

Doing AI in 2026: From the Top Down

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About This Series

This is Part One of a two-part series on how I am personally navigating AI in 2026. Part One—"From the Top Down"—is written from the deal room: how AI is being solutioned, committed, and priced at the enterprise leadership level, and what the commercial and human consequences of that look like from the inside. Part Two—"From the Bottom Up"—will be written from the builder's desk: how I am going back to hands-on creation, using AI coding tools, Antigravity, and Harness to rebuild my practice from the ground up. The gap between these two perspectives is, I believe, the most important story in enterprise technology right now.

The AI tsunami that crested in late January has, by May 2026, receded into a surprisingly shallow pool. But the most revealing spectacle of these six months has not been the technology itself. It has been the whiplash in executive rhetoric—and the quiet redistribution of risk that came with it.

The same leaders who spent Q1 megaphoning the boundless magic of agentic systems—including myself—are now clearing their throats and issuing cautionary guidance on operational costs and genuine ROI. This is not a pivot born of humility. It is an early signal of a repositioning I have seen before—and one I am watching closely.

I have sat in those rooms. I have shaped those deals. And I want to be direct about something I am predicting, not yet reporting: if this cycle follows the pattern of every technology wave before it—offshoring, cloud, automation—the leadership layer that signs off on AI transformation commitments will prove structurally insulated from the consequences. When the narrative was soaring, leadership claimed the vision. When the numbers wobble, the question is whether they will claim the accountability too. History suggests otherwise.

January to March: The Surge and the Illusion of Control

In the early months of 2026, the enterprise AI narrative was entirely about control and capture. We signed multi-year agreements with conservative clients, binding probabilistic foundational models to deterministic Service Level Agreements. We built "shared responsibility" frameworks to define accountability between the cloud provider, the integration partner, and the client. For those deals I have worked on, the objective from the customer side was rarely a concrete business outcome; it was the appearance of agentic integration to explore the new technology, otherwise companies will be deemed outside of capitalist operating model. All enterprises have a kitty of budget irrespective their technical risk appetite

If you want to understand the market dynamics of that period, think of Indian traffic. The frontier AI companies—the Anthropics, the OpenAIs—were the vehicles at the absolute front, accelerating relentlessly, fuelled by venture capital, completely unbothered by the chaos in their rearview mirrors. Immediately behind them sat the major product and platform builders. Then came the tech service companies, trying entirely too hard to share that same lane.

Throughout March, tech service providers flooded the accelerator—maxing out AI partnerships, executing rushed acquisitions, and launching aggressive marketing campaigns to project an illusion of absolute parity with the product companies in Agentic rotation of the entire workforce and the internal culture .The AI-led savings were baked into deal constructs: 50++% headcount reduction assumptions, 50–60% developer productivity improvements, aggressive automation timelines. These numbers were not drawn from validated pilots. They were drawn from vendor pitch decks and the collective desire to believe.

And they were made possible by one hidden variable: the AI itself was—and still is—massively subsidized.

April to May: The Wave Recedes

By April, the abstraction of the boardroom collided with the reality of the delivery floor. The vehicles in the second position—platforms like Uber and Spotify—suddenly tapped the brakes. They publicly acknowledged that while AI coding tools and embedded features added superficial speed, they were failing to meaningfully move the needle on core business value. When these product companies realised that “token maxing” was just a massive operational expense masquerading as innovation, the tech service providers rear-ended them. The system integrators’ pristine, unconstrained AI narratives smashed squarely into the hard bumper of commercial reality.

The immediate threat of AI in the enterprise turned out not to be job displacement. The actual threat is systemic burnout — and I say that as someone who sits squarely in the part of the problem, I am describing. I have shaped agentic commitments, structured deals with future AI-led savings baked in, and handed delivery teams a set of assumptions I mostly likely not be there to defend when they are tested. That is the nature of my current role: we extract the vantage, we commit to the customer, and we move on to the next pursuit. The developers, architects, and DevOps engineers who will stand behind those commitments are already navigating the complexity of token usage limits, latency management, and predictive routing — trying to keep cloud costs from vaporizing project margins that were never stress-tested at real usage. The market facing leadership layer that commits and the delivery layer that executes are structurally separated — by design, by role, and often by the time the invoice comes due. I am in the former. I am not pretending otherwise.

Coding AI: Real Value, Real Limits

Let me be clear about what works. AI-assisted coding, testing, and refactoring deliver genuine productivity gains. I use these tools daily. They accelerate boilerplate, catch

patterns, reduce cycle time on routine tasks. For an experienced developer who knows what to ask for and how to validate the output, these tools are a meaningful lever.

But the 50–60% productivity improvement that gets cited in deal constructs which has SLAs to meet? That figure needs serious scrutiny. It holds for narrow, well-defined tasks—generating unit tests, refactoring legacy methods, writing documentation. It does not hold for complex system design, integration architecture, debugging production incidents, or navigating the political and contextual realities of enterprise codebases. The number that matters is not how fast a developer can produce code. It is how fast a team can deliver reliable, maintainable systems in production. Those are fundamentally different measurements.

And here is the question nobody in the deal room wants to ask: if AI-assisted coding is the most proven, most tangible value driver—will that alone be enough to justify the current price point of frontier AI infrastructure forever? Coding assistance is valuable. It is not a sufficient commercial foundation for the entire agentic economy that has been sold to enterprise customers.

The Agentic Question

This brings me to the deeper commercial concern. The enterprise has been sold a vision of autonomous AI agents that can handle complex, multi-step business processes without human intervention. The pitch is compelling. The evidence is thin.

