BARYONS

LEADERSHIP ENABLEMENT

A DISCUSSION PAPER FOR LEADERS

Alignment at the speed of AI

Five challenges leaders face in 2026 and 2027, the evidence behind each, and the questions we are still asking.

Alignment | Manager capacity | AI adoption

FORMAT
Discussion paper

PREPARED BY
Baryons

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SIGNAL BEFORE SYMPTOM

BARYONS

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AI adoption is outrunning clarity

Ask your five best managers what your top priority is this quarter. Write down all five answers. For most organizations they will not match, and the gap is widening.

46%	22%	12.1	24%
OF US EMPLOYEES STRONGLY KNOW WHAT IS EXPECTED[1]	GLOBAL MANAGER ENGAGEMENT, FROM 27%[2]	DIRECT REPORTS PER US MANAGER[3]	OF LEADERSHIP TEAMS AGREE ON AI AGENT ACCOUNTABILITY[4]

In the third quarter of 2026, only 46% of US employees strongly agreed they know what is expected of them at work, ten points below 2015. The drop was sharpest among remote and hybrid employees in organizations adopting AI, and Gallup's chief scientist suggests AI adoption may be outpacing the communication and manager support needed to make it work.[1]

This paper sets out five challenges we see leaders facing in 2026 and 2027, with the strongest public evidence behind each. What they share: the distance between what leaders intend and what their people act on is growing, and AI is shortening the time it takes for that distance to become costly.

1. **Alignment at AI speed.** Teams now move faster in whatever direction they are pointed.
2. **The AI value gap.** Most AI investment is waiting on people, and the manager decides whether it pays.
3. **The thinning manager layer and bench.** AI is removing the rungs future leaders used to climb.
4. **Leaders hear about it last.** The gap between what leaders believe and what employees report is wide.
5. **The quiet exit.** Low quit rates are hiding how many people have already left in their heads.

We wrote this to test our thinking. Tell us where it matches what you see, and where it does not.

02 · CHALLENGE ONE

Alignment at AI speed

“AI lets a team cover in a week the ground that used to take a quarter. If they are pointed slightly wrong, they get to the wrong place sooner.”

THE EVIDENCE

- Only 46% of US employees strongly agree they know what is expected of them (Q3 2026), ten points below the 2015 high of 61%. The decline was steepest among remote and hybrid employees in AI-adopting organizations.[1]
- Gartner predicted in 2024 that at least 15% of day-to-day work decisions will be made autonomously through agentic AI by 2028, up from 0% in 2024.[5]
- Only 24% of leadership teams agree on who should be accountable for AI agents.[4]
- Only 26% of AI users say leadership is clearly and consistently aligned on AI.[6]

WHY AI MAKES IT WORSE

Before AI, a misaligned team produced misaligned work slowly enough for someone to notice. AI raises the output rate and lowers the effort per decision, so drift compounds in fewer weeks.

HOW BARYONS APPROACHES IT

Daily conversations surface where priorities are being heard differently. Team Resonance returns the pattern to the leader in aggregate, early.

A team that is slightly out of alignment now reaches the wrong place sooner, and further from where a correction is cheap.

A QUESTION WE ARE ASKING **Where in your organization would a slight misalignment travel furthest before anyone noticed?**

03 · CHALLENGE TWO

The AI value gap is a manager problem

“Most of your AI spend is waiting on your people, and the manager decides whether it pays.”

39%	53%	3x
OF ORGANIZATIONS REPORT ANY EBIT IMPACT FROM AI	ENGAGEMENT WITH AI, A PLAN, AND MANAGER SUPPORT	FRONTLINE LEADERS MORE CONCERNED ABOUT AI THAN SENIOR LEADERS

THE EVIDENCE

- 88% of organizations use AI in at least one function, while only 39% report any enterprise-level EBIT impact.[7]
- Organizational factors account for 67% of reported AI impact versus 32% for individual factors.[6]
- Engagement reaches 53% where frequent AI use, a clear AI plan, and active manager support are all present. In Q3 2026 the AI engagement advantage among remote and hybrid employees narrowed to two points.[1]
- Frontline leaders are three times more likely than senior leaders to be concerned about the impact of AI.[8]
- 52% of US workers say they feel worried about how AI may be used in the workplace (surveyed October 2024).[9]

WHY AI MAKES IT WORSE

The spend is front-loaded and visible; the adoption gap is slow and invisible. Worried people adopt slowly, and distributed workers lose the informal manager contact that drives adoption.

