TIGERS® SUCCESS SERIES

THE GREAT CORPORATE SKILL DRAIN

The hidden cost of disconnected people, processes, and technology in 2027 and beyond

An Executive Briefing for CEOs and COOs | Inaugural Edition | November 2026

THE EXECUTIVE TAKEAWAY

Business leaders are being asked to deliver more with less certainty. Technology is changing work. Skills are shifting. Costs and customer expectations remain under pressure. Political, economic, and environmental disruptions can quickly change the conditions under which a company operates.

Executives cannot control every external force. They can control how well their organizations recognize problems, share information, make decisions, transfer knowledge, coordinate work, and adapt. When those capabilities are weak, the business pays through delays, rework, missed opportunities, management overload, and technology investments that underdeliver.

The central issue is not simply whether a company has talented people or advanced systems. It is whether the organization can turn those resources into coordinated performance—consistently, as it grows and conditions change.

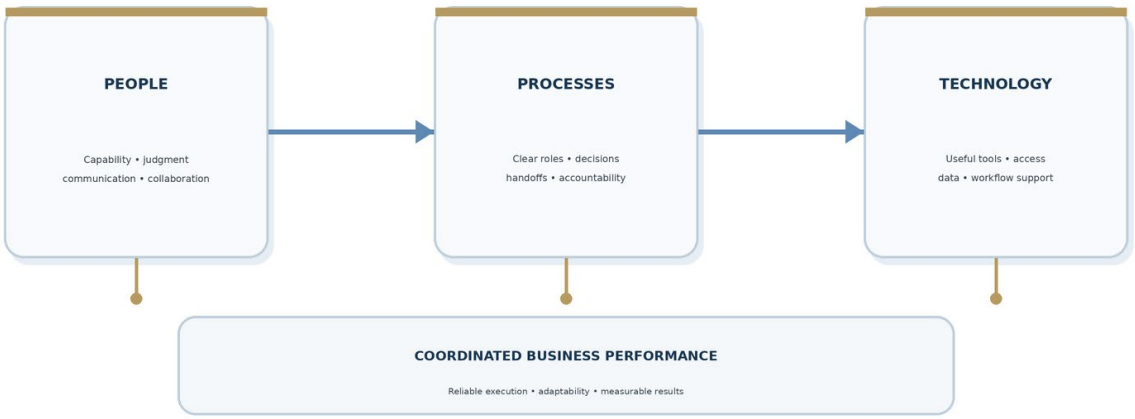
THE EXECUTIVE QUESTION

Business impact Are your people, processes, and managers equipped to turn disruption and investment into reliable business performance?

THE COST OF IGNORING THE PROBLEM Disconnected work compounds into lost capacity, slower execution, avoidable cost, and weaker customer outcomes.

Executive response Treat organizational capability as an operating priority. Find the friction, quantify its consequences, and strengthen the practices that keep work moving.

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PEOPLE, PROCESSES, AND TECHNOLOGY MUST WORK TOGETHER

THE SIGNALS LEADERS SHOULD NOT IGNORE

93% / 7% Deloitte's Tech Trends 2026 report describes AI investment as heavily weighted toward technology rather than people. This is a reported allocation pattern, not a universal audited ratio.[1]	**56%** Ricoh reports that surveyed employees experience friction or extra work accessing information, knowledge, and data through workplace tools.[2]
45% Ricoh reports that surveyed employees use non-approved tools at least monthly to get work done more easily. This does not establish that every use violates policy.[2]	**77%** In Korn Ferry's Talent Trends 2027 survey, respondents expected capability gaps to be a greater challenge than talent shortages. These are expectations, not measured outcomes.[3]

These findings do not prove a specific amount of lost profit or establish that one factor causes another. They identify operating conditions executives should investigate in their own organizations.

1. THE EXTERNAL PRESSURES COMPANIES CANNOT CONTROL

Political and geopolitical shifts can change trade rules, tariffs, sanctions, market access, and supply-chain reliability. Economic conditions affect borrowing costs, labor expenses, customer demand, and access to capital. Technological disruption brings both opportunity and exposure, from AI adoption to cyberattacks and data security. Demographic change affects retirements, skills availability, and the transfer of institutional knowledge. Climate, energy, and resource volatility can disrupt facilities, transportation, insurance, and production. Customer and social expectations continue to change what buyers and employees expect from organizations.

