

HFS

HOT TECH

Hot Tech: KnowledgeLake

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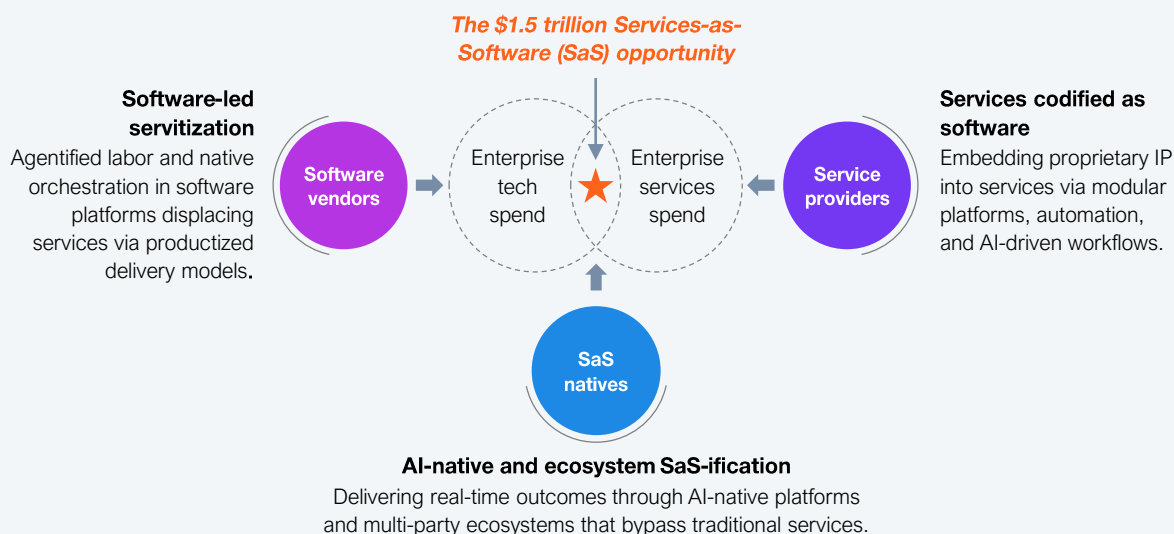
David Cushman, Hot Tech Editor-in-Chief, Executive Research Leader

Executive summary

HFS Hot Tech is an exclusive group of emerging players, each with a differentiated value proposition aligned with creating momentum toward Services-as-Software.

HFS Research coined the term Services-as-Software (see Exhibit 1) — a concept reshaping how the world will consume technology services and software. This emerging category will disrupt traditional services and software models and absorb significant revenue from both, creating a brand-new total addressable market (TAM) worth \$1.5 trillion.

Exhibit 1: HFS Hot Techs offer a range of approaches toward Services-as-Software



Source: HFS Research, 2025

HFS analysts regularly speak with numerous exciting startups and emerging players. We designate a select few as HFS Hot Tech based on their offerings' distinctiveness, ecosystem robustness, client impact, financial position, and—in this case—impact on Services-as-Software.

HFS Hot Techs may not have the scale and size of more established rivals, but they have the vision and strategy to impact and disrupt the market. In the rapidly changing AI-led operations space, enterprises realize they can't be everything to everyone.

Enterprises consuming third-party services, service providers, and technology providers need a smart ecosystem to succeed and survive in the future. HFS Hot Techs are service and technology providers handpicked by our analysts to help you flesh out your ecosystem with offerings that solve today's complex business problems and exploit market opportunities.