HOW BARYONS APPROACHES IT

A daily read on where people are confident, hesitant, or stuck, without adding meetings. For distributed teams, the conversation happens wherever the person is.

A QUESTION WE ARE ASKING **Where is your AI investment waiting on people rather than on technology?**

04 · CHALLENGE THREE

The thinning manager layer and bench

“AI is removing the rungs your next leaders used to climb.”

12.1	22%	20%
DIRECT REPORTS PER US MANAGER	GLOBAL MANAGER ENGAGEMENT	OF HR LEADERS CONFIDENT IN THEIR BENCH

THE EVIDENCE

- Average US span of control rose from 8.2 direct reports in 2013 to 12.1 in 2025.[3]
- Global manager engagement fell from 27% to 22% in one year; best-practice organizations held 79%.[2]
- Gartner predicted in 2024 that through 2026, 20% of organizations would use AI to flatten their structure, eliminating more than half of current middle management positions.[5]
- 71% of leaders say their stress has risen significantly since stepping into their role, and 40% of those leaders have considered leaving leadership as a result. Only 20% of HR leaders are confident in their leadership bench.[8]
- Burnout costs employers an estimated $10,824 per manager per year, against about $4,000 per individual contributor.[10]

WHY AI MAKES IT WORSE

The middle layer is where future leaders learned to lead. Remove the rungs and the people left must make decisions without waiting for a manager with twelve direct reports.

HOW BARYONS APPROACHES IT

Growth partner conversations, guided by COMPASS waypoints, develop judgment daily, inside the work. Team Resonance shows in aggregate where readiness and capacity are thin.

A QUESTION WE ARE ASKING **If your flattest team made its next ten decisions without its manager, how many would you be comfortable with?**

05 · CHALLENGE FOUR

Leaders hear about it last

“Nine in ten CEOs believe their people trust leadership. Fewer than half of employees agree.”

46%	29%	32%
OF EMPLOYEES SAY THEY TRUST LEADERSHIP	OF LEADERS TRUST THEIR IMMEDIATE MANAGER	OF LEADERS SAY THEIR LAST CHANGE LANDED

THE EVIDENCE

- Nearly 90% of CEOs believe employees trust their leadership; in a separate survey of employees, 46% agree. 40% of employees say their CEO has not been transparent enough about what AI means for their roles.[11]
- Leaders’ trust in their immediate managers fell from 46% to 29% between 2022 and 2024, now below their trust in senior leaders.[8]
- Only 32% of leaders say the last change they led achieved healthy adoption, and 79% of employees have low trust in change.[12]
- 37% of US employees strongly agree someone at work cares about them as a person, down from 47% in March 2020.[1]

WHY AI MAKES IT WORSE

More change, delivered faster, with fewer managers to carry the message back up.

HOW BARYONS APPROACHES IT

Annual and quarterly surveys report the gap after it has cost something. Team Resonance returns aggregate patterns while there is still time to act.

A QUESTION WE ARE ASKING **How long does it take for what your front line knows to reach you?**

06 · CHALLENGE FIVE

The quiet exit

“Low quit rates are hiding how many people have already left in their heads.”

29%	18%	60%
US ENGAGEMENT, Q3 2026	ACTIVELY DISENGAGED	LOWER TURNOVER UNDER STRONG PEOPLE MANAGERS

THE EVIDENCE

- US engagement fell to 29% in Q3 2026, the lowest since 2011; 18% are actively disengaged and 53% not engaged. About 11 million fewer US employees are engaged than in 2020.[1]
- The US quits rate was 2.0% in June 2026, near a decade low.[13]
- Moving from a manager at the 10th percentile of people management skill to one at the 90th predicts about 60% lower turnover, using causal research designs.[14]

WHY AI MAKES IT WORSE

Job insecurity holds people in place while their commitment leaves. When the market loosens, exits arrive in a wave.

HOW BARYONS APPROACHES IT

Early, aggregate signal on belonging, energy, and confidence, so the manager knows where attention is needed before the resignation letter.