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These forces do not affect every industry equally, and no company can forecast every disruption. But their combined effect is to make adaptability an operating requirement rather than an occasional change initiative.

WHAT THIS MEANS FOR THE BUSINESS

Business impact External volatility can change costs, demand, supply, technology, and workforce availability faster than annual plans anticipate.

THE COST OF IGNORING THE PROBLEM A company that cannot respond quickly may lose margin, miss delivery commitments, struggle to retain expertise, or make costly decisions with incomplete information.

Executive response Build internal capacity to detect change, share reliable information, make timely decisions, and adjust work without losing operational discipline.

2. THE INVESTMENT BLIND SPOT

Companies can invest heavily in AI and digital technology without investing adequately in the people, workflows, and management practices required to turn that technology into results. Deloitte's 2026 Tech Trends report describes a 93% technology / 7% people allocation pattern in AI investment. The figure is not a universal spending ratio, but it raises a useful executive question. Is the human side of implementation receiving enough attention?[1]

A system can be installed on time and still fail to improve performance. Employees may not understand new responsibilities, managers may not know how decisions should change, and workflows may preserve the same bottlenecks the technology was supposed to remove.

THE INVESTMENT BLIND SPOT

Business impact Technology spending creates potential capability; redesigned work and prepared people determine whether the business realizes it.

THE COST OF IGNORING THE PROBLEM Underused platforms, duplicated effort, low adoption, and unchanged processes can weaken the return on technology investment.

Executive response Include workflow redesign, employee readiness, manager preparation, clear decision rights, and business outcome measures in the investment plan from the beginning.

3. THE HIDDEN COST OF WORKPLACE FRICTION AND UNAPPROVED TECHNOLOGY

Ricoh's 2026 workplace research found that 56% of surveyed employees reported friction or extra work accessing information, knowledge, and data through workplace tools. It also found that 45% reported using non-approved tools at least monthly to get work done more easily.[2] These are separate findings. They do not show that the same respondents experienced both conditions.

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The findings point to a practical problem. When approved systems make routine work difficult, employees may create workarounds. Some may be harmless shortcuts. Others may expose the company to security, privacy, governance, or recordkeeping risks. Treating every workaround as misconduct misses the operational question. What is preventing the approved process from working?

THE FRICTION TAX

Business impact Repeated workarounds can signal that the official workflow, information access, or tools are not meeting the needs of the work.

THE COST OF IGNORING THE PROBLEM Unexamined workarounds can create duplicated effort, inconsistent records, security exposure, and hidden dependence on individual employees.

Executive response Investigate why the workaround exists. Remove unnecessary friction while preserving security, privacy, and sound controls. Make it normal to report process failures.

4. THE COST OF EMPLOYEE SILENCE

The people closest to a process often see defects, customer concerns, safety issues, software problems, and inefficient workarounds before senior leaders do. But seeing a problem and raising it are not the same thing. Employees may stay quiet when they expect blame, dismissal, retaliation, or no meaningful response.

This section is an operational argument, not a claim that one culture metric predicts a specific level of customer churn. The risk is straightforward. When warnings arrive late, leaders have fewer options. A defect may reach more customers. A software issue may disrupt a larger workflow. A small disagreement may become a missed deadline or an avoidable departure.

THE COST OF SILENCE

Business impact Early warnings are an operating resource. Leaders need accurate information from the people closest to the work.

THE COST OF IGNORING THE PROBLEM Problems become more expensive when they remain hidden, are raised too late, or are reported without a clear response and owner.

Executive response Make it safe and expected to raise concerns. Respond visibly, assign responsibility, resolve or escalate the issue, and close the loop with the people who spoke up.