HFS Hot Tech organizations display truly differentiated offerings and out-of-the-box thinking that can be inspiring and useful. This report profiles one of the HFS Hot Techs selected through our rigorous five-step assessment. The HFS Hot Tech designation remains in place for one calendar year. Every Hot Tech joining our program remains listed on our exclusive and searchable database. <https://www.hfsresearch.com/hv/>

KnowledgeLake: A successful pivot from traditional IDP to agentic-driven workflow automation



Despite years of investment in digital transformation initiatives, the harsh reality is that enterprises of all shapes and sizes still battle inefficient manual document-centric back-office processes that consume both time and capital. Intelligent Document Processing (IDP) went a long way in helping enterprises address these challenges, and still serves as a critical building block. Still, it couldn't address end-to-end workflows, leaving gaps that required manual validation, gaps between systems, and processes that weren't fully automated. Now, the technology has evolved, and as we delve deeper into the agentic era, there are new ways for enterprises to deliver real end-to-end automation.

KnowledgeLake recognized the opportunity created by the emergence of agentic AI and worked to reposition itself from a traditional IDP player to an agentic-driven workflow automation provider, retaining its multi-decade heritage in the IDP market as the foundation. The move was validated earlier this month when Knowledge Lake announced it received a \$65 million investment from growth equity firm Edison Partners, a key growth lever moving forward

Further, the pivot sees KnowledgeLake align well with HFS's own Services-as-Software, as it looks to replace transactional back-office services, such as document handling and workflow execution, that were often handled by outsourcing firms with software-driven outcomes—a move that could unlock better, faster, and more flexible outcomes for enterprises.

KnowledgeLake structures its capabilities in one enterprise automation platform.

Today, KnowledgeLake goes to market through its cloud-native platform, designed for the agentic era. This platform layers its fresh, agentic-driven workflow orchestration capabilities on top of its deep IDP expertise. Knowledge Lake believes its platform can then serve as a virtual assistant for enterprise employees—a concept it calls Synthetic Labor™—handling the tedious manual tasks while the human workforce focuses on higher-value tasks.

To make this a reality, KnowledgeLake has embedded four core capabilities throughout its platform:

- **Document intelligence:** Classifies and extracts data from many complex documents, reducing manual effort, and transforming unstructured data into usable information.
- **Content governance and retrieval:** Stores documents with an AI-powered search and retrieval function to give employees near-instant access to information when requested, driving compliance and transparency.
- **System connectivity:** Integrates with enterprise ecosystems, focusing on Microsoft, to enable straight-through workflows.
- **Agentic orchestration:** Coordinates tasks, decisions, and exceptions across various workflows; this is where AI Agents are used to act as digital workflows.

Pulling these components into a single platform means KnowledgeLake removes the need for enterprises to build a fragmented ecosystem of partners all offering point solutions for different segments of the process, an approach that often creates gaps and lost data. Instead, KnowledgeLake offers one solution that sees data flow from integration to execution, driving rapid and improved outcomes for enterprises. KnowledgeLake's clients confirmed this approach also allows them to scale quickly, including across different departments, enhancing the value created by the platform.

These capabilities are at the core of everything KnowledgeLake does. But, it's their use of Agentic AI that truly differentiates how they do it.

KnowledgeLake's agentic layer brings its Synthetic Labor concept to life

Synthetic Labor is KnowledgeLake's term for how its platform acts as a digital coworker, handling repetitive, document-heavy tasks that would typically require significant manual effort. It is made a reality by bringing its four platform capabilities together to go beyond rigid workflows and deliver context-based decisioning, exception handling, and intelligent orchestration, acting like a real digital coworker. For enterprises, this typically means faster cycle times, lower operating costs, and enhanced employee productivity.

But Synthetic Labor is about more than just technology. We all know technology alone is rarely the answer. Making it a reality requires enterprises to be open to rethinking their operating models, tweaking processes, and fostering a culture that embraces change. This is no easy task, which is why KnowledgeLake works closely with clients to help enterprises

overcome these challenges — and their clients complemented their ability to do so.

KnowledgeLake does all of this with a strong focus on transparency, ensuring it only operates within each enterprise's regulatory boundaries and risk appetite. This allows enterprises to innovate without sacrificing control and trust, which is critical when many remain concerned about 'black box' solutions that offer zero explainability. It's this balance between innovation and governance that is exactly why KnowledgeLake has carved out a sweet spot working with enterprises from heavily regulated industries, such as healthcare, insurance, and the public sector.