A QUESTION WE ARE ASKING **If your strongest people had already decided to leave, how would you know?**

Change capacity, skills, and the numbers underneath

CHANGE CAPACITY

Willingness to absorb change is falling

Willingness to support enterprise change fell to 43% in 2022 from 74% in 2016, while planned changes per employee rose from two to ten.[15] Employers rank resilience, flexibility, and agility second among core skills.[16]

SKILLS

The training is funded; landing is the question

Employers expect 39% of core skills to change by 2030. Of every 100 workers, 59 will need training, and 11 are unlikely to receive it.[16] The question is whether learning lands with the people doing the work.

DOES THIS SHOW UP IN THE NUMBERS?

1,782
US PUBLIC FIRMS WHERE WELLBEING PREDICTED VALUE

23%
PROFITABILITY, TOP VS BOTTOM ENGAGEMENT QUARTILE

60%
LOWER TURNOVER UNDER STRONG PEOPLE MANAGERS

3.5%
ANNUAL ALPHA, BEST COMPANIES, 1984 TO 2009

- Across 1,782 US public companies, employee wellbeing predicted profitability and firm value, and wellbeing reported before 2020 predicted performance through 2023.[17]
- Top-quartile engagement units show 23% higher profitability and 78% lower absenteeism than bottom-quartile units.[18]
- In BT's call centers, happier weeks produced more sales, mainly through converting more calls.[19]
- Companies on the Best Companies to Work For list earned 3.5% annual four-factor alpha from 1984 to 2009. The author notes the driver may be good management itself.[20]
- The pattern holds outside the US: in Korea, high-satisfaction firms earn excess returns through higher productivity and retention.[21]

Signal while there is still time to act

DAILY
A few minutes with a personal, adaptive agent

→

AGGREGATE
Team Resonance, anonymized, no names in any section

→

TRIAGE
Each pattern returned as Act, Watch, or Amplify

Baryons is a leadership enablement platform. Each person has a personal Baryon, one adaptive agent they talk with by phone or web for a few minutes a day. It brings four conversation types into one relationship: a morning check-in, an evening check-out, a thinking partner, and a growth partner. Each call opens with an agenda built from what the Baryon already understands about the person's work, and the person can always redirect. Across a team, those conversations become a weekly Team Resonance for the leader, with each pattern triaged as Act, Watch, or Amplify, so leaders see where clarity, confidence, and capacity are slipping while there is still time to course correct. Deployment is a participant list and a phone number.

Why the leader, and why reflection. A study of 46,336 UK workers found individual-level wellbeing programs, including apps, showed no benefit for employees; the lever is how work is led.[22] Leaders already reach for reflection: it is their most common way of managing stress (74%), and leaders who combine reflection, open discussion, and learning are 1.5 times less likely to plan to leave their roles.[8]

LIVE TODAY

Individual Resonance
A weekly reflection for each person, theirs alone.

Team Resonance
A weekly read for the leader, aggregated and anonymized, framed as Act, Watch, Amplify.

One adaptive agent
A personal Baryon that opens each call with its own agenda and follows the person's lead. Phone or web, nothing to integrate.

PRIVACY BY DESIGN

Team Resonance is fully anonymized and aggregated, with no names in any section. Baryons does not tell an organization who its successors are or who might leave. It shows leaders, in aggregate, where clarity, capacity, and readiness are thin.

09 · CITATIONS

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Numbers match the superscripts throughout the paper.

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Tell us what we got wrong

This paper is a working view. We are sharing it with leaders and advisors whose judgment we trust, and we would value yours. The five challenges are our reading of the evidence; you see them from inside an organization every day.

CHALLENGE	THE QUESTION WE ARE ASKING
Alignment at AI speed	Where in your organization would a slight misalignment travel furthest before anyone noticed?
The AI value gap	Where is your AI investment waiting on people rather than on technology?
The thinning manager layer and bench	If your flattest team made its next ten decisions without its manager, how many would you be comfortable with?
Leaders hear about it last	How long does it take for what your front line knows to reach you?
The quiet exit	If your strongest people had already decided to leave, how would you know?

Which of these five is costing you most today, and what did we miss?

NEXT STEP

Twenty minutes in the next two weeks to tell us where this matches what you see, and where it does not. Reply with two times that work.