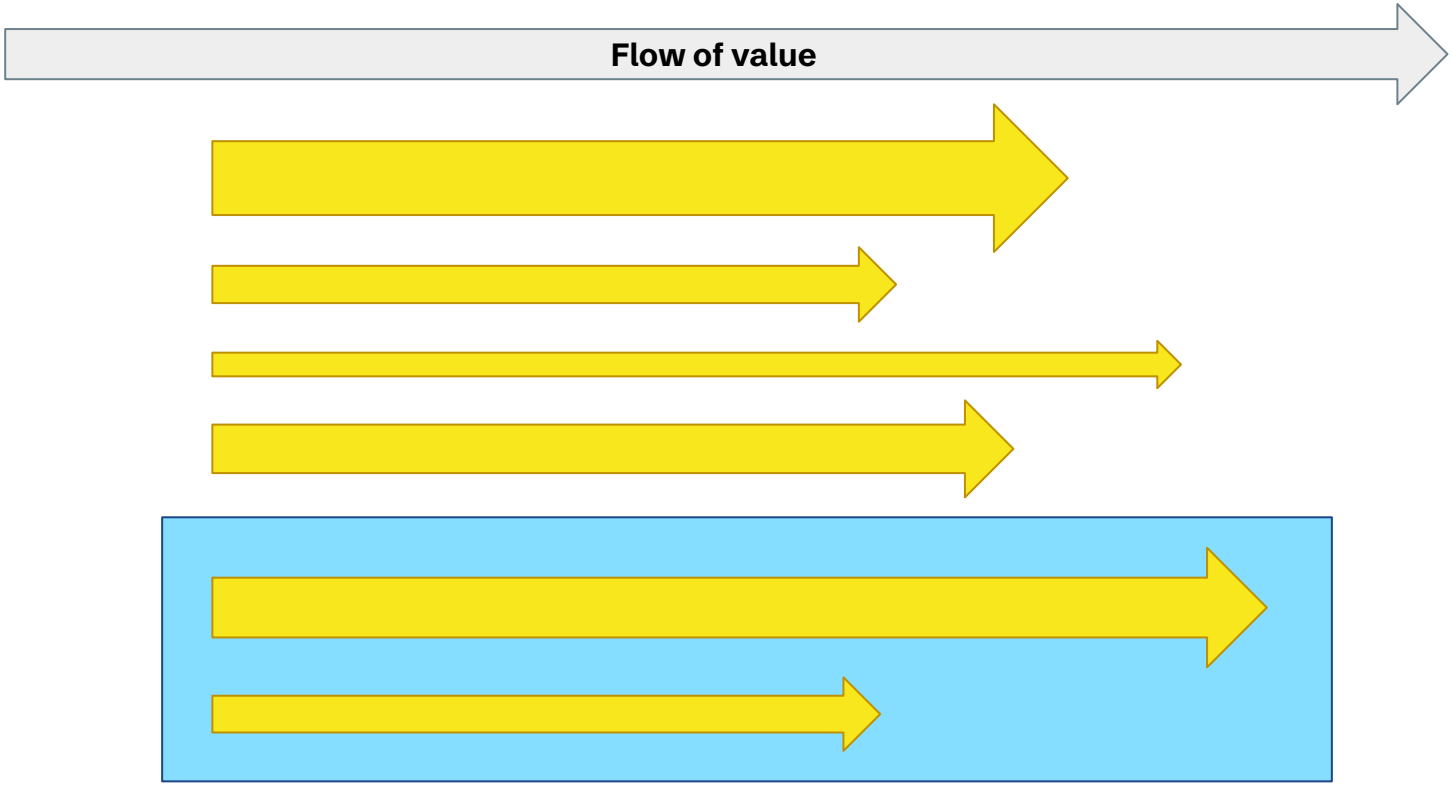
paraphrased (by me)

“Given the need for ongoing stewardship of long-lived services, how can we realistically arrange the flow of value to be rapid, safe, and sustainable?”

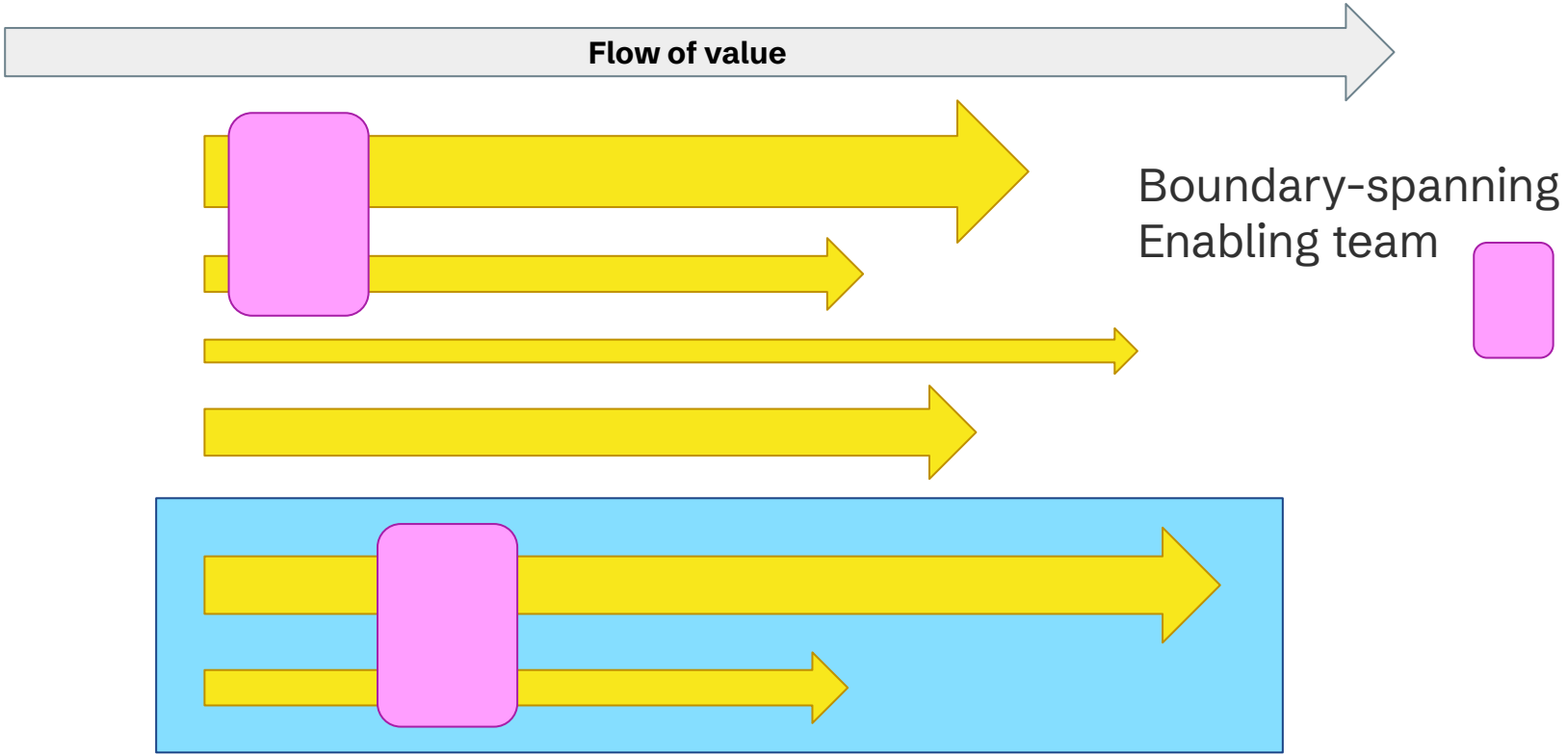
clear team purpose and remit for ‘organizational observability’, traceability, audit, etc.

“Who are the value consumers across and outside the organization?”

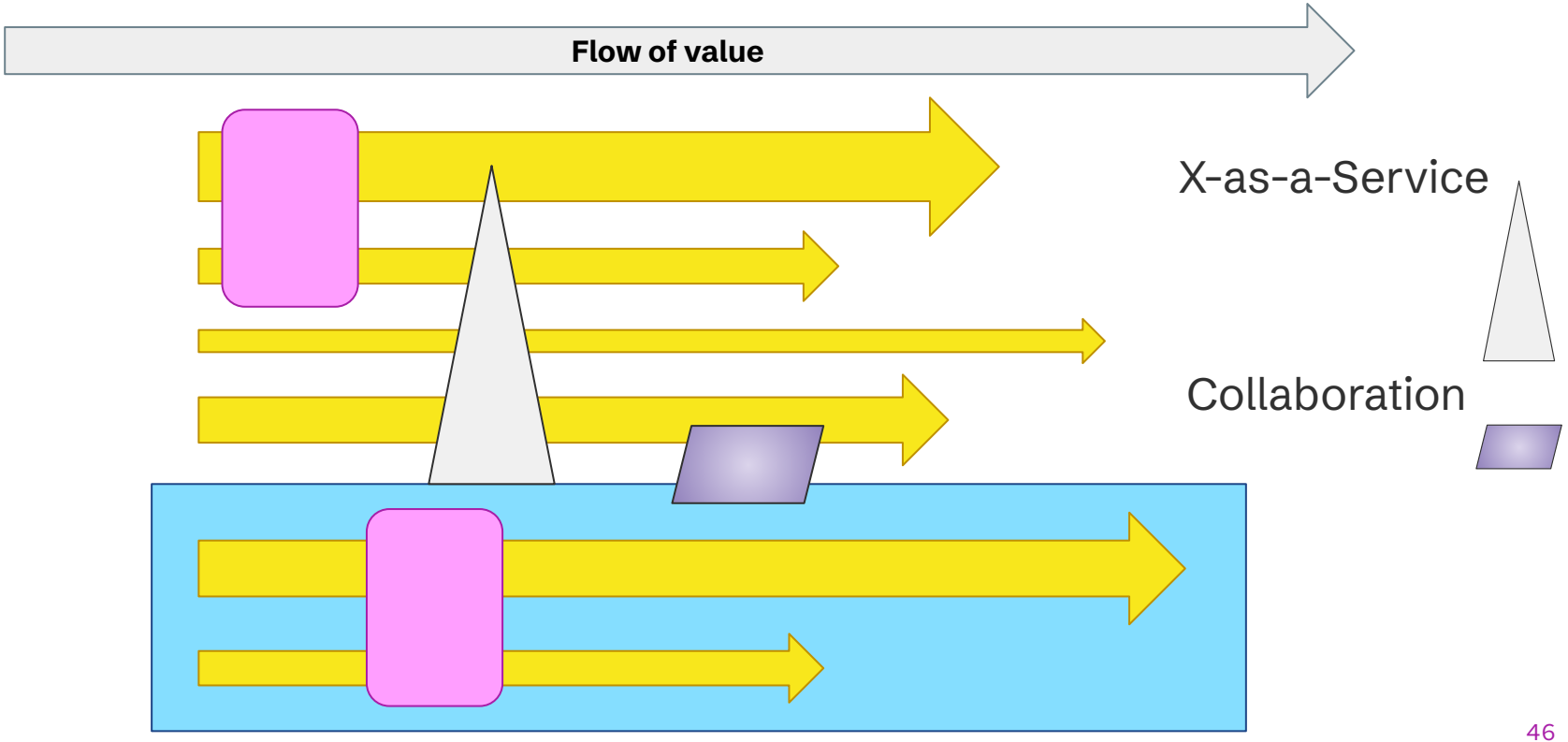
Multiple, independent flows, fractally



Multiple, independent flows, fractally



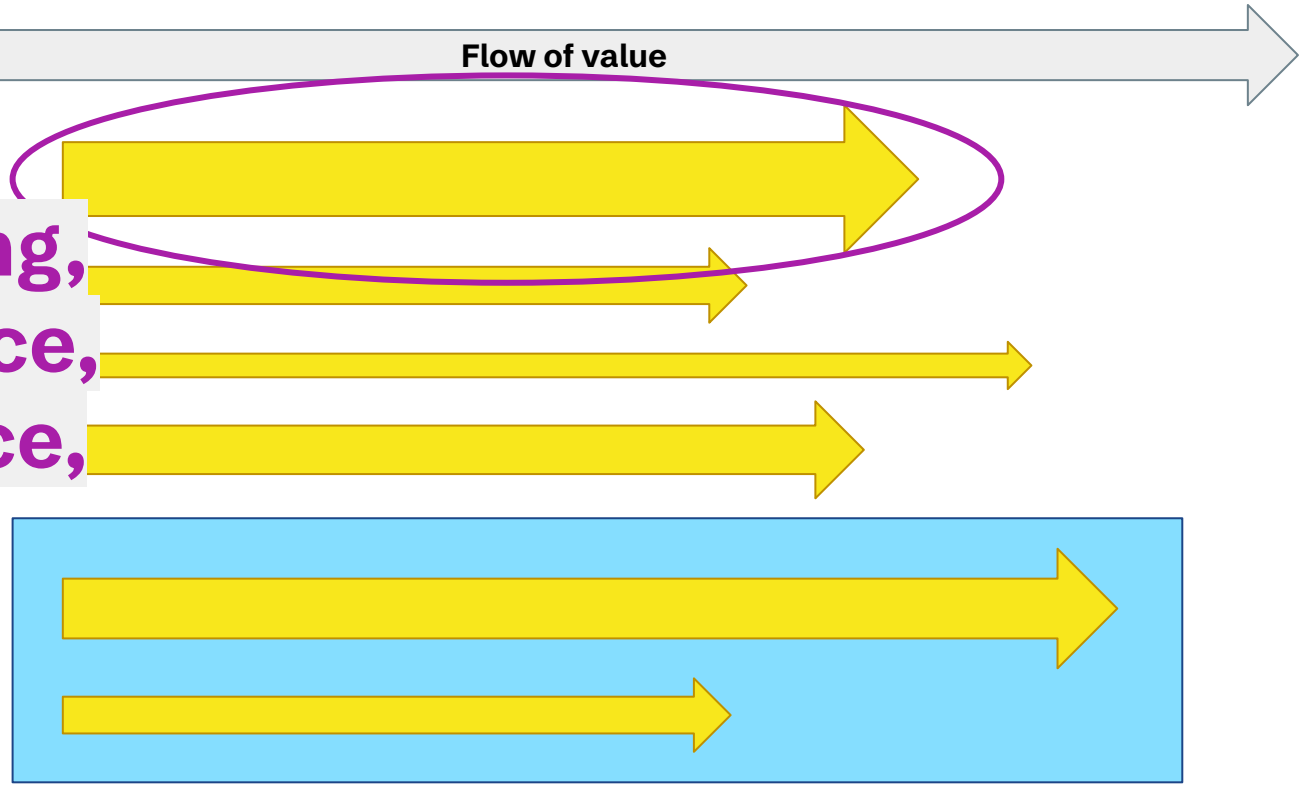
Multiple, independent flows, fractally



“What about AI?”

‘Hyper-crossfunctionality’

Business,
Product,
Engineering,
Live Service,
Compliance,
Etc.



Stuart Winter-Tear

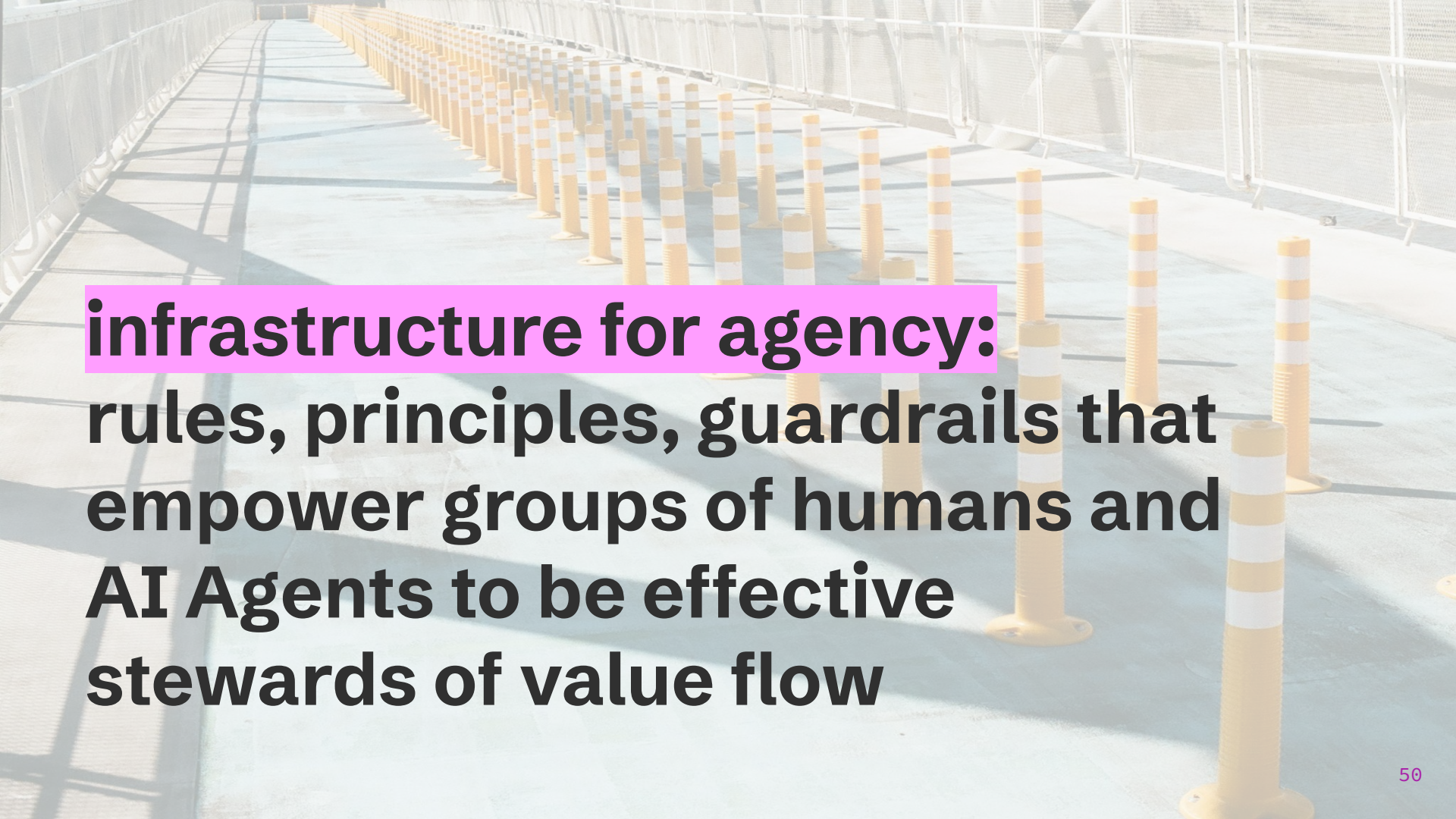
AI Product Advisor to PE | Author of UNHYPED



"... Team Topologies [...] offers something Agentic AI desperately needs - but cannot invent on its own: Clear boundaries, Stable interfaces, Aligned domains, A culture of collaborative ownership. [Team Topologies is] ... the infrastructure for agency itself."

https://www.linkedin.com/posts/stuart-winter-tear_orgs-that-have-worked-out-how-to-empower-activity-7339513909151719425-teiT/

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infrastructure for agency:
rules, principles, guardrails that empower groups of humans and AI Agents to be effective stewards of value flow

team cognitive load as a design principle

Razi Alqasem

Director, Product Engineering @ Verato



“A context window is … the cognitive load boundary of an AI system. […] Exceed it, and the agent … starts forgetting. It loses coherence. It hallucinates connections that don’t exist and misses connections that do. This means that every principle Team Topologies teaches about managing cognitive load for human teams maps directly onto designing effective agent architectures”

Sk

https://www.linkedin.com/feed/update/urn:li:activity:7429604698107703297/

team types and team interaction modes – as a diagnostic language

Veronica Stewart

AI Enablement & Product Operations Leader



“As AI accelerates development and analysis, companies will increasingly need visibility into things like:

domain boundaries, ownership clarity, cross-team dependencies, platform bottlenecks, architectural coupling

The clearer the system is for humans, the more effectively AI can operate within it.”

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https://www.linkedin.com/feed/update/urn:li:activity:7438180828662263808/

David Anderson, Architect at Globalization Partners, author of ‘The Value Flywheel Effect’

https://www.youtube.com/watch?v=aRgrCicpqJQ

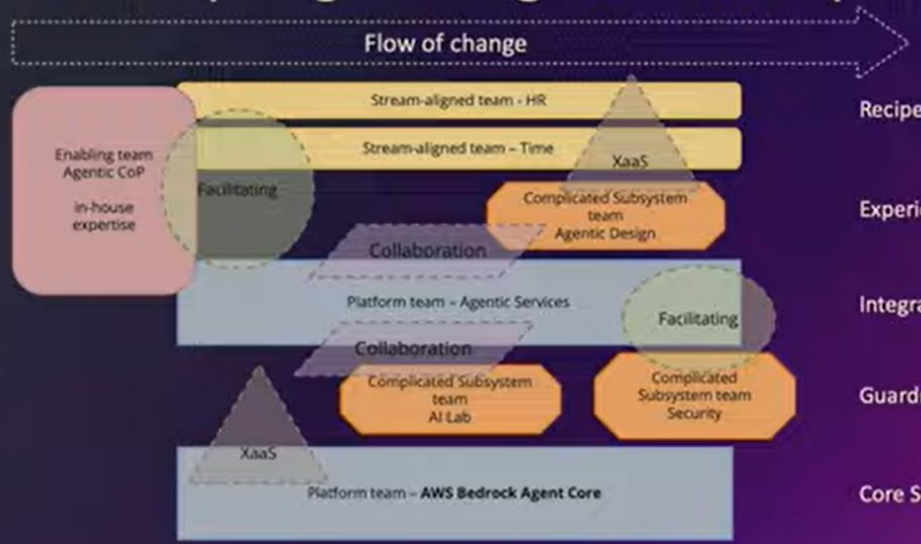


Using Team Topologies patterns and principles - together with Wardley Mapping - to navigate rapid technology evolution in the AWS Agentic AI space

FAST FLOW CONF
+ PLATFORM ENGINEERING EDITION



Team Topologies of Agentic development



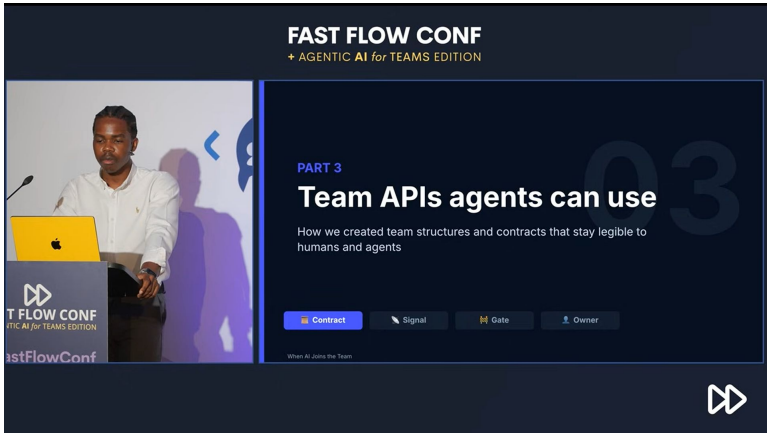
Chinonso Okoli, Engineer at Meta: ‘Infrastructure Patterns for Human-Agent Collaboration at Scale’

https://www.youtube.com/watch?v=ik8McaV8RsY

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Using Team Topologies patterns and principles to navigate accountability and execution boundaries with AI Agents



‘How we created team structures and contracts that stay legible to humans and agents’

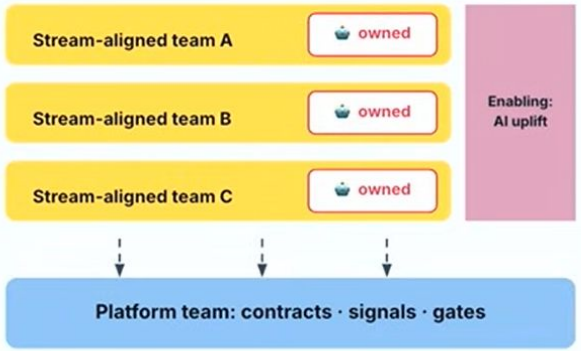
FAST FLOW CONF

+ AGENTIC AI *for* TEAMS EDITION



PART 3 · TEAM APIS AGENTS CAN USE

Where agents sit in your team topology



Agents act inside a team's boundary, through its team API

Every agent has an owning team. Agents are not a fifth team type

Interaction modes evolve: collaboration while you discover the boundary → X-as-a-Service once the contract is stable

‘Agents act inside a team’s boundary, through its team API’

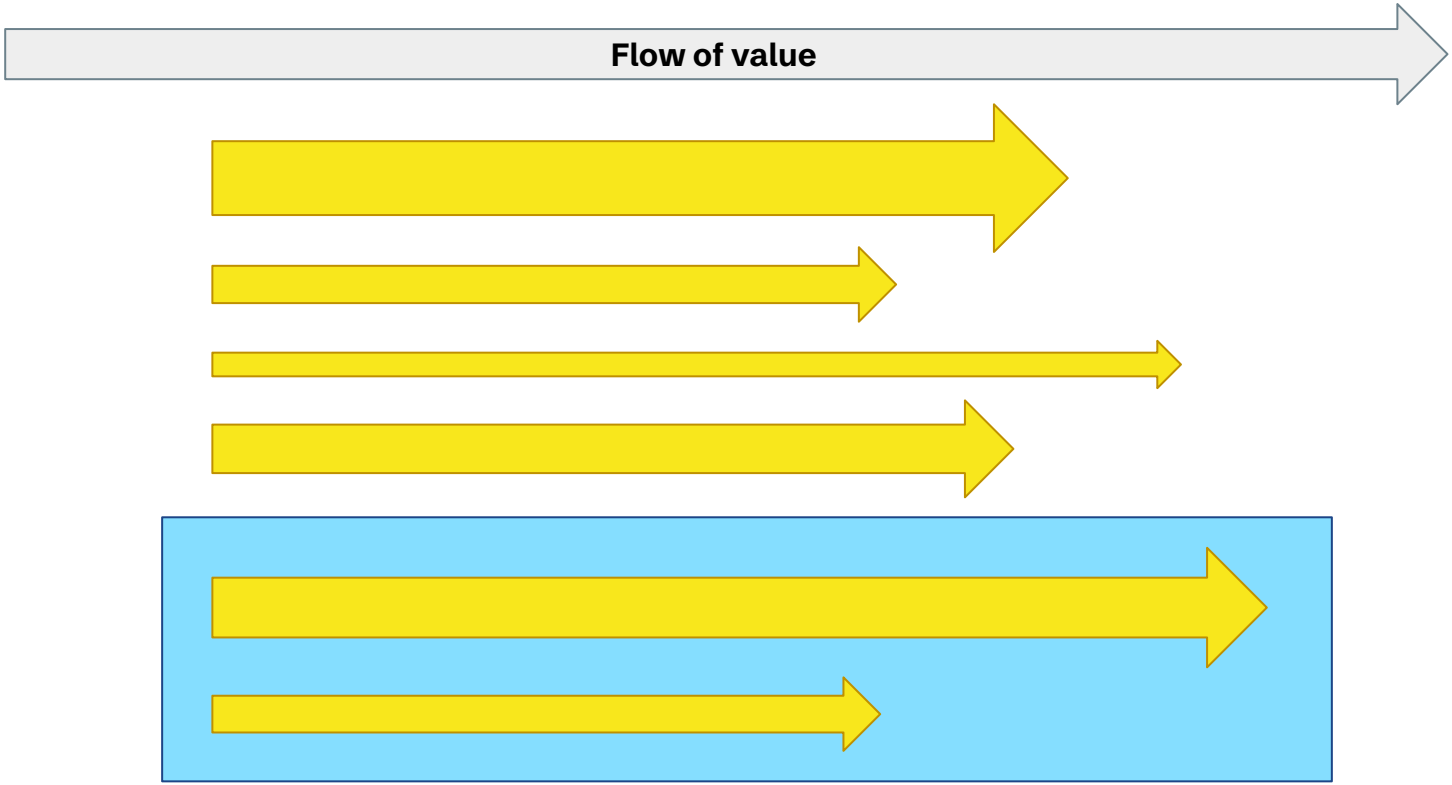
‘Every agent has an owning team. Agents are not a fifth team type’

Team Topologies language and techniques are a blueprint for workload placement with humans and/or AI

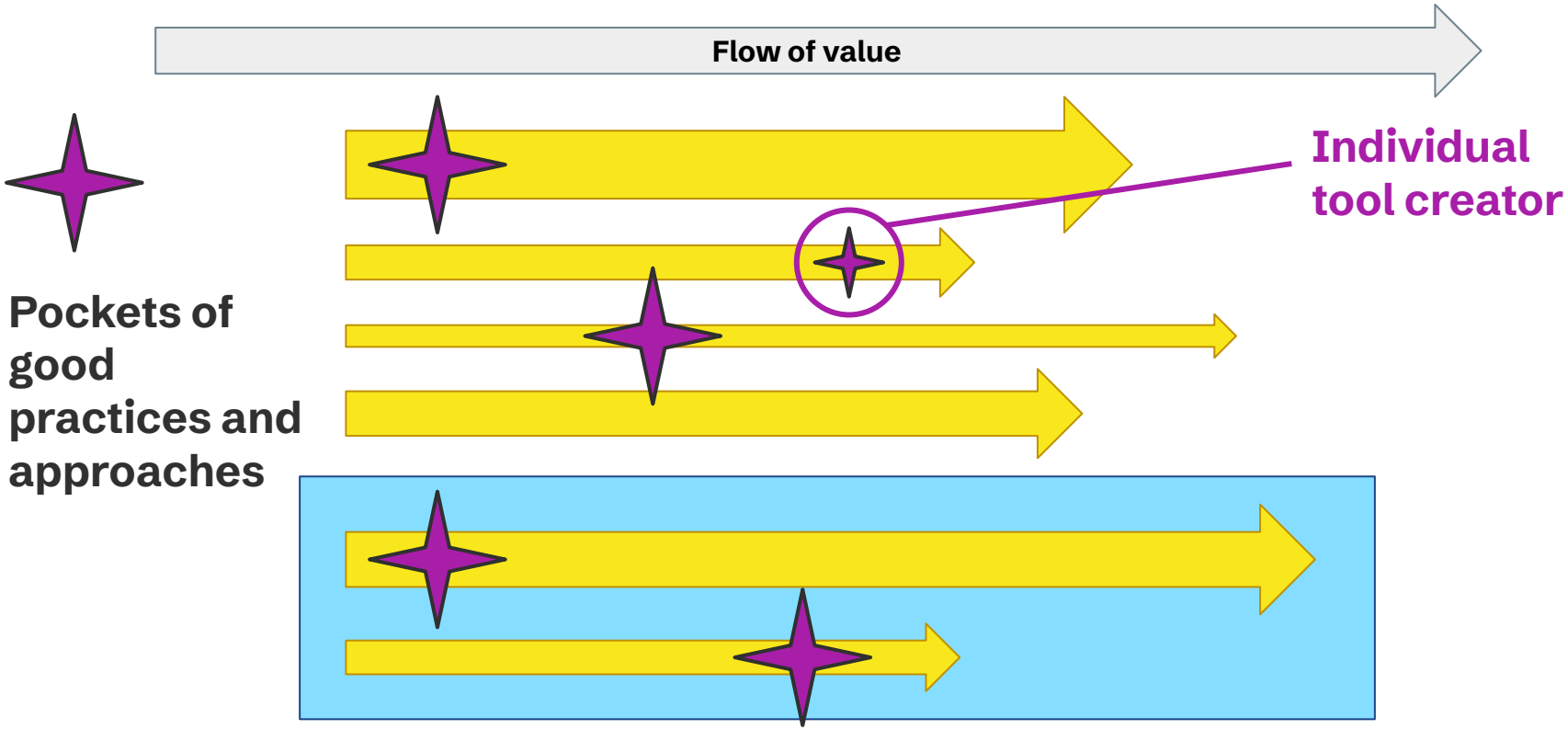
Operating model upgrade #3:

Curated Context and active diffusion of good practices to align, deduplicate, engage

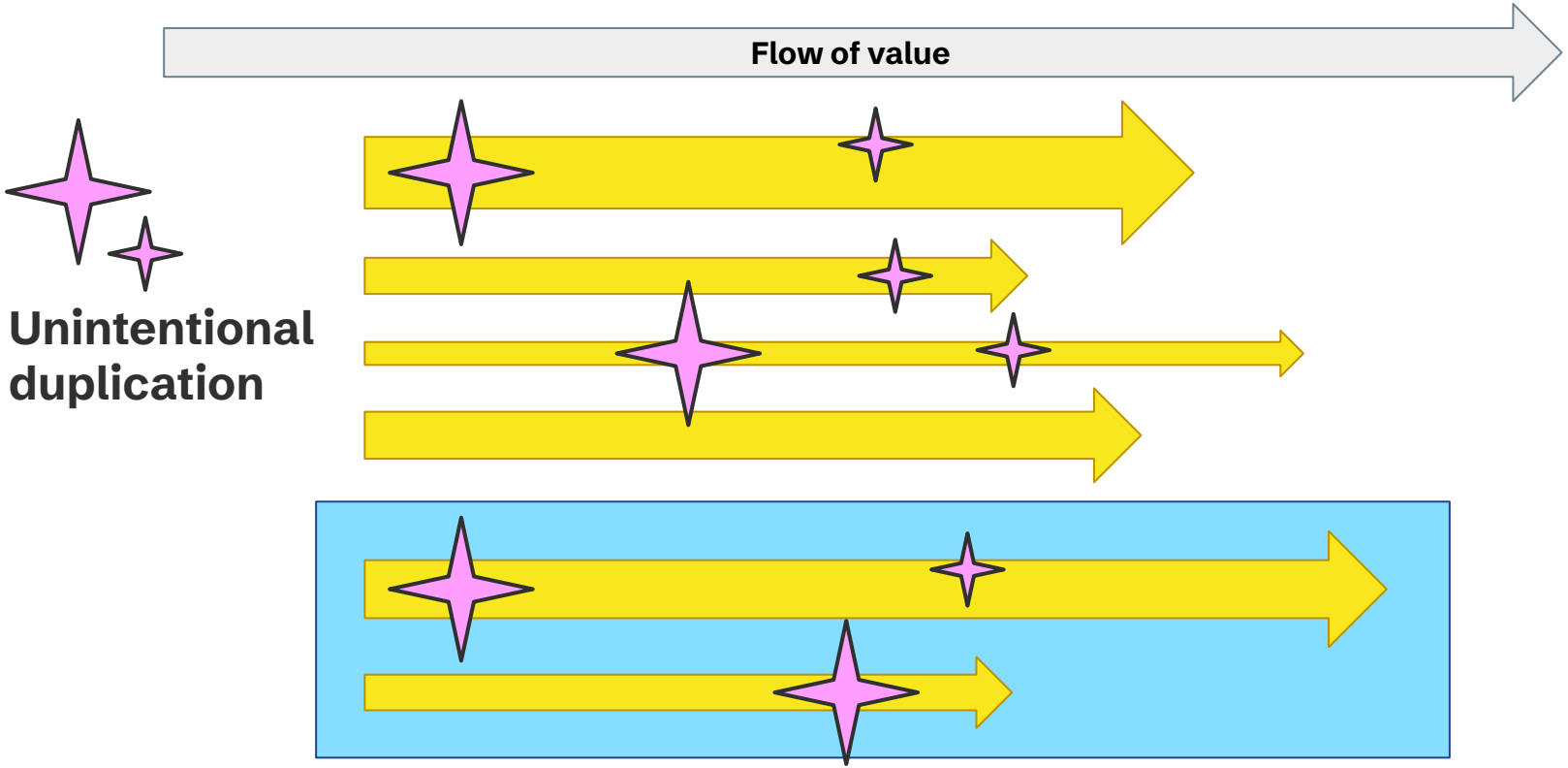
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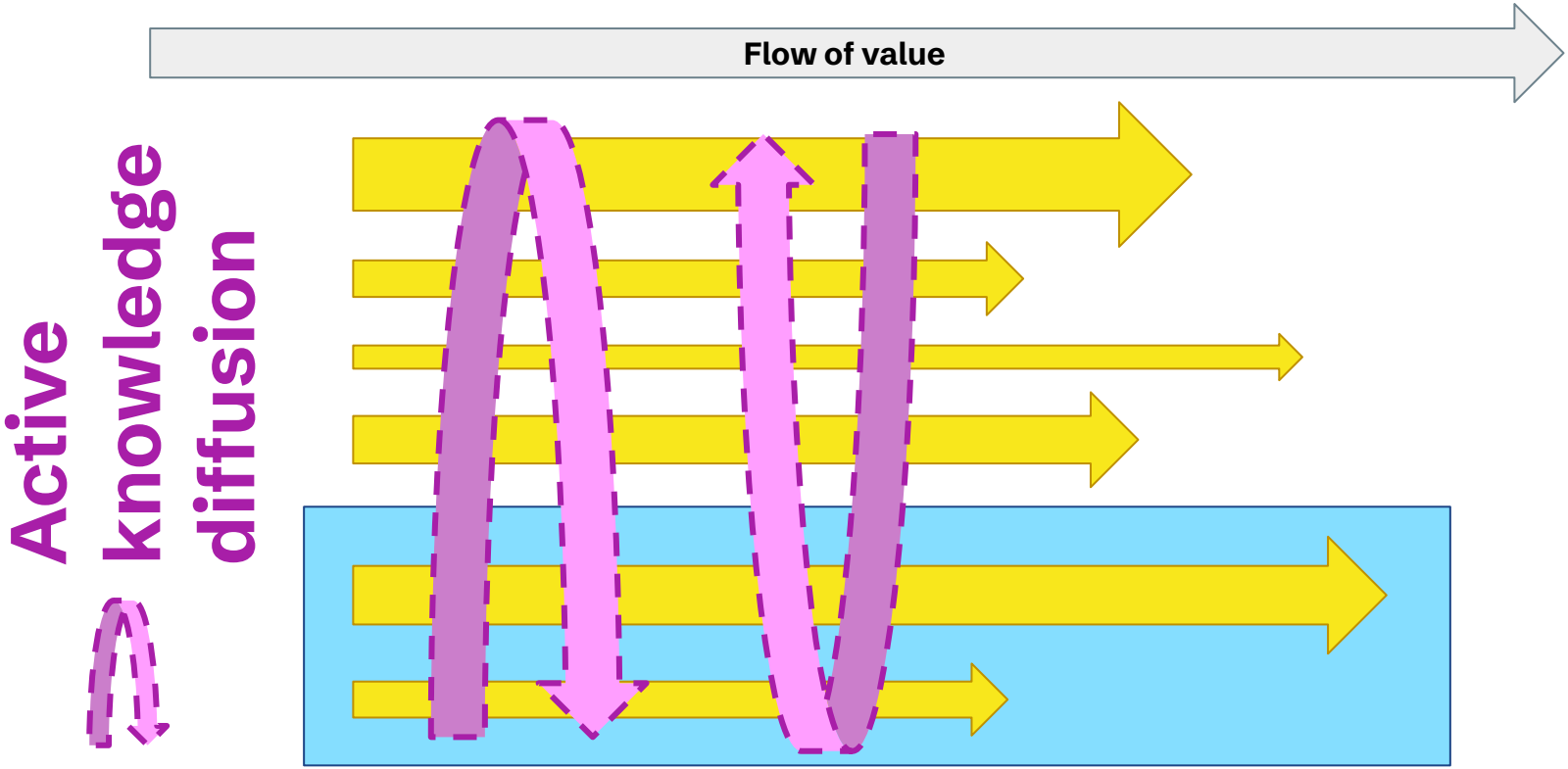
Parallel discovery and innovation



Unintentional duplication at scale



Intentional scanning and diffusion



internal conferences

public blogs

guilds

lunch & learn

Communities of Practice

Sk

Internal Tech Conferences

Victoria Morgan-Smith and Matthew Skelton

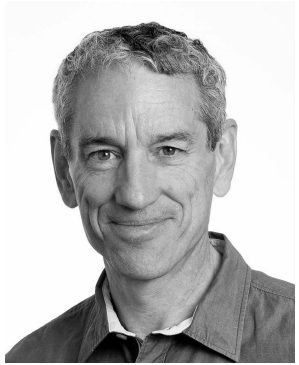
internaltechconf.com



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https://www.infoq.com/articles/book-review-internal-tech-conferences/

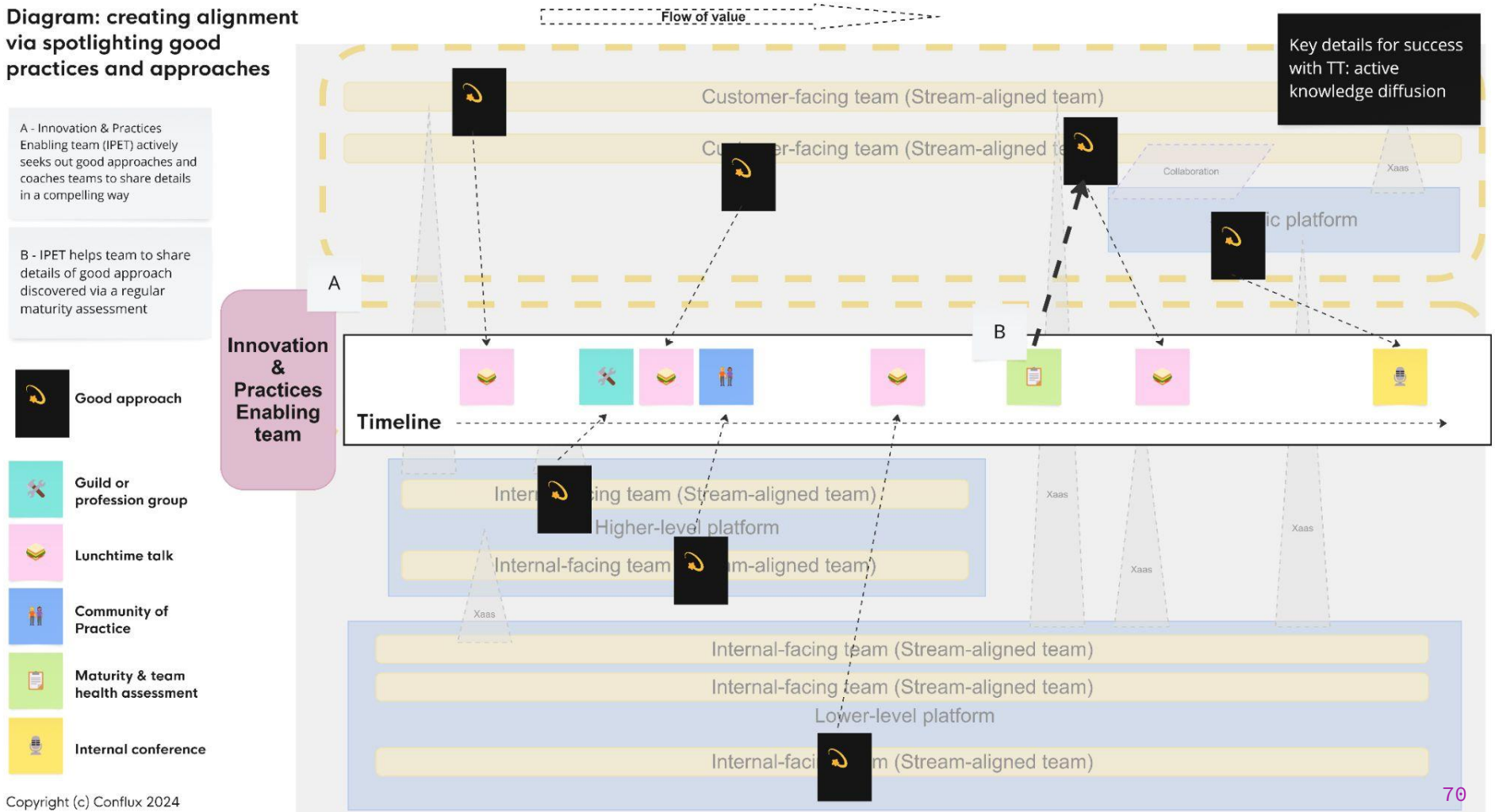
“This initiative around internal conferences has been the single most effective thing to **align business and technology** that I have seen in this organization”



– Murray Hennessey, CEO, (UK retail co)

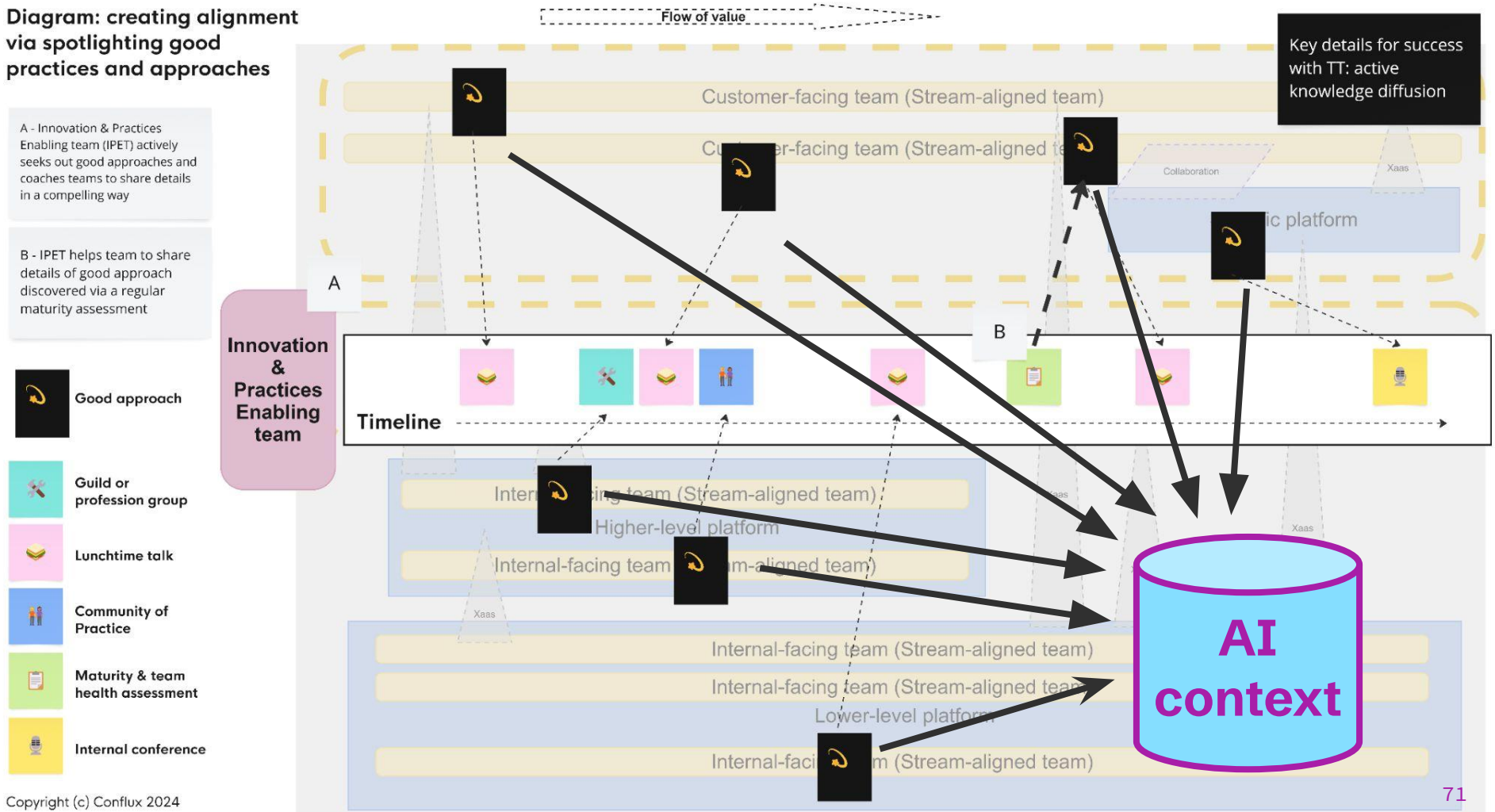
Innovation & Practices Enabling team (IPET)

Diagram: creating alignment via spotlighting good practices and approaches



Copyright (c) Conflux 2024

Diagram: creating alignment via spotlighting good practices and approaches



Copyright (c) Conflux 2024

Adapt Together

Create alignment, trust, engagement, and awareness across your organization whilst delivering at speed.

adapttogether.info

Cultivating Alignment and Innovation Through Internal Conferences at Tillo

- Cross-organizational alignment
- Shared language and mindset across the org
- Greater organizational adaptability
- Increased staff engagement
- Helped a 4x increase in staff

Adapt Together

https://adapttogether.info/all-case-studies/cultivating-alignment-and-innovation-through-internal-conferences-at-tillo

Alignment and acceleration of digital engineering at GOV.UK Home Office via shared standards, cross-team assessments, and spotlighting effective practices

- **30% Efficiency Savings**
- **400% Increase in software delivery capability**

Adapt Together

adapttogether.info/all-case-studies/govuk-home-office

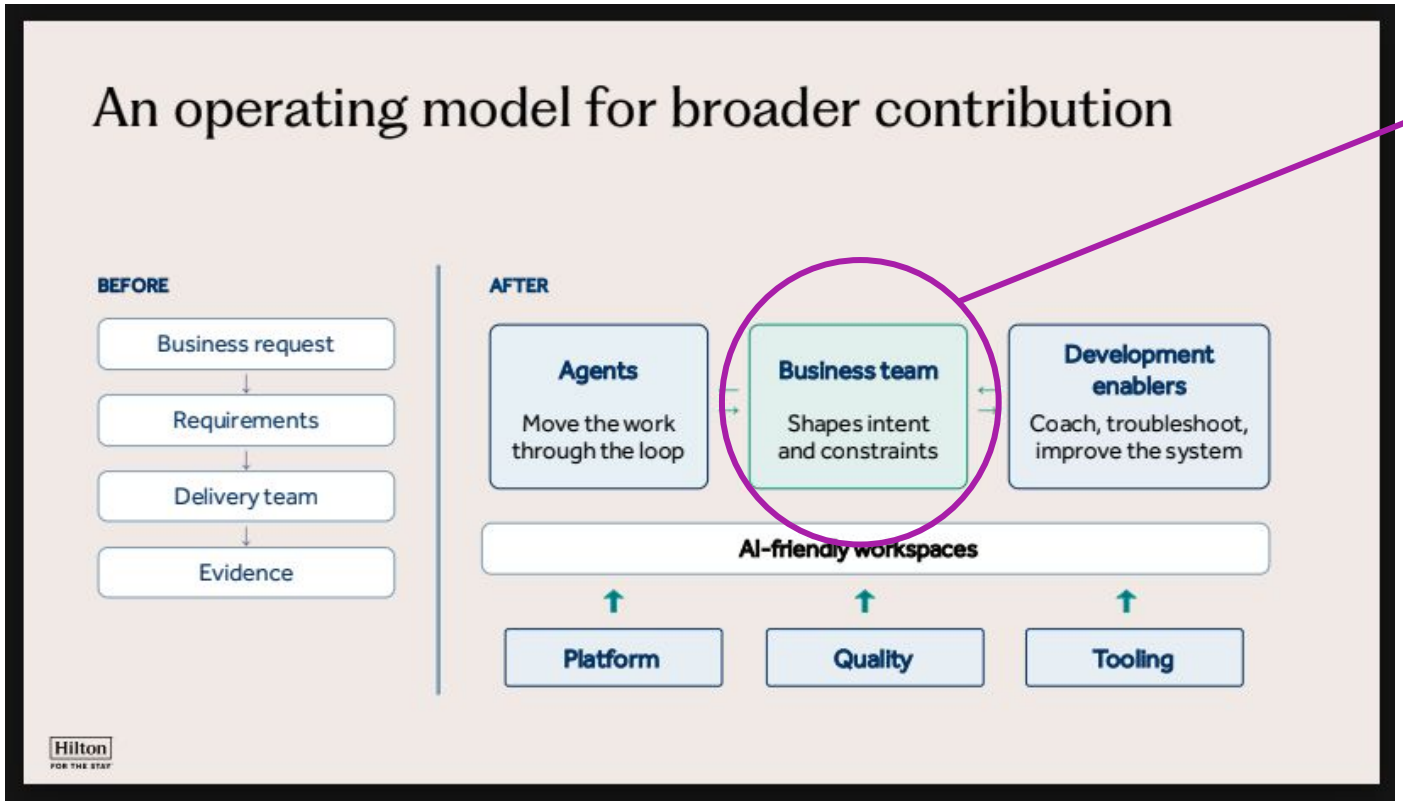
Driving Value Flow and Product Differentiation Through Continuous Context at FLiiP

- **Foundational architecture from Team Topologies**
- **Product differentiation against category leaders**
- **Accelerated feature delivery**
- **Secured growth capital**

Adapt Together

adapttogether.info/all-case-studies/continuous-context-at-fliip

Hilton: ‘What Happens When the Moat Moves?’



Curated Context

https://events.itrevolution.com/2026-charlotte/#talks

Context must be explicitly curated and actively diffused across the organization for humans and AI Agents

Operating model upgrade #4:

Empower teams of humans to be effective stewards of AI via ‘detoxified’ metrics

“What metric(s) will drive coherence? Which metrics will be toxic?”

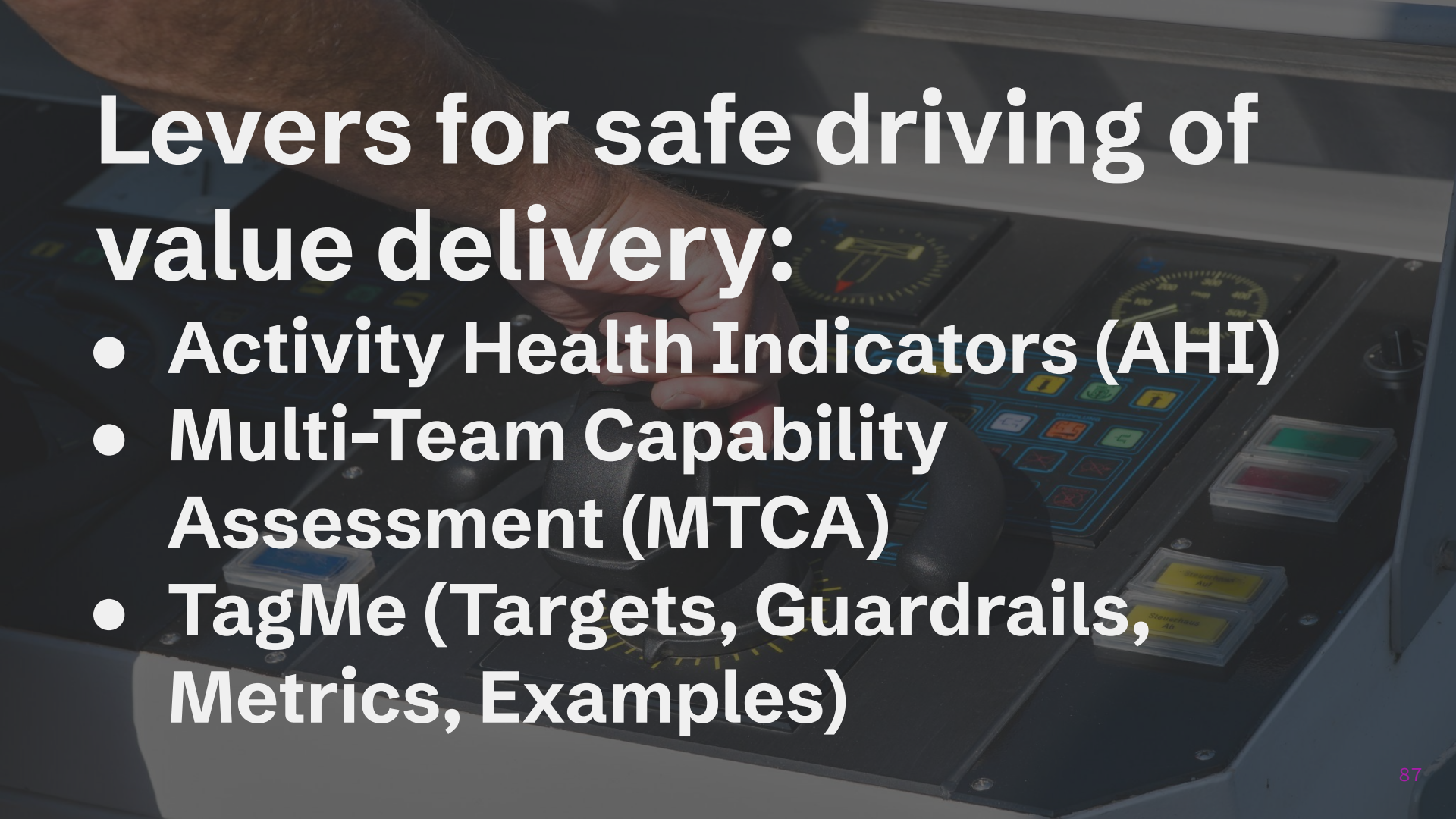



Identify ‘toxic metrics’
between product areas
/ departments




North Star Metric (NSM) as a key diagnostic tool for alignment and value orientation


Steuerhaus
Auf
Steuerhaus
Ab



Levers for safe driving of value delivery:

- Activity Health Indicators (AHI)
- Multi-Team Capability Assessment (MTCA)
- TagMe (Targets, Guardrails, Metrics, Examples)

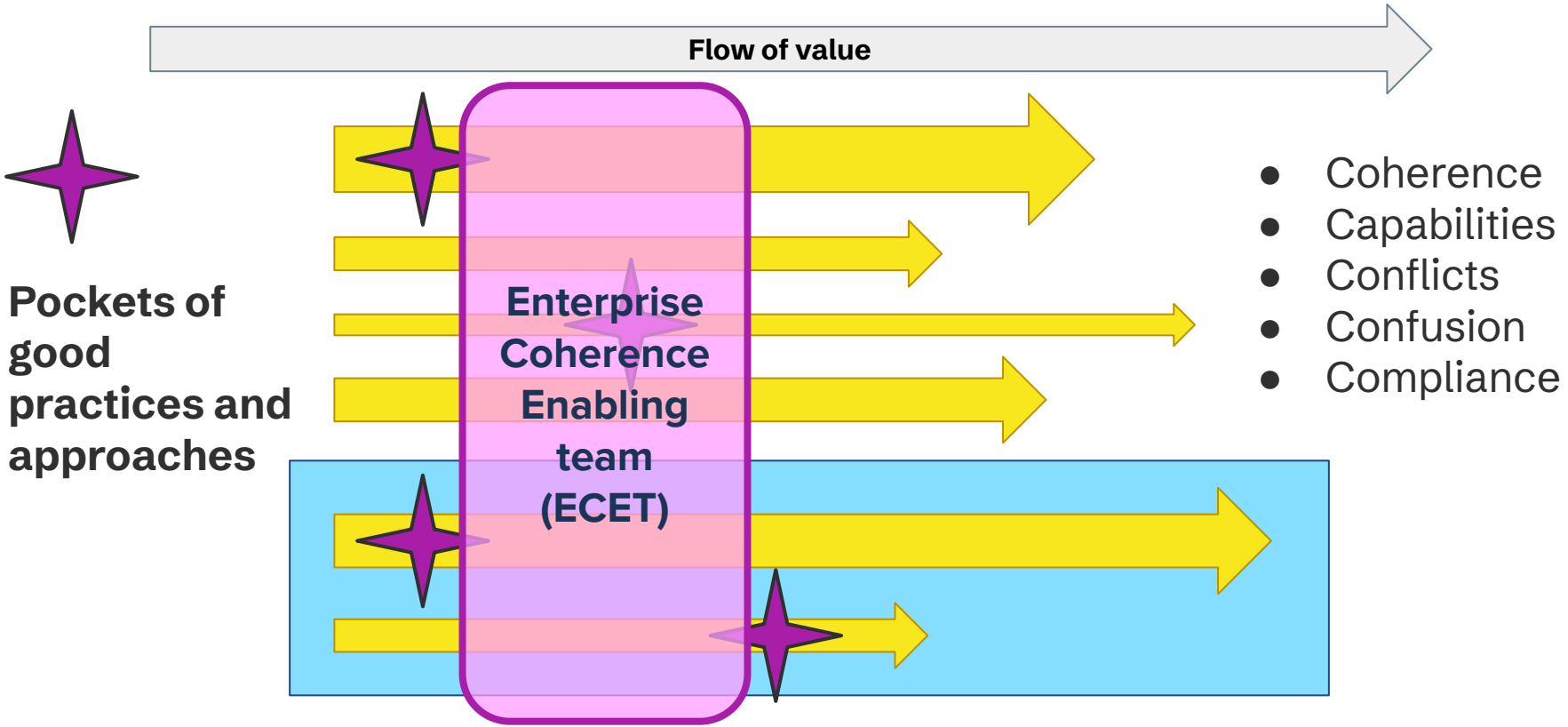

Enterprise
Coherence
Enabling
team
(ECET)

Enterprise Coherence Enabling team (ECET)

The 5Cs

- Coherence
- Capabilities
- Conflicts
- Confusion
- Compliance

Driving coherence via an ECET



Adapt Together

Create alignment, trust, engagement, and awareness across your organization whilst delivering at speed.

adapttogether.info

Intentional scanning and enablement around 5Cs and ‘toxic’ metrics detects misalignment rapidly

Summary

Question:
“What operating model upgrades are needed for success with AI?”

Organizations that organize for bounded agency in humans are well-suited to adopting AI effectively and humanely.

A focus on bounded agency clarifies mission and focus up and down the organization: What value are we providing, and to whom?

Intentional ‘context curation’ by humans is vital to guide AI Agent goal-seeking and avoid model collapse.

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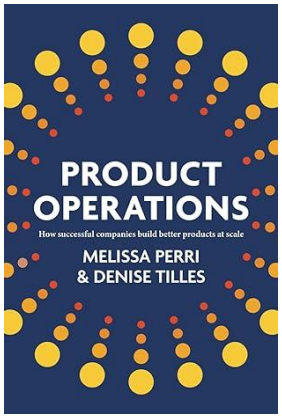
Help wanted:

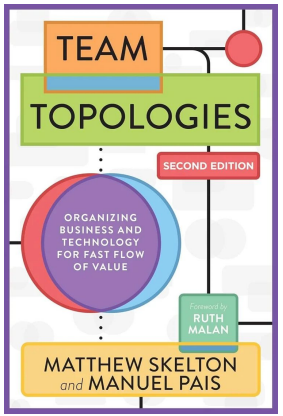
- Have you used Team Topologies (TT) as the ‘infrastructure for agency’ within your org?
- Have you used TT to shape ‘bounded agency’ for AI adoption?
- Have you used some techniques mentioned in Adapt Together?

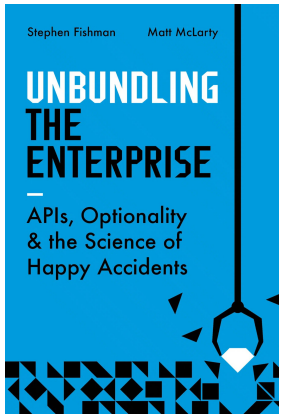
Get in touch: matthew@matthewskelton.com

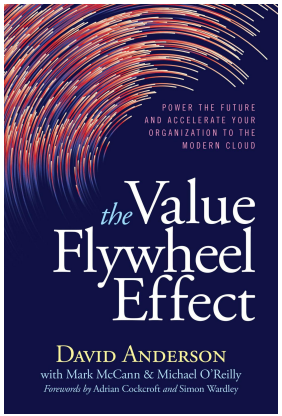
Adapt Together (2027)





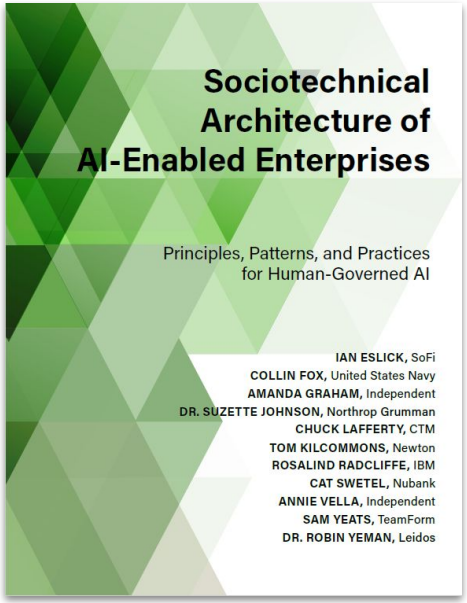






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The Sociotechnical Architecture of AI-Enabled Enterprises



Principle 1: Humans hold accountability
Principle 2: Non-deterministic AI must not unilaterally make consequential decisions about people.
Principle 3: Autonomy must be commensurate with verifiability.
Principle 4: Shared context is a prerequisite for effective delegation.
Principle 5: Governance scales with pace.
Principle 6: The line between HITL and HOTL must be designed …

https://itrevolution.com/product/sociotechnical-architecture-of-ai-enabled-enterprises/


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+
Newton

continue the conversation

matthewskelton.com



Resources

Resources



Book: *Adapt Together*

By Matthew Skelton and Renee Hawkins

To be published by IT Revolution, 2027

https://adapttogether.info/

Resources



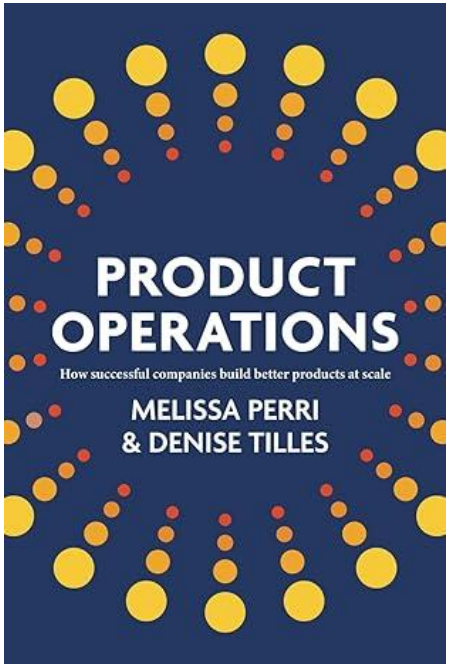
Book: *Internal Tech Conferences*

By Victoria Morgan-Smith and Matthew Skelton

Accelerating Multi-team Learning

https://internaltechconf.com/

Resources



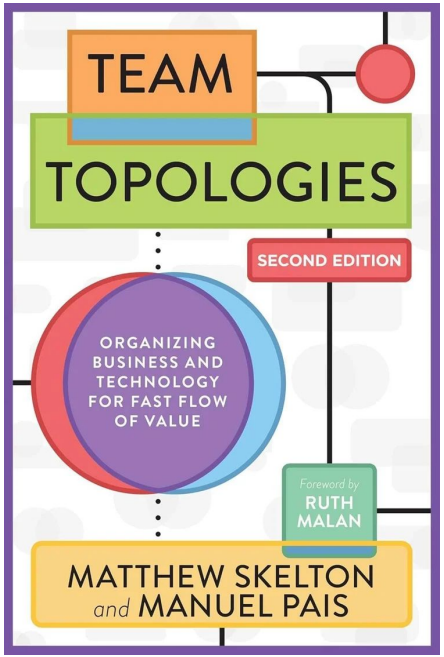
Book: *Product Operations*

By Melissa Perri and Denise Tilles

How successful companies build better products at scale

https://www.productoperations.com/

Resources



Book: *Team Topologies 2nd Ed*

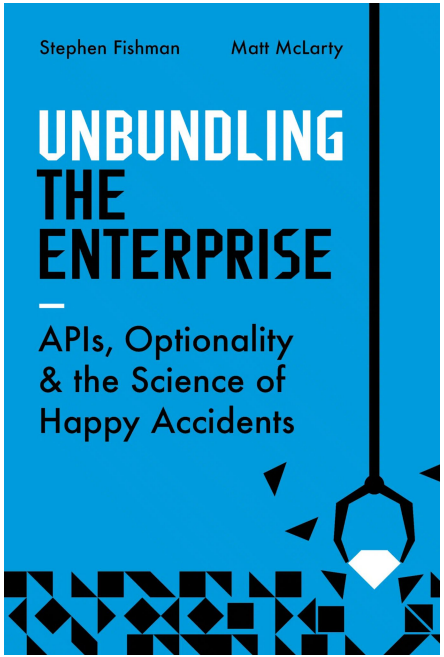
By Matthew Skelton and Manuel Pais

Organizing Business and Technology for Fast Flow of Value

Second Edition: September 2025

https://teamtopologies.com/book

Resources



Book: *Unbundling the Enterprise*

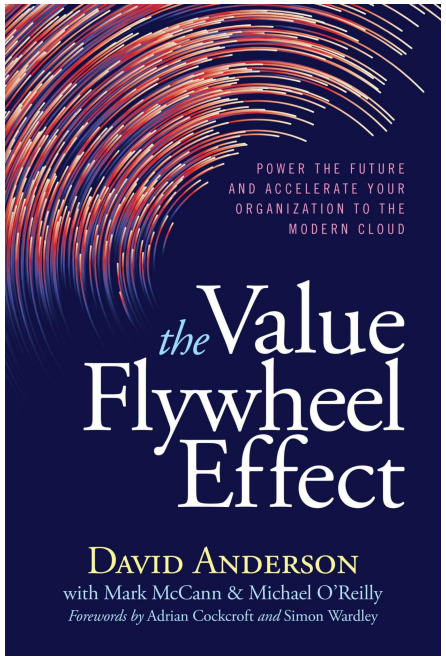
By Stephen Fishman, Matt McLarty

APIs, Optionality, and the Science of Happy Accidents

(Includes value dynamics calculations)

https://itrevolution.com/product/unbundling-the-enterprise/

Resources



Book: *The Value Flywheel Effect*

By David Anderson, Mark McCann, Michael O'Reilly

Power the Future and Accelerate Your Organization to the Modern Cloud

https://itrevolution.com/product/the-value-flywheel-effect/

Value Flow Stewardship™

Value Flow Stewardship™ (VFS) is a modern organizational effectiveness framework from Conflux designed to navigate fast flow and governance in an AI-native operating model.

Building upon the core tenets of team interaction and socio-technical design from Team Topologies alongside the adaptive leadership principles of Adapt Together, VFS integrates practical product alignment strategies from Product Operations with nimble governance approaches.

valueflowstewardship.com

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matthewskelton.com