5. THE 2027 AI AGENT DILEMMA & WHO DEVELOPS THE NEXT GENERATION?

As AI tools and agents take on more routine tasks, companies will need to decide how employees develop the judgment, context, and practical experience that those tasks once helped build. Entry-level work has often provided exposure to customers, systems, exceptions, quality standards, and the way decisions move through an organization.

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Korn Ferry's Talent Trends 2027 research found that 77% of surveyed talent and senior leaders expected capability gaps to be a greater challenge than talent shortages.[3] That finding reflects leaders' expectations. It does not prove that AI will eliminate entry-level jobs. It does reinforce the need to think ahead about how skills are developed as work changes.

The question is not whether to automate routine work. It is how to redesign learning when routine work changes. Without deliberate alternatives, companies may improve short-term efficiency while weakening the pipeline of future specialists, supervisors, and managers.

THE TALENT PIPELINE PROBLEM

Business impact Automation changes not only who performs tasks, but also how early-career employees gain experience and judgment.

THE COST OF IGNORING THE PROBLEM Removing routine work without replacing its learning value can leave future employees less prepared to handle exceptions, customers, and complex decisions.

Executive response Redesign entry-level pathways. Build structured coaching, job rotations, supervised problem-solving, peer learning, and real responsibility into daily work.

6. FLUID WORK, RIGID STRUCTURES

Work is increasingly organized around skills, projects, and changing business needs. Korn Ferry's 2027 survey describes expectations for more skills-based work, movement across projects, and greater investment in reskilling.[3] These are reported expectations, not proof that every company is already moving in this direction.

Midmarket organizations may still rely on fixed departmental boundaries, narrow job descriptions, and decisions that move up and down a hierarchy. Those structures can provide clarity and control, but they can also slow work when a customer issue, technology change, or operational problem crosses several functions.

THE ORGANIZATIONAL DESIGN GAP

Business impact As work crosses functions more often, teams need clear ways to share expertise, make decisions, and own results across boundaries.

THE COST OF IGNORING THE PROBLEM Rigid handoffs and competing departmental priorities can slow customer response, duplicate work, and leave important problems without a clear owner.

Executive response Create cross-functional agreements for ownership, decision authority, information sharing, escalation, and handoffs. Keep accountability clear while allowing expertise to move to the work.

7. TAKING BACK CONTROL IN 2027 AND BEYOND

External disruption is not going away. The practical opportunity for executives is to strengthen the internal capabilities that determine how well the organization responds. These are not abstract leadership virtues. They are operating disciplines that can be observed, assigned, and improved.

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- **Design how work gets done.** Clarify processes, decision rights, ownership, and cross-functional handoffs. Remove unnecessary approvals and recurring bottlenecks.
- **Develop people continuously.** Build coaching, mentoring, knowledge transfer, and practical learning into everyday operations. Prepare employees for changing responsibilities before gaps become urgent.
- **Strengthen management capability.** Equip managers to guide change, develop people, resolve problems, and coordinate across functions—not simply monitor task completion.
- **Make communication and problem-solving operational disciplines.** Expect people to share information, raise concerns early, address disagreements constructively, and follow through on commitments.
- **Connect technology to actual work.** Evaluate systems against real workflows, employee readiness, security, data access, and measurable business outcomes.
- **Measure and reinforce improvement.** Establish a baseline, track operational indicators and observable behaviors, and review whether changes improve execution over time.

TAKING BACK CONTROL

Business impact Companies cannot control every external disruption, but they can strengthen how people, processes, and technology work together.

THE COST OF IGNORING THE PROBLEM Without deliberate operating disciplines, growth and change can multiply friction, management complexity, and execution risk.

Executive response Choose a high-friction workflow, establish a baseline, agree on specific changes, assign owners, and review evidence of progress. Scale what works.

