



# People Last

“People first” is the most expensive mistake in professional services



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THE FLATTERING LIE

## “People Are Our Most Important Asset”

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You've said it. You've heard it said back to you. It has been printed on values posters, delivered in all-hands meetings, and written into the opening pages of strategic plans on five continents.

***It is also, as a sequencing instruction, completely wrong.***

The wreckage it leaves is measurable, recurring, and entirely avoidable.

This is not an argument against people. It is an argument about order. And in professional services, where people are the product, getting that order wrong is not a nuisance. It is an existential threat to the business.

THE NUMBER NOBODY WANTS TO OWN

## The Data Has Been Sitting There for 20 Years

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**40–50%** failure rate on new hires, consistently reported across two decades of research.

**46%** of new hires fail within 18 months — and 89% of those failures are attitudinal, not skill-based.

**38%** of newly hired executives fail within their first 18 months, according to the Center for Creative Leadership.

**\$240K** estimated true cost per bad hire when indirect costs are included (the U.S. Department of Labor sets the floor at 30% of first-year earnings).

One organization we know well had a first-year failure rate above two-thirds. Not a struggling startup. A professional services firm that kept hiring into conditions where success had never been defined, and kept getting the predictable result.

Thirty percent of managers who admitted to making a bad hire said they felt pressured to fill the role quickly. Speed is the enemy. And the urgency almost always comes from the same place: an organization that didn't do the hard work before the hire, is now paying for it after, and is rushing to do it again.



THE DIAGNOSIS

## Why Good People Fail (and Why It's About to Get Worse)

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Here is the question that is never asked at a bad hire retrospective: what if it wasn't the person?

The 89% attitudinal failure figure is almost universally interpreted as a candidate problem. But consider what most new hires in professional services walk into. A role defined under pressure, in general terms, against a deadline. A structure that evolved organically rather than being designed. Processes that are inconsistently followed and rarely documented. Accountability distributed in ways no one has fully mapped. And underneath all of it, an objective that the senior team would describe differently if asked on the same day.

*“Good people fail in these conditions not because they are not good. They fail because success has not been defined, the structure doesn't support it, and the processes required to deliver it don't reliably exist.”*

You haven't made a bad hire. You have built conditions that produce bad outcomes from good people, and then blamed the people.

### Now Add AI to That Picture

Every professional services firm is under pressure—from clients and from competition—to integrate AI into its delivery. That pressure is real and it is not going away. But deploying digital workers into an organization that hasn't defined its objective, aligned its structure, or mapped its processes is the organizational equivalent of hiring without thinking. The failure will be faster, more expensive, and considerably harder to explain.

More dangerously: in professional services, people are not merely employees, they are the delivery mechanism. When AI arrives without a clear organizational design that defines who owns what (i.e., which outcomes belong to human judgment and which to digital execution) the result is not efficiency: it is anxiety, resistance, and paralysis. People protect their territory not because they are selfish, but because nobody has told them what their territory actually is. The technology doesn't fail. The org design does.

The firms that do the organizational work first—that define what each function is accountable for before deciding who or what should do it—will integrate AI as a capability multiplier. Their people will know where they stand. Their clients will trust what they're getting. The firms that skip that work will face the same talent crisis they've always had, now running in parallel with a technology implementation that's making everyone nervous.



THE FRAMEWORK

## OSSPP: The Hard Work First

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The OSSPP framework was not developed in a classroom or a consulting engagement. It was built from the inside of real professional services organizations, with real P&Ls, where getting the sequence wrong had real consequences.

### **Objective → Strategy → Structure → Process → People**

Each must be genuinely resolved before the next one is addressed. Most organizations, examined carefully, are at least one step behind where they think they are.

**Objective.** What are you actually trying to do? Not the website version. The operationally specific answer to what success looks like and how you'll know when you've achieved it. When a senior team is asked this question individually and their answers compared, the results are almost always revealing. The misalignment was there all along, quietly defeating every initiative built on top of it.

**Strategy.** How are you going to achieve that objective? Strategy is not a list of priorities. It is a set of choices about where to compete and how to win, with direct implications for what the organization needs to be capable of and, therefore, what combination of structure, process, people, and technology it requires.

**Structure.** With what organizational architecture will you execute? Most org charts are inherited, not designed. They reflect history. Structure should reflect the future, including, critically, the explicit design of which outcomes belong to human professionals and which to digital workers. In professional services, this is not an abstract question. It determines what clients experience, what employees own, and whether the AI integration that clients are demanding actually works.

**Process.** By what means will the organization operate? Undefined process is one of the most reliable predictors of new hire failure, be they human or digital. A talented person cannot deliver consistently inside a process that doesn't exist. Neither can an AI agent. This is where the two converge: get the process right and both thrive. Skip it and both fail.

**People.** Only now does the people question become answerable with any precision. Who do you actually need? What capabilities does the strategy require that cannot be handled digitally? What kind of leader will thrive in this structure, own their outcomes, and work confidently alongside a digital workforce, rather than feeling threatened by one?

THE TEAM



## The People Who Do This Work

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Excelerators was built on a specific premise: the people best positioned to design Outcome Architecture are the ones who have lived inside the problem. Not consultants who studied it. Not technologists who built tools around it. Operators who ran the organizations, made the decisions, and learned what actually works.

### **Matt Seiler**

Matt has spent his career finding the idea at the heart of organizations and building the structures that make it real. As CEO of UM, he doubled global agency revenue during one of the worst financial crises in history—not by hiring more people, but by redesigning how the organization was structured and compensated around outcomes. The \$1.5 billion Chrysler win, on a pure pay-for-performance basis, was proof of concept for a model built on organizational clarity first. Across three CEO roles at Omnicom and IPG, he built operating margins more than double the holding company average. The structure preceded the hiring, every time.

### **Leah Weyandt**

Leah brings thirty-plus years of CHRO-level experience to the other side of this problem: what actually happens to people inside organizations where this work has and hasn't been done? She has led talent strategy across a ~5,000-person global workforce, partnered with five CEOs across PE and VC environments, navigated twelve M&A transactions, and contributed to enterprise value growth of 17.5x in a single investment lifecycle—\$40 million to \$700 million. She has seen from the inside what happens when people decisions get made before the organizational work is done. And she has spent her career building the alternative.

Together, they diagnose the misalignment, design the architecture, and execute the changes required to make it real—including executive search when it comes to that. They do not hand over a deck and disappear. Fees depend on outcomes, not hours. They stay until it works.

THE BOTTOM LINE

## Do the Hard Work First

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The hiring failure rate in professional services has been sitting around 46% for twenty years. The proposed solutions have almost always been variations on the same answer: better interviews, sharper job descriptions, more rigorous reference checks. None of that is wrong. But it addresses the wrong end of the problem.



The failure is not primarily in the selection. It is in the conditions the selected person is hired into. Fix those conditions and the people decision becomes dramatically more likely to work. Skip them and no amount of interview rigor will reliably save you.

The same logic applies to every AI and digital workforce decision now arriving at professional services firms. Getting that right is not a technology challenge. It is an organizational design challenge. And it demands the same answer: ***"Do the hard work first."***

People last. Done right, it is the most people-first decision you can make.

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**excelerators inc\***

Excelerators Inc. works with professional services firms and their investors on Outcome Architecture, the integrated design of how businesses charge clients, pay people, structure work, and deploy human and digital workers, all pointed at the same objective.

**Matt Seiler, CEO**

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