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THE MISSING LEG

Executive Brief

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Gartner predicts that by 2028, 70% of enterprises will abandon agentic AI built by vendor forward-deployed engineering. That is a prediction, not a measurement — but it is worth taking seriously, because of why Gartner says it will happen: trapped by soaring costs, and unable to evolve on their own what was built on their behalf.

Forward-deployed engineering means the vendor's engineers embed with the customer, build the agents against the customer's data and workflows, and then leave. Gartner's remedy is contracting: get the engagement structure right from day one, with guidelines on governance, intellectual property ownership, knowledge transfer, and an exit strategy. Gartner's own line is that these engagements fail structurally before they fail technically.

That remedy is not enough. An exit strategy transfers documents, not ownership. When the vendor's engineers walk out, what walks out with them is the knowledge of how the thing actually works — the undocumented prompt chains, the customer-specific integrations, the reasons behind the choices. The buyer is left holding a system it cannot evolve, and paying to maintain a black box. The contract can promise knowledge transfer. It cannot transfer what was never owned in the first place.

I saw the pattern twenty years before Gartner named it. In my paint company I installed Microsoft Dynamics for workflow. The workflow was akin to the early computer days, where you made the software "bend" to provide a solution. Field names were not plain English — only descriptions that only the installer knew what they meant. The chief executive, who had a Computer Science degree, outlined the workflow himself. There was no governance, because the company was lean on admin staff. (The software has surely improved since; this is not a description of Dynamics today. It is a description of what happens when the knowledge lives with the installer and nowhere else.)

That is also why the knowledge-transfer clause fails. The chief executive does not have the time or the understanding of how the engine works, so it is left to the CIO, who delegates it to a trainer who has to train the user. Then the user throws a curved ball, and the trainer is stumped on two levels: not knowing daily operations at an operational level, and not having been involved in specking the workflow. The transfer chain itself is the flaw. Each handoff loses something, and the person at the end — the one standing in front of the user — knows the least about the work the system is supposed to do.

Here is the harder part, and the part the consultants skip: governance is a luxury only massive companies deploy, and even there its upkeep is not interesting to anyone, so it decays. Most companies are lean. They do not have admin staff for governance. That is their Achilles heel in deploying AI — and it is exactly where AI agents will need to be extensively used. Which leads to the Jevons paradox: when agency gets cheaper and easier, companies deploy more agents, not fewer. The governance gap does not close. It widens, multiplied by every new agent acting on data nobody owns and decisions nobody questions.

So the lean company does the only thing it can: it employs a consultant, who will be paid to learn on the assignment before they add value. That is the vendor trap restated as a business model. And the company cannot move to square 2 — the stance of questioning data before trusting it, rather than adopting AI because it is the in thing — because that leg of the chair is missing.

McKinsey's numbers point the same way, from the other side. In its State of AI 2026 survey, 89% of organisations use AI in at least one function, but only 37% report any impact on earnings before interest and taxes, flat on the previous year, and only 6% qualify as high performers. Those are survey findings, not proven outcomes — the deployment is still untested. But the shape is consistent:

adoption solved, value not. The few who capture value are the ones who already had the structure.

Which brings us to the sentence that survives all of this: AI will create competitive advantages for companies with deep pockets, and companies outside the Forbes Global 2000 will just be left behind. Deep pockets buy governance, capability, and the ability to keep a system evolving after the vendor leaves. Everyone else gets the demo, the black box, and the bill.

Before the next vendor engagement, then, name the seats — and fill the one nobody budgets for. Who owns the data? Who owns the decisions? Who owns the outcome? And who is "The Questioner," the person whose job is to ask whether the data behind the decision is actually true, before the agent acts on it? An exit strategy is a document. Ownership is a person. Until the person exists, the leg is missing, and the chair will not stand.

Sources

- Gartner press release, 29 September 2026: "Gartner Predicts 70% of Enterprises Will Abandon Agentic AI Built by Vendor Forward-Deployed Engineering by 2028." Figures cited are Gartner's predictions, including that fewer than 20% of FDE engagements will turn recurring customer needs into vendor core-product capabilities.
- McKinsey, "The State of AI in 2026: On the road to ROI" (25 August 2026; 1,719 respondents across 97 countries, surveyed 4 May–8 June 2026). Figures cited are survey-reported findings.
- Forbes Global 2000: the world's largest public companies, ranked on sales, profits, assets, and market value. (Note: no "Fortune 2000" list exists; Fortune publishes the 500, Global 500, and 1000.)

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