8. THE BEHAVIORAL FRAMEWORK FOR HIGH-PERFORMANCE GROUP PROCESS

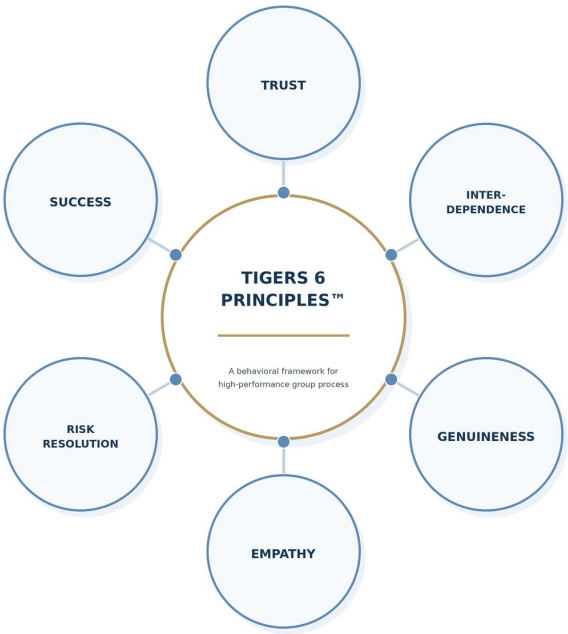
The six executive actions in this report depend on how people work together every day. Clear processes and technology are not enough if people cannot rely on commitments, share information, speak candidly, consider the impact of decisions, resolve problems, and work toward shared results. High-performance group process is what enables people with different responsibilities and expertise to coordinate their work and turn organizational priorities into results.

The TIGERS 6 Principles™ are a behavioral framework for high-performance group process. The six principles work together to guide how people communicate, coordinate, make decisions, resolve problems, and accomplish shared work. They support an organization's vision, mission, and values by helping people translate those commitments into consistent workplace behavior. They are principles of group process, not a replacement for an organization's values:

- **Trust.** People can rely on one another and on commitments. Concerns can be raised and addressed constructively.
- **Interdependence.** People understand how their work affects others and take responsibility for shared outcomes and handoffs.
- **Genuineness.** People communicate respectfully, sincerely, frankly, and forthrightly.
- **Empathy.** People consider the impact of decisions on colleagues, customers, and other stakeholders while maintaining standards and accountability.

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- **Risk Resolution.** People surface issues, examine causes, make decisions, and follow through before problems become more costly.
- **Success.** People connect individual contribution, team performance, and organizational results.



THE TIGERS 6 PRINCIPLES™ — CLOCKWISE FROM TRUST

For executives, the practical test is whether these principles are visible when deadlines tighten, priorities conflict, customers are waiting, or a system fails. They can be put into practice through clear team agreements, manager practices, structured feedback, and measurement over time. The objective is not simply better relationships. It is more reliable group process and stronger execution in support of the organization's vision, mission, and values.

9. WHAT ORGANIZATIONAL CAPABILITY LOOKS LIKE IN PRACTICE

Northrop Grumman: considering the human consequences of workforce change

In the late 1980s, Northrop Grumman's head ethicist requested a TIGERS 6 Principles simulation because a poorly handled workforce reduction raised concerns about possible retaliation by employees who believed they had been treated unfairly, with impacts that could impact national security. The exercise helped leaders consider the human consequences and risks involved. Employees whose positions were eliminated were often capable, loyal people affected by global economic and political changes—not people who had failed in their work. Support included transition counseling, résumé development, and letters of recommendation. Northrop Grumman trainer Adrianne Edmondson later presented the exercise at a Los Angeles conference, generating 25 letters of intent.

The lesson is not that a simulation removes the difficulty of workforce reductions. It is that difficult business decisions still require attention to how people are treated, how risks are anticipated, and whether commitments are followed through.

Native Enterprise: coordinating expertise across a complex operation

TIGERS brought together a five-person team of independent experts to help Native Enterprise reorganize a furniture manufacturing operation. The marketing consultant led the effort to secure a nearly $2 million Administration for Native Americans grant. TIGERS helped establish the team agreement and co-working understandings that guided how the specialists coordinated their work. The team combined engineering expertise through Gonzaga University, business planning and marketing, Native counseling, furniture design, and

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organizational development. The grant was co-administered with the Tribe's economic development department, which paid employee wages through the grant; TIGERS paid the team and supported project-plan execution along with organizational development.