I will share something from my own recent experience. I solutioned an agentic SLA framework for a large enterprise client—a serious, structured engagement with real commercial weight. I submitted the solution. And during the process, I asked the client a simple question: do you have any ROI benchmarks for this? Any validated return-on-investment framework for agentic deployments at this scale? They did not answer. Not because they were withholding. Because the answer does not exist yet.

Think about that for a moment. In nearly three decades of enterprise technology, I have never seen a situation where a handful of companies created a technology and the entire world's enterprises rushed to invest in exploring it—without having any ROI KPIs in mind. Not vague KPIs. No KPIs at all. Companies that had never managed to adopt cloud technology, that had resisted every prior wave of digital transformation, were suddenly allocating budget to AI exploration. Not because they had a business case. Because they felt that not doing so meant being left out of modern capitalism itself. The fear of exclusion replaced the discipline of evaluation.

Every agentic deployment I have seen in practice still requires a human agent in the loop—reviewing outputs, correcting reasoning failures, handling edge cases, managing exceptions. The “agent” is not replacing the human. It is adding a layer of complexity that the human must now manage on top of their existing workload. If agentic systems cannot operate reliably without human oversight—and as of May 2026, they cannot—then the value proposition being sold to customers is fundamentally overstated.

Why, then, should enterprise customers continue investing in agentic transformation at current price points? Not because the technology is autonomous. Because they have

already committed. The sunk-cost psychology of enterprise technology is powerful, and the vendors know it.

The Subsidy Trap

The structural issue beneath all of this is pricing. Frontier AI companies are not operating anywhere near the break-even to drive adoption and habituate the market. We are building massive enterprise dependencies—and personal addictions—on a commercial model that cannot sustain its own compute costs indefinitely.

If the current AI, which is heavily subsidized, is already failing to yield value commensurate with even its discounted price—what happens when the true cost is passed through? What happens to those deals where tech service companies have already baked AI-led savings into customer contracts, assuming the AI price will remain at current levels or become cheaper? Those assumptions are not conservative estimates. They are bets—placed with the client's money, on infrastructure the service provider does not control.

Eventually, the true cost of artificial intelligence will be corrected and passed down. The capital that funded the boom will have already extracted its value, leaving the investors and senior executives insulated from the correction. The margin compression will fall squarely on the delivery teams forced to maintain unscalable systems, and the end-users who can no longer afford the APIs they have built their operations around.

The Accountability Asymmetry: Who Pays When AI Optimism Has No Dashboard

This raises a concern that cuts deeper than technology or pricing. It is a question I have been sitting with for months, drawn from pattern recognition across three decades rather than current evidence: who gets the benefit of this AI investment, and where does the money actually come from? If it fails, whose salary gets cut? Whose increment stops? Whose role gets restructured out of existence? These questions have no official answers yet. But the groundwork for answering them is already being laid—quietly, and without fanfare.

Here is what I can observe as fact, right now: senior leadership in tech service companies has already extracted a commitment from delivery communities—approximately 60% effort reduction as the AI productivity dividend. That number has been taken upward into deal constructs and client conversations. What has not been defined, in any engagement I have seen, is a corresponding target for defect density. The metric that would actually reveal whether the productivity gain is real or borrowed has been left conspicuously open. The benefit has been captured. The risk remains unquantified—and it sits, by default, with the people doing the work.

The question I keep returning to—with genuine curiosity, not cynicism—is whether tech service companies will behave differently in this cycle than they did in offshoring, in cloud, in every prior wave of automation. In each of those cycles, commercial pressure was absorbed at the leadership level and delivery risk was pushed progressively

downward through middle management to the teams closest to the customer. I have not yet seen evidence that this cycle will follow a different path. I hope to be proven wrong.

In the business of AI—whether across the global economy or within a single enterprise—the super-wealthy are more or less insulated. The investors who funded the frontier companies will exit before the correction. The senior executives who championed the transformation will have moved to the next role, the next board seat, the next keynote stage. Their names are on the vision documents, not the delivery dashboards.

The burn—if and when it comes—will be borne by the unfranchised. Delivery managers, standing in front of the customer with red SLAs, will simultaneously face red operating margins in front of their own internal leadership. Their teams will absorb the full weight of AI's execution risks—with nowhere to redirect the pressure and no authority to have challenged the commitments that created it in the first place. The distinction that is almost never named: the team that gains the most from AI optimism is categorically different from the team exposed to AI's inefficiency risks. The former sits in the strategy layer—celebrated for vision, shielded from consequence. The latter sits at the delivery layer—accountable for outcomes they did not architect, on timelines they did not set, with pricing assumptions they were never asked to validate. Their failure will be visible on every operational dashboard, tracked and reviewed in every governance call. But the AI optimism that created those impossible commitments? That has no dashboard. There is no SLA on executive enthusiasm. There is no KPI for visionary overreach. The people who set the direction face no metric. The people who execute it face all of them.

Where This Leaves Us

I spent the first quarter of 2026 watching this unfold with deliberate distance, having routed my professional intelligence feeds exclusively through Claude and NotebookLM to insulate myself from the chaotic noise of the internet. I have immense gratitude for the leverage this technology provides. I am a reliant user, not a detractor.

But sitting in the deal room and the delivery room in the same career—and having done both for nearly three decades—I cannot pretend the current trajectory is sustainable. The technology works. The commercial model does not. And the people who will pay the highest price for that mismatch are not the ones making the decisions.

We have enthusiastically outsourced our cognition to a subsidized miracle. What remains to be seen is who will be left holding the bill when the subsidies finally stop, and the token-maxing addiction is forced into withdrawal.