

**FOREWORD BY
SANGEET PAUL CHOUDARY**

THE HELIX MOMENT

How to Think,
Design and Lead in the
Co-Intelligence Age

Suhit Anantula



INDIA • SINGAPORE • MALAYSIA



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Dedication



For **Bindu**,

the steady **Line** that grounds me,

the gentle **Loop** that encourages me to try again,

and the quiet **Vibe** that makes it all feel worth it.

Contents

<i>Foreword</i>	7
<i>Author's Note</i>	11

Part I **The Moment (▲ LINES)**

Chapter 01	The World is Moving.....	14
Chapter 02	The Helix: Strategy × Design in Motion.....	19
Chapter 03	Why Strategy Needs Rhythm	26
Chapter 04	The Power of First Principles.....	28
Chapter 05	Lines. Loops. Vibes. - The Philosophy of Movement	31
Chapter 06	Collaborating with AI - Co-Intelligence.....	39

Part II **The Movement (● Loops)**

Chapter 07	The Strategic Navigation Challenge.....	47
Chapter 08	Strategy in Crisis: The Seven Faces of Strategic Dysfunction	54
Chapter 09	Face 1: The Paralysis - We Don't Know Where to Start	61
Chapter 10	Face 2: The Beautiful Plan - Our Plans Never Get Used.....	76
Chapter 11	Face 3: The Ivory Tower - Strategy Feels Disconnected from Teams	91
Chapter 12	Face 4: The Hamster Wheel - We're Stuck Reacting, Not Thinking Long-Term	98
Chapter 13	Face 5: The Whiplash - The World is Changing Too Fast.....	109

Chapter 14	Face 6: The AI Fog - We're Unsure How to Use AI in Our Strategy	124
Chapter 15	Face 7: The Safety Dance - We Want Innovation But Keep Playing It Safe.....	138
Chapter 16	Strategy in Motion: What You've Learned.....	156
Chapter 17	Introduction to Design Thinking in the AI Age - From Products to Systems.....	164
Chapter 18	The 5Ps of Loop Design.....	170
Chapter 19	Perceive - Never Forget the People.....	175
Chapter 20	Perform - Move with Intention	183
Chapter 21	Portfolio - Designing for Anti-Fragility.....	192
Chapter 22	Pause/Promote - Choose What Matters	202
Chapter 23	Progress - Build Learning Systems.....	212
Chapter 24	The 5Ps in Action - Where Design Becomes Strategy	222
Chapter 25	The 5Ps as a Rhythmic Meta-Framework	226

Part III

The Momentum (~ Vibes)

Chapter 26	The Multi-Rhythm Organisation.....	237
Chapter 27	The EEE Layer - A New Design Dimension for the AI Age.....	248
Chapter 28	AI in the Loop ~	257
Chapter 29	The Co-Intelligent Organisation	267
Chapter 30	Sensing Rhythm in Practice	280
Chapter 31	Discovering Rhythm Intelligence: Kodak vs. Fujifilm	287
Chapter 32	The Future of Strategic Design ~	297
<i>Source Code</i>		307

Foreword

Sangeet Paul Choudary

Best-selling author, Reshuffle and Platform Revolution, Senior Fellow at UC Berkeley, and C-level advisor to more than 40 Fortune 500 firms.

The world of strategy is full of companies that looked invincible until the frame shifted. Tower Records dominated music retail for decades, but mistook scale and shelf space for a defensible advantage just as digital distribution rewrote the economics of the industry. Polaroid, long synonymous with instant photography, bet heavily on film chemistry even as the very idea of photography was being reshaped by sensors and pixels. In each case, the failure wasn't poor execution or lack of agility. It was the inability to see that the real contest had already moved elsewhere. Each of these companies had smart people, sophisticated plans, and dominant positions. What undid them was not incompetence but the migration of value elsewhere, while they kept doubling down on yesterday's sources of advantage.

