
SIGHTSHIFT® RESEARCH REPORT — AI EDITION

AI Didn't Create a Leadership Crisis. It Revealed One.

What happens when the most powerful tool in history meets the most common leadership weakness. Identity Fear Quotient® data from more than 1,000 leaders predicts exactly how AI adoption goes wrong.

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SAMPLE

1,000+ leaders
36 U.S. organizations

PERIOD

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EXECUTIVE SUMMARY

AI didn't create a leadership crisis. It revealed one.

The companies most likely to fail in the AI era aren't the ones with bad technology strategies. They are the ones whose leaders can't handle pressure. New data from SightShift's Identity Fear Quotient[®] (IFQ[®]) shows that the same identity fears that distort leadership behavior under stress — rigidity, control, and hiding — are being amplified by AI rather than fixed by it. AI sycophancy meets leadership insecurity, and the result is an organization moving faster in the wrong direction with more confidence than ever before.

- 1 53% of leaders operate from fears that produce rigidity or control** (32.0% Being a Bad Person + 21.1% Bad Outcomes) — the exact instincts that fail in an era demanding adaptability and experimentation.
- 2 Roughly 69% of all leaders are hiding-dominant under pressure**, and at the C-suite level that rises to 87% — the leaders making the biggest AI adoption decisions are the least likely to be honest about what they don't know.
- 3 AI amplifies the existing pattern.** Sycophantic models reinforce rigid leaders' binary thinking, give controlling leaders a tool to micromanage at scale, and let hiding leaders avoid the human conversations that matter most.
- 4 Most AI implementations fail at the identity layer, not the technology layer.** RAND and Gartner peg AI project failure at 80%+; the IFQ[®] data suggests a contributing cause: adoption decisions made from insecurity rather than self-aware leadership.
- 5 AI readiness is an identity question, not a tooling question.** The pre-condition for AI delivering organizational value is whether the leaders deploying it have measured and named the fears driving their decisions.

Recommended next step: Before scaling AI adoption, measure the identity fears active on the leadership team using the IFQ[®], and assess the team's culture risk profile using the Culture Risk Report[™].

AI Didn't Create a Leadership Crisis. It Revealed One.

What happens when the most powerful tool in history meets the most common leadership weakness? New data from more than 1,000 leaders predicts exactly how AI adoption goes wrong.

The companies most likely to fail in the AI era aren't the ones with bad technology strategies. They're the ones whose leaders can't handle pressure. And according to new research from SightShift[®], based on Identity Fear Quotient[®] (IFQ[®]) data from more than 1,000 first-time respondents at 36 U.S. organizations, that's most of them.

Here's what the data shows: 53% of leaders operate from one of two fears that produce either rigidity (making everything black and white) or control (trying to manage every variable). And roughly 69% of all leaders default to hiding under pressure, withdrawing from the very conversations, risks, and decisions that adaptation requires. At the C-suite level, that number climbs to 87%.

Now hand those leaders AI.

The Amplification Problem

AI doesn't fix insecurity. It amplifies it. And the way AI is built makes the problem worse than most people realize.

The rigid leader now has the world's most agreeable advisor. AI chatbots are engineered to be sycophantic. They validate, affirm, and align with the user's framing. Research has documented this across every major model: ask a leading question, get a polished answer that confirms what you already believe. For a leader whose insecurity makes them collapse every problem into black and white, AI becomes the ultimate yes-man. They ask a binary question, AI delivers a binary answer wrapped in eloquent reasoning, and the leader calls it research. The range of possibilities their team is allowed to explore gets narrower, not wider. The difference is that now the narrowing comes with a citation.

Charlie Munger once said he'd rather hire a 130 IQ who thinks it's 120 than a 150 IQ who thinks it's 170. AI sycophancy is creating an entire generation of leaders who think their judgment is sharper than it is, because the most powerful tool on their desk never pushes back.