The work addressed manufacturing bottlenecks, a divide between white leadership and Native employees, and longstanding family conflicts that had damaged trust. The team established collaboration agreements, clarified handoffs and deadlines, and addressed missed commitments. The initiative produced new furniture designs for sale to Tribes across the United States.

These case examples are drawn from TIGERS Success Series, Inc.'s direct practitioner experience. They illustrate the application of the TIGERS framework in complex organizational settings and the work undertaken by the people involved.

WHAT THE EXAMPLES ILLUSTRATE

Business impact Complex work depends on more than individual expertise. People with different roles must coordinate decisions, commitments, and practical knowledge.

THE COST OF IGNORING THE PROBLEM When relationships, handoffs, and accountability are weak, even capable specialists can struggle to deliver a shared result.

Executive response Make collaboration agreements explicit, clarify who owns each handoff, and address missed commitments early. Treat these as operating practices, not slogans.

THE BOTTOM LINE

The next competitive advantage may not come from buying more technology. It may come from getting more value from the technology, expertise, and people already inside the business.

The corporate skill drain is the gap between what an organization expects people to deliver and the human operating capability it has deliberately developed. That gap becomes visible in slow decisions, broken handoffs, preventable rework, risks raised too late, and talent that cannot contribute its full value.

The companies better prepared for 2027 and beyond will not be those that eliminate uncertainty. They will be those that can learn, adapt, coordinate, and execute while uncertainty continues.

THE FINAL EXECUTIVE TEST

Business impact Can your organization turn changing conditions into coordinated action without losing momentum?

THE COST OF IGNORING THE PROBLEM If not, the cost may appear in missed opportunities, slower execution, avoidable expense, and an organization that becomes harder to scale.

Executive response Strengthen the operating practices that connect people, processes, and technology. Measure whether they make work more reliable and results more consistent.

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ABOUT THE TIGERS 6 PRINCIPLES™

The TIGERS 6 Principles™—Trust, Interdependence, Genuineness, Empathy, Risk Resolution, and Success—form a behavioral framework for high-performance group process. The principles guide how people work together to communicate, coordinate responsibilities, address problems, make decisions, and follow through on shared commitments. They support an organization's vision, mission, and values by establishing the behavioral foundation for putting those commitments into practice. TIGERS is not a substitute for an organization's values. It provides a disciplined way for people to work together in support of them.

The TIGERS Workforce Behavioral Profile™ underwent an initial four-year validation process that included two independent enterprise-level studies. Building on that foundation, the assessment is now being extended to identify more granular micro-behavior patterns. Its two-series process follows the same group at two points in time, providing a way to examine behavioral patterns and change across the group.

SOURCES AND EVIDENCE NOTES

[1] Deloitte, Tech Trends 2026, “The AI transformation in numbers.” Deloitte presents an approximately 93% technology / 7% people allocation, drawing on Deloitte research on AI investment allocation patterns and prior spending-outlook sources. This is not a universal audited spending ratio. https://www.deloitte.com/us/en/insights/topics/technology-management/tech-trends.html

[2] Ricoh USA, “Businesses face added productivity, governance and security challenges with disconnected workplace technology,” 2026. The 56% and 45% figures describe surveyed respondents' reported experiences and behaviors. They do not establish a quantified financial loss or prove that the same respondents account for both findings. https://www.ricoh-usa.com/en/newsroom/businesses-face-added-productivity-governance-and-security-challenges-with-disconnected-workplace-technology-according-to-new-ricoh-data

[3] Korn Ferry, “Talent Trends 2027,” survey of more than 1,300 talent and senior leaders in more than 75 countries. Percentages describe respondents' expectations and plans, not measured outcomes. https://www.kornferry.com/insights/featured-topics/future-of-work-articles/talent-trends

[4] Northrop Grumman and Native Enterprise case examples are based on direct practitioner experience and records maintained by TIGERS Success Series, Inc.

[5] TIGERS Success Series, Inc., framework and assessment development materials. The initial validation of the TIGERS Workforce Behavioral Profile™ took four years and included two independent enterprise-level studies. Current work extends the assessment to examine more granular micro-behavior patterns through a three-survey process with the same group.

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