We are living through a moment of dramatic dislocation. Geopolitical volatility, cultural realignments, shifting work models, and above all, the rise of AI are reshaping the conditions under which strategy has always been practised. What once felt stable and predictable now moves with unsettling speed. Long planning cycles collapse under the weight of uncertainty. Control points that defined industries only a few years ago are dissolving or migrating. The foundations on which leaders have relied to chart the future are, quite literally, taking themselves apart.

Strategy has long been taught as if it were an exercise in foresight and control. Business schools armed generations of managers with five-year horizons, industry analyses, and carefully orchestrated rollouts. For a time, those tools worked because the world moved slowly enough that plans

could anchor decisions. But in the last two decades, the very conditions that made those approaches sensible have collapsed. Supply chains move at internet speed. Consumer tastes are shaped overnight by viral videos. AI writes, designs, and analyzes faster than we can read the reports. What was once a stable playing field now resembles a river in flood; constantly shifting channels, cutting new banks, and sweeping away anything that stands still too long.

I first started advocating the need for a new approach to strategy back in the early 2010s. That led me to write *Platform Revolution* - a book that gave leaders a new lens for understanding where value was migrating, and it helped reframe how investors, executives, and policymakers thought about competitive advantage. It demonstrated that platforms weren't side-stories in tech but the defining architecture of competition in the digital age.

The 2020s have been upended by similar technological forces as AI capabilities improve relentlessly. Sensing this, my 2025 book *Reshuffle* argues that the central challenge in moments of such structural uncertainty is not to move faster, but to reframe what game you are playing. Where you play and how you win are not eternal truths; they are contingent on the architecture of the moment. When the structure of an industry reshuffles and when the control points that once defined advantage migrate, leaders who fail to reframe will make brilliant moves in the wrong game. That is how incumbents collapse. They are not overtaken by nimble upstarts because they move slowly, but because they misjudge the field on which advantage is determined.

Reframing is not a luxury in times of structural uncertainty. It is the only way to survive. The danger is not in making a bad plan, but in treating the wrong plan as though it were sound. Blackberry's leaders had endless analyses, multiple scenarios, and sharp minds at the table. What they lacked was the willingness to abandon the assumption that their existing platform was the natural centre of gravity. They sought certainty when the real skill

lay in recognising that certainty was no longer on offer. The leaders who endure are those who treat reframing as a continuous discipline, not a crisis response.

With that, you need new tools for reframing. Once you recognise that the world has changed, you must also find a way to move with it. That is where most leaders stumble. They sense the shift, even articulate it clearly, but then try to address it with the same tools they used before. They call in consultants, produce thicker decks, and hold longer meetings. What they lack is rhythm. Strategy is not a static choice frozen in time; it is an ongoing movement between exploration, execution, and cultural sensing. The real challenge is not to find the perfect plan, but to operate across different modes - to know when to rely on structure, when to experiment, and when to listen for signals at the edge.

That is the gap that *The Helix Moment: How to Think, Design & Lead in the Co-Intelligence Age* sets out to address. *The Helix Moment* is about learning how to move once you've seen where to move. The Helix model treats strategy and design as intertwined strands, like DNA. It offers a way to diagnose when your organisation is stuck in the wrong rhythm and a practice for shifting into the one that the current moment demands. It is not a call to abandon structure, but to weave it with experimentation and intuition. It is not a celebration of AI as saviour, but an invitation to treat it as the atmosphere in which we all now operate, amplifying our ability to sense and adapt.

This book is for leaders who have felt the frustration of brilliant plans that never survive contact with reality, for designers who sense that their methods must expand beyond products into systems, for technologists who are building faster than their organisations can absorb, and for strategists who know their frameworks are losing touch with the times. What unites them is the recognition that the world is moving faster than their institutions are, and that the only viable response is to move differently.

The old playbook assumed that the world would wait while leaders debated. The new reality is that the world will not pause, and the only question is whether we can find a rhythm that allows us to move with it. Reframing where to play and how to win is the essential first step. Building a helix that lets us keep pace is the step that follows.

Author's Note

How to Read This Book

This book is not just about strategy and design in an AI age.

It's written in rhythm with how knowledge itself evolves.

▲ Lines

They are clear, structured, and repeatable.

These are hard-won insights—codified patterns that work across contexts.

You can pick them up and apply them tomorrow.

● Loops

They are iterative, adaptive, and open-ended.

These sections reflect the design process itself—learning through doing, refining through reflection.

You'll see questions held as deliberately as conclusions.

~ Vibes

They stretch beyond what we currently know.

These are the speculative frontiers—ideas like the *Multi-Rhythm Organisation* and the evolving relationship between AI and human sense-making.

Here, I'm not delivering answers. I'm offering conjectures—to be tested, challenged, evolved.

*"Discovering a new explanation is inherently an act of creativity...
They have to be guessed, after which they can be criticised and tested."*

– David Deutsch

This book holds all three rhythms: Lines, Loops, and Vibes.
It moves from what we know → to how we learn → to what we're
beginning to imagine.

You'll feel those shifts as you read. That's by design.

You can:

- Read it straight through
- Follow the rhythm mode you need most
- Loop back when something starts to break or feel out of sync

Each chapter is rhythm-marked to guide your experience.

Meet Your Companion GPT

If the last 15 years belonged to canvases, the next 15 belong to GPTs.

This book launches with a co-intelligent guide: Helix Nexus

—a custom GPT trained on this book.

Ask questions.

Apply the models.

Explore the rhythm for your own challenge.

Visit thehelixmoment.com to begin.

Get the GPT with the code “Helix2025”

References, Resources & Diagrams

To preserve flow, all full citations and visual resources are online:

- Chapter references
- Case study libraries
- Full-colour diagrams
- Downloadable GPT prompt packs

Access them at: thehelixmoment.com/companion

SIDEBAR

Writing in Rhythm: My AI Collaboration Notes

This book wasn't just written *about* co-intelligence—it was written *with* it.

Each AI played a distinct role in the writing rhythm:

- ChatGPT – for rapid ideation and writing flow (*Lines*)
- Claude – for slow thinking, strategy synthesis, and pattern recognition (*Loops*)
- Perplexity – for case research, source triangulation, and timeline clarity (*Vibes*)
- Grok – to test content against synthetic reader personas and tonal resonance
- Gemini – for structural editing, narrative pacing, and spotting gaps

I didn't delegate. I orchestrated.

They weren't tools. They were thinking partners—each with their own tempo.

What emerged was not automation, but a new form of authorship: Writing in rhythm with machines.

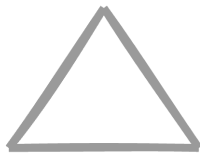
SUHIT ANANTULA


PART I

The Moment (▲ LINES)

Recognising the Shift

These chapters ground the reader in ▲ structured clarity and context. They name the dissonance many feel—and give language to it. This is where we build the **foundation for rhythm intelligence**.



CHAPTER 01

The World is Moving

From Strategy as Plan → to Strategy as Rhythm

Most strategies are already outdated by the time the ink dries.

We've all felt it.

You write the plan. You hold the offsite. You align the teams.

Then reality happens—faster, messier, more emotional than expected.

The world moves.

And your strategy? It's still catching up.

This book is about fixing that.

It's about how to lead in rhythm with the world—not behind it.

How to create strategy that *feels alive*—because it actually is.

How to combine ▲ structure and ~ sensing. Intelligence and intuition.

Planning and *vibing*.

And how to build systems that can learn and evolve—through the power of **co-intelligence** between humans and AI.

My Journey Into Movement

I started in the world of strategy with a solid foundation: Peter Drucker, a strong MBA, and a head full of frameworks.

Drucker saw it all coming.

He spoke of knowledge work, massive change, and the importance of designing organisations for humans—not just efficiency.

He told us: *“The purpose of business is to create and keep a customer.”*

He introduced the Theory of the Business—an idea that asks us to challenge the assumptions behind every strategy.

But the frameworks I was taught didn’t honour that complexity.

They were static. Predictive. Closed.

I once saw a client spend six months developing a five-year strategy—only to abandon it six months later when the policy and funding environment shifted.

That wasn’t a failure of execution. It was a failure of rhythm.

Discovering Design & Loops

That’s when I stumbled into design—not as an aesthetic, but as a mindset. In 2009.

Empathy. Iteration. Loops instead of Lines.

Suddenly, I could breathe.

Design taught me to move with the world, not fight it. To listen first. Prototype fast. Learn in flow.

But I had a bigger question:

“What if we designed strategy this way?”

And now, with AI reshaping how we work, think, and create—we’re entering a new possibility:

Strategy, not as a plan, but as a conversation between humans and intelligent systems.

This book is my answer to that question.

CHAPTER 02

The Helix: Strategy × Design in Motion

Design becomes strategic through curation, decision, and evaluation.

Strategy becomes designerly through empathy, system mapping, and iterative rules.

– Suhit Anantula

This isn't just a clever turn of phrase.

It's the crux of what's broken—and what needs to be rebuilt—in how we design strategy in fast-moving, complex environments.

Most organisations still treat strategy as a one-time event:

A deck. A deadline. A decision frozen in time.

But today's world won't stand still.

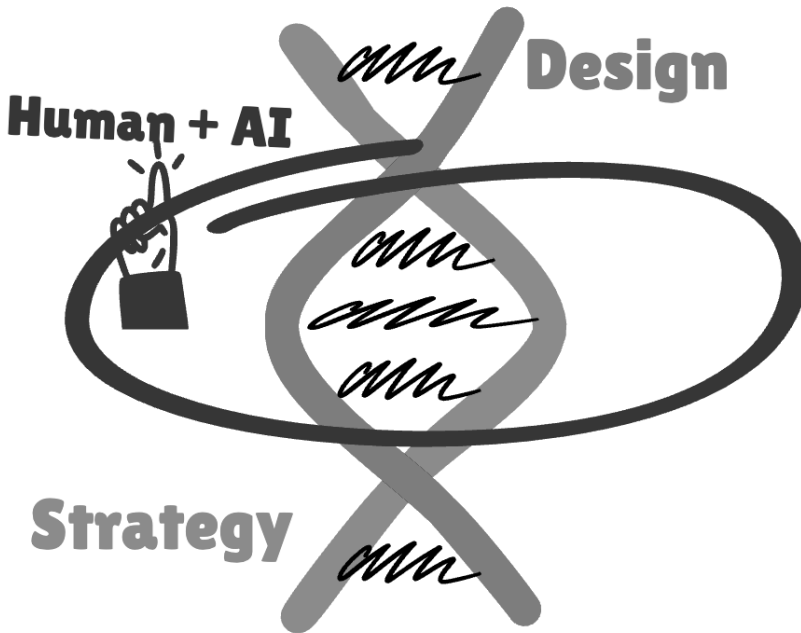
From AI acceleration to climate breakdowns, demographic transitions to economic shocks—we need more than roadmaps.

We need something alive.

What if strategy wasn't just a static product—but an evolving craft?

What if we blended the coherence of strategic thinking with the empathy, experimentation, and learning of design?

That's what the Helix Moment offers.



At the centre of this book is the **Helix**—a model that sees strategy and design as intertwined strands. One brings focus and direction. The other brings empathy and experimentation. Together, they create movement. And at the same time, the Helix is about human and machine intelligence, **co-intelligence** as intertwined strands.

Just like DNA, the Helix is held together by cross-links. These links are made of rhythms.

Enter: Lines. Loops. Vibes.

These are the three rhythms every organisation must navigate:

- Lines (▲): Structure, planning, predictability
- Loops (●): Iteration, learning, adaptation
- Vibes (≈): Resonance, timing, emergence

They're not phases. They're not maturity levels. They're modes.

Each with strengths, risks, and appropriate contexts.

Most failures happen when organisations get stuck in one rhythm. Or try to impose one rhythm across every function. **The future belongs to those who can orchestrate across rhythms.**

AI as Context, Not Just Tool

We're living in an age where generative AI isn't a feature. It's the air around us. It shapes how we sense, decide, create, and relate.

That's why AI doesn't sit on one strand of the Helix. It surrounds it.

- ▲ AI structures our thinking and planning.
- ● AI accelerates our experimentation cycles.
- ∼ AI amplifies our pattern sensing and surfaces intuition.

But the final choice? The resonance check? The move?

That belongs to humans.

What Makes the Helix Powerful

- It's *integrated* – not strategy vs design, but strategy with design
- It's *adaptive* – not a fixed path, but a responsive system
- It's *rhythmic* – moves in lines, loops, and vibes depending on context
- It's *AI-enhanced* – uses intelligence to amplify insight, not automate thinking

The Helix works because humans operate in all three modes: ▲ structured thinking, ● experimental learning, ∼ intuitive sensing.

What This Book Offers

This isn't a book about AI strategy. It's the first book about strategy in the age of AI. The Co-Intelligence Age.

This is not a step-by-step method book. It's a living system. A way to sense where you are, where you're stuck, and how to move again.

Strategic Tools You'll Master

The Helix Diagnostic: A quick assessment to identify whether your organisation is stuck in lines, loops, or vibes—and what to do about it.

The 5Ps Loop Design Process: A proven framework for creating strategies that learn and evolve, tested across industries from healthcare to technology.

The SAFE Strategy Mindset: Four principles that help you navigate complexity with confidence.

The Seven Faces of Strategic Dysfunction: A human-centred diagnostic that reveals exactly where strategy breaks down—and how to fix it.

The EEE Layer: Designing with Ethics, Emotion, and Emergence

AI Collaboration Playbook: Specific protocols for human-AI strategic collaboration that amplify rather than replace human judgement.

Plus: Access to a custom GPT trained on the book's frameworks, ready to help you apply these concepts to your specific challenges.

Along the way, you'll meet organisations that have embodied these rhythms. Case studies from Kenya to Sweden, Mumbai to Silicon Valley.

And you'll reflect on your own rhythm—through field notes, prompts, and practices.

Go to thehelixmoment.com and get Helix Nexus, the AI thinking partner for the book and other resources.

What You'll Be Able To Do After Reading This Book

By the time you finish *The Helix Moment*, you'll have capabilities that set you apart:

Immediate Capabilities:

- **Diagnose your organisation's rhythm** and identify exactly where you're stuck
- **Sense when your strategy is out of sync** before it becomes a crisis
- **Design strategies that adapt** without losing focus or direction
- **Integrate AI into your strategic process** as a thinking partner, not just a tool

Strategic Superpowers:

- **Move with uncertainty** instead of being paralysed by it
- **Create competitive advantages** that compound through human-AI collaboration
- **Build organisations** that learn and evolve at the speed of change

This isn't just about better strategy. It's about becoming a rhythm-aware leader in a world that rewards those who can move.

Who This Book Is Really For

This book serves four primary communities that are navigating the intersection of strategy, design, and AI:

Strategic Leaders who feel the old planning models breaking:

- Your last strategic plan felt outdated within months of completion
- You're integrating AI into your organisation but lack frameworks for ● ~ **AI-enhanced strategy**
- You feel caught between the need for ▲ **structure** and the demand for ● **agility**

Designers who want to move beyond aesthetics into systems impact:

- You're skilled at solving user problems but want to **shape organisational direction**
- You sense that design thinking has plateaued and needs evolution for the AI age
- You want to contribute to strategic decisions, not just execute them
- You're curious about ~ **cultural sensing** and ● **systemic design**

Strategists who feel traditional frameworks becoming insufficient:

- You're excellent at analysis but struggle with ~ **emergent complexity**
- You want to integrate **human insight** with **AI capabilities** systematically
- You're looking for frameworks that honour both ▲ **rigour** and ● **adaptability**

Technology Leaders who want to build with human wisdom:

- You're implementing AI but lack strategic frameworks for ● ~ **human-AI collaboration**
- You want technology decisions that create cultural resonance, not just efficiency
- You're bridging technical capability with business strategy and human experience
- You're interested in **multi-rhythm organisational design** that optimises for both innovation and operations

What unites all four personas: You sense your current methods are out of sync with the world you're operating in. You're looking for frameworks that can **move with uncertainty** rather than be paralysed by it.

A System That Moves

The Helix doesn't replace existing methods.

It holds them. Enhances them. Moves them.

It's not a rigid framework. It's a choreography—a way of building strategy and design with pulse and flow.

The world moves.

Your strategy should too.

Let the Rhythm Lead

You don't have to finish this book to use it.

Just flip to where it hurts. Or where it hums.

Find your rhythm. Then shift.

Because the future doesn't come in a straight line.

It comes in a spiral.

Let the Helix guide you.

Let the rhythm move you.

Let's begin.

SIDEBAR

A Companion GPT: If the last 15 years were the world of canvases in the strategy world, from now on it will be the world of co-intelligence. A custom GPT designed by authors for readers. You can ask all the questions you want, learn the book's principles in real time and explore the rhythm for your own challenge.

Go to thehelixmoment.com and get your GPT.

CHAPTER 03

Why Strategy Needs Rhythm

There was a time when strategy was predictable. Five-year plans. Annual cycles. Quarterly reviews. PowerPoint decks that laid out a future in neat, logical phases.

But the world has moved. And strategy hasn't kept up.

We now live in a time where ▲ (five-year plans) break against ● (weekly pivots) and ~ (cultural shifts) no one predicted. Add to that rising emotional complexity, geopolitical uncertainty, and radically shifting work models. In this world, planning the future as if it were stable... feels almost absurd.

Strategy, as it's traditionally practised, is still built for a world of lines. But we now need a strategy that can operate in loops—and increasingly, in vibes.

The Old Tools Break Under Pressure

We saw it clearly during COVID. Companies with rigid five-year strategies found themselves scrambling. Those that had a rhythm—the ability to pause, reframe, adapt—often thrived.

Zara's Helix Moment: When intuition overruled the 5-year plan

Zara had ▲ linear expansion plans built on physical retail. When lockdowns hit, it shifted to ● rapid experimentation—testing e-commerce, adjusting supply chains weekly, letting user data drive product flow. Its online sales grew by 77% in a single year.

Think of Uber, Airbnb, Netflix. These weren't just new business models. They were new ways of thinking about value. Responsive. Customer-centred. System-aware.

They moved like the world did.

Spotify operates in the same way. Its AI recommendation engine doesn't rely on static charts. It listens, loops, and adapts in real time—learning from billions of signals to generate fresh experiences every week.

And then there's Nike. During the height of 2020's upheaval, it launched the “You Can't Stop Us” campaign—a bold, emotional move based on ~ cultural sensing, not market testing. It hit 58 million views in days. That's a ~ **vibe-led move**—strategy as energy, not just execution.

In this environment, the classic tools—rigid KPIs, overengineered dashboards, annual review cycles—can become liabilities. They assume stasis. They focus on what is known, when the world is increasingly shaped by what's emerging.

Trying to steer with old tools is like navigating a speedboat using a compass designed for an ocean liner.

CHAPTER 04

The Power of First Principles

Before we dive into new tools and frameworks, we need to begin somewhere deeper. Beneath the methods. Beneath the models.

We begin with first principles.

In a fast-moving world, the most powerful thinkers aren't the ones with the most tools—they're the ones who know how to think clearly, originally, and in context.

“First principles thinking” means breaking down complex challenges into their fundamental truths—and building up from there.

It's how Jobs and his team designed Apple products that combined technology and art.

It's how SpaceX reimagined rockets from the ground up—questioning every assumption about space travel costs and reusability.

It's how leaders in complexity thrive—not by applying best practices, but by asking better questions.

Airbnb's early growth stalled when it tried to compete with hotel platforms. But once it asked, “What's the core truth of travel?”—it realised people craved belonging. That insight led to the ‘Belong Anywhere’ rebrand and sparked exponential growth.