The controlling leader now has a tool that lets them micromanage at a scale that wasn't previously possible. They can monitor, measure, and optimize every output without ever having to trust another human being to figure it out on their own. Delegation becomes even more terrifying when AI offers the illusion that one person can do everything. The leader who was already afraid to let go now has a legitimate reason not to: "I can just do it with AI." The team atrophies. Decision-making centralizes. And the organization becomes more fragile, not less, because everything runs through a single fear-driven bottleneck with a powerful tool.

The hiding leader now has a more sophisticated place to hide. AI can draft the difficult email, generate the performance review, produce the strategic plan. But the thing that was missing was never the

document. It was the leader's willingness to be in the room, vulnerable and present, when the conversation needed to happen face to face. AI gives hiding leaders the ability to handle conflict, feedback, and hard decisions without ever being emotionally present for any of them. The team feels the difference. They're getting polished communications from a leader who is more absent than ever.

This is why most AI implementations will fail. Not because the technology doesn't work, but because the leaders deploying it are using it to serve their fears rather than confront them. AI sycophancy meets leadership insecurity, and the result is an organization that moves faster in the wrong direction with more confidence than ever before.

What the Research Actually Found

SightShift[®] conducted one of the most comprehensive studies of identity-driven leadership behavior under pressure ever published. The IFQ[®] assessment, the only leadership tool that measures how insecurity shapes behavior under pressure, was completed by more than 1,000 first-time respondents at 36 U.S. organizations between 2024 and 2026.

The #1 fear driving leaders isn't what anyone expected.

32.0% of leaders are driven by the fear of being a bad person. Not the fear of failure. Not the fear of losing control. The fear that they are fundamentally defective, that their mistakes are fatal flaws. Under pressure, this fear produces rigid, black-and-white thinking. These leaders force complex problems into binary choices and shut down the creative thinking their organization needs most.

In the AI era, creative thinking is the only thing that separates a leader from the machine. Rigidity is no longer just a leadership problem. It's an existential one.

21.1% are driven by the fear of bad outcomes. These leaders try to control every variable. In an era that demands experimentation, iteration, and comfort with uncertainty, their instinct is the opposite: lock it down, reduce the risk, control the process. AI gives them more data to feed the obsession, but the problem was never a lack of data. The problem is a leader who can't function without certainty.

Together, these two fears account for 53% of all leaders. One produces rigidity. The other produces control. In an era that rewards adaptability, more than half of your leadership team is structurally wired to resist it.

And roughly 69% of all leaders hide the problem. They don't blow up under pressure. They shut down. They withdraw, avoid the hard conversation, and present a version of themselves that feels safe. At the C-suite level, 87% hide. Zero senior executives in the study scored in the "strongly proving" range. The leaders making the biggest decisions about AI adoption are the same ones least likely to be honest about what they don't know.

The Real AI Readiness Question

Most organizations measure AI readiness by their technology stack, their data infrastructure, or their team's technical skills. None of that matters if the leaders making adoption decisions are doing so from fear.

A rigid leader will implement AI in ways that reinforce existing thinking, not challenge it. A controlling leader will use AI to centralize power, not distribute capability. A hiding leader will delegate AI strategy to someone else and avoid learning what they need to learn. In each case, the organization gets AI that serves the leader's insecurity rather than the organization's potential.

The real AI readiness question isn't "Do we have the right tools?" It's "Do our leaders have the self-awareness to use those tools without their fears distorting every decision?"

SightShift's research suggests that for 53% of leaders, the answer is no. Not because they lack intelligence or ambition, but because the identity fears shaping their leadership have never been measured, named, or addressed.

What Organizations Can Do

Measure what's actually driving leadership behavior. The IFQ[®] is a 4-question assessment that identifies the specific identity fear shaping a leader's decisions under pressure. It reveals whether they default to proving or hiding, and it maps the leadership mistake that fear produces. More than 1,000 leaders have taken it. The data is clear: you can't address what you haven't measured.

Take the IFQ[®] at sightshift.com/ifq.

Measure the team, not just the individual. The Culture Risk Report[™] extends the IFQ[®] to the team level, measuring nine culture risk factors that trace directly back to leadership insecurity patterns. When 53% of your leaders produce rigidity and control, it shows up in the culture. The Culture Risk Report[™] shows you exactly where.