KnowledgeLake recently received a significant investment, fuelling future growth

At the time of publishing, KnowledgeLake announced a \$65 million investment from Edison Partners. KnowledgeLake has stated its intention to invest heavily in its go-to-market due to the investment. We, particularly, anticipate an expanded ecosystem of partners which will complement its capabilities and a strong investment in its sales and marketing reach, going deeper in its sweet spot of regulated industries. We also expect the provider to expand its Synthetic Labor concept by increasing the use of Agentic AI throughout its platform and strengthening integrations with other key enterprise applications.

But execution will be critical. KnowledgeLake's key challenge ahead is balancing expansion and new investor expectations while remaining genuinely differentiated in a very busy market.

KnowledgeLake's clients are excited about the future...

When HFS analysts connected with a handful of KnowledgeLake's key enterprise clients, clear return-on-investment was highlighted through each engagement. In fact, one enterprise told us KnowledgeLake was delivering a six-figure annual saving through document handling and workflow automation. Another highlighted how they scaled KnowledgeLake across multiple

departments within their organisation, made possible due to the composition of its platform alongside the support provided.

However, some clients noted that some of the platform's Agentic AI elements are still relatively new in their deployments. Despite being excited by the prospect, they are only beginning to test these features within their engagements, which means KnowledgeLake must ensure it can deliver the promise of its Synthetic Labor vision and not be distracted by investor expectations.

HFS' take

We are designating KnowledgeLake as an HFS Hot Tech because of its successful transition from a traditional IDP provider into an agentic-driven workflow automation platform that can deliver real Synthetic Labor for enterprises. The composition of its platform, including how it has embedded Agentic AI, gives the enterprise a clear, scalable path to value. Additionally, its ability to demonstrate clear return-on-investment quickly is key when every penny of enterprise spend is under intense scrutiny.

The recent \$65 million investment from Edison Partners provides fuel for KnowledgeLake's next growth phase. But the challenge will be ensuring these funds are used to double-down on differentiation and client value. All too often, we see exciting firms getting distracted and struggling with the pressures brought on by investors. KnowledgeLake must ensure it doesn't travel the same path. If balanced successfully, we're excited about the prospect of KnowledgeLake becoming a great example of Services-as-Software, and the value it can deliver to enterprises.

Vendor fact sheet

- **Founded:** 1999
- **Headquarters:** St. Louis, Missouri, United States
- **Key executives:** Kevin Herr (Chief Executive Officer), Russ Malz (Chief Revenue Officer), Jason Burian (Chief Customer Officer), Brad Porter (Chief Technology Officer)
- **Number of employees:** ~70
- **Funding source:** Private investment
- **Number of clients:** 225
- **Key clients:** The State of Tennessee, Lorain County, US Imaging, Washington University and New Belgium Brewing.
- **Solutions portfolio:** Intelligent Document Processing, Content Management Systems, Robotic Process Automation, Workflow Orchestration.
- **Industry coverage:** Healthcare, Local and State Government, Education and Financial Services

The HFS Hot Tech report team

Author



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Sam Duncan is a practice leader for HFS Research, based in Cambridge, UK. He graduated from Bournemouth University with a degree in economics. His interest in macroeconomics focuses on how the evolution of technology accelerated globalization. He also studied law, accounting, and investment management.

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David is an Executive Research Leader at HFS and Editor-in-Chief of the HFS Hot Tech program. He also leads our OneOffice™ Emerging Technology Practice, is our strategic lead on Generative AI, Web3, and metaverse, and covers automation and employee experience. He is a published author (*The 10 Principles of Open Business*, Palgrave-Macmillan), a former tier-1 consulting director, and a digital strategy and innovation expert with leadership experience in start-up, scale-up, and enterprise digital transformation.

About HFS

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With an unmatched platform to reach, advise, and influence Global 2000 executives, we empower organizations to make decisive technology and service choices. Backed by fearless research and an impartial outside perspective, our insights give you the edge to stay ahead.



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