AI FOUNDATIONS FOR PE

Model, tool, connector, skill, workflow, agent: six words a partner needs

Vendors use the same words for different things. A shared vocabulary lets a fund buy, build and govern with precision.

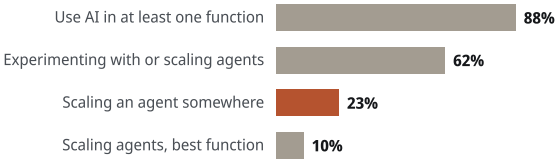
KEY MESSAGE

Everyone should master six capabilities, and the fund should own its method in skills and connectors.

3 things to know

1. **Everyone should master six capabilities**, not just chat: model, tool, connector, skill, workflow, agent.
2. **Workflows first, agents when needed** [2]; scale comes from routines, not from autonomy.
3. **The firm's know-how belongs in skills and connectors**, the asset that compounds.

EXHIBIT 1 **AI and agents in organisations, % of respondents (McKinsey 2025, n=1,993)**



'Best function': no more than 10% in any given function. Source [1].

88% use AI in at least one function, from 78% [1]

23% scaling an agentic system somewhere [1]

≤10% scaling agents in any one function [1]

~2/3 not yet scaling AI across the enterprise [1]

The vocabulary

Model: the engine, such as Claude Opus or Fable, GPT-6.2 Astra or Gemini 4 Neon. **Assistant:** the product built on it: Claude, ChatGPT, Gemini or Copilot. **Tool:** an action the model can call, such as search, run code or read a file. **Connector:** a standard link to a data source or app, often through MCP (see No. 15).

Skill: a packaged method, instructions plus templates and checks, loaded when a task matches. **Agent:** a system where the model plans its own steps and uses tools until the task is done [2].

Workflow or agent?

Anthropic draws the line clearly: workflows orchestrate models and tools through predefined code paths; agents direct their own process [2]. A first-look memo from a teaser is a workflow: fixed steps, fixed template.

Open-ended research on an unfamiliar sector is closer to an agent. Workflows are cheaper, faster and easier to audit; use them by default.

Where the fund's know-how goes

The model is the same for everyone. What differs is context: screening criteria, memo format, red-flag checklist, sector notes, past deals.

Skills encode the method; connectors give access to your data; a shared library keeps both current. This is the asset that compounds, and the part a fund should own (see No. 10).

Sources on page 2.

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Automation still matters

Many gains need no model at all: moving files, filling CRM fields, scheduling reports. Plain automation tools handle these reliably and cheaply.

Use AI where judgement on text is needed, automation where rules are enough, and combine them: the automation triggers the AI step and files the result.

EXHIBIT 2 Six terms, one example each in a fund (CarveLines view; dots = autonomy)

TERM	EXAMPLE IN A DEAL TEAM	AUTONOMY
Model	Opus, Fable, Astra, Neon	● ○ ○
Tool	Web search, run Excel logic	● ○ ○
Connector	CRM, PitchBook, document store	● ○ ○
Skill	First-look memo method and checks	● ○ ○
Workflow	Teaser to memo in fixed steps	● ● ○
Agent	Open research on a new sector	● ● ●

Definitions adapted from Anthropic [2].

What scale looks like

McKinsey finds that most firms have rolled out tools but not yet productised use cases, redesigned workflows or built the guardrails to run them at scale [1].

For a fund, scale means three things: every deal team uses the same routines, the library is maintained, and results are measured. Agents come after, where a workflow is not enough.

> "Workflows are systems where LLMs and tools are orchestrated through predefined code paths. Agents, on the other hand, are systems where LLMs dynamically direct their own processes and tool usage, maintaining control over how they accomplish tasks."
>
> **Erik Schluntz and Barry Zhang**, Anthropic, Building effective agents · Dec 2024 [2]

> "Looking across the entire enterprise landscape, the use of agents is not yet widespread."
>
> **Michael Chui**, senior fellow, McKinsey · Nov 2025 [1]

5 hints: the average fund vs full power

	THE AVERAGE FUND	FULL POWER
1	Uses chat only	**Uses tools, connectors, skills and automation**
2	Calls everything an agent	**Knows when a workflow is enough**
3	Keeps method in people's heads	**Writes it as skills with templates and checks**
4	Lets IT own connectors	**Lets deal teams request and test them**
5	Automates nothing	**Automates every rule-based hand-off**

Watch out

"Agent" as a sales word. Many products sold as agents are fixed workflows, which is fine, or chat assistants with a new label, which is not. Ask to see the steps.

Questions for the partners' meeting

1. Do our partners and deal teams use these six words the same way?
2. Which of our routines are workflows, and which truly need an agent?
3. Where is our firm's method written down for a machine to use?
4. Which rule-based tasks are we paying AI to do?

Monday morning

Pick one recurring deliverable, such as the first-look memo. Write its steps, template and checks on one page. That page is your first skill; test it on the next three teasers.

Sources: [1] McKinsey, The state of AI in 2025 (n=1,993), Nov 2025; [2] Anthropic, Building effective agents, Dec 2024. Quotes verbatim from the sources cited. Figures as published; survey scopes and dates vary. Vendor-reported figures are labelled; [E] = CarveLines estimate; 'CarveLines view' = our interpretation.

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