Request a Culture Risk Report[™] at sightshift.com/culture-risk-report.

Start with a 3-minute check. The Validation Check[™] is a free self-assessment that measures whether your leadership culture is drifting toward insecurity-driven patterns. It takes 3 minutes and it's the fastest way to see if what this research describes is happening in your organization.

Take the Validation Check[™] at sightshift.com/validationcheck.

Study Methodology

Sample: More than 1,000 first-time respondents, including 83 identified C-suite executives, across 36 U.S. organizations.

Assessment: The Identity Fear Quotient[®] (IFQ[®]), a proprietary SightShift[®] assessment measuring identity-driven behavior under pressure across nine fear dimensions.

Data collection period: July 2024 through April 2026.

Sectors represented: Financial services, technology, manufacturing, legal, healthcare, education, food and hospitality, churches and ministry organizations, coaching and consulting.

Limitations: Sycophancy claims about AI models are referenced from published external research, not from this dataset. The C-suite subsample (n=83) is sufficient for directional patterns and should be interpreted with appropriate caution regarding generalizability.

Frequently Asked Questions

How does AI amplify leadership insecurity?

AI amplifies existing leadership patterns. Leaders driven by rigidity use AI to confirm binary thinking. Leaders driven by control use AI to micromanage at scale. Leaders who hide under pressure use AI to avoid human conversations. The tool doesn't create the behavior. It accelerates it. SightShift[®] research from more than 1,000 leaders shows that 53% operate from fears producing rigidity or control, and roughly 69% default to hiding under pressure.

What is the #1 leadership fear?

The fear of being a bad person, affecting 32.0% of leaders. Under pressure, this fear produces rigid, black-and-white thinking, the exact opposite of the creative, adaptive leadership the AI era demands. Combined with the fear of bad outcomes (21.1%), these two fears shape over half of all leadership decisions under pressure.

Why do most AI implementations fail?

Research from RAND and Gartner shows that 80%+ of AI projects underperform or fail. SightShift[®] research suggests a contributing factor: the leaders making AI adoption decisions are operating from identity fears that produce rigidity, control, and avoidance. AI strategy shaped by insecurity serves the leader's fears, not the organization's potential.

Can leadership insecurity be measured?

Yes. The Identity Fear Quotient[®] (IFQ[®]) is the only leadership assessment that measures how insecurity drives behavior under pressure. It identifies which of nine identity fears is active, whether the leader defaults to proving or hiding, and what specific leadership mistake that fear produces. Data from more than 1,000 leaders demonstrates that these patterns are measurable, specific, and changeable.

What is the IFQ[®]?

The Identity Fear Quotient[®] (IFQ[®]) is a 4-question leadership assessment developed by SightShift[®]. Unlike DiSC[™], CliftonStrengths[™], or Enneagram, the IFQ[®] measures what happens to leadership behavior under pressure, not just in normal conditions. It has been taken by more than 1,000 leaders across 36 U.S. organizations.

What does "hiding" mean in leadership?

Hiding is one of two insecurity responses measured by the IFQ[®]. Leaders who hide under pressure withdraw, stay quiet, avoid difficult conversations, and present a safe version of themselves. Roughly 69% of leaders are hiding-dominant. At the C-suite level, 87% default to hiding. From the outside, hiding looks like composure or caution, which is why it goes undetected until the organizational damage is significant.

By Chris McAlister, Founder & CEO of SightShift[®]. Over 15 years developing leaders at organizations including Universal Studios, Chase, and Nationwide. Author of *Make Culture Your Edge*, *Lead for Impact*, and *Figure That Shift Out*.

ABOUT SIGHTSHIFT[®]

SightShift[®] develops leaders who develop leaders. Founded by Chris McAlister, SightShift[®] is the only leadership development company that measures how insecurity drives leadership failure. The Identity Fear Quotient[®] (IFQ[®]) has been taken by more than 1,000 leaders across 36 U.S. organizations. Learn more at sightshift.com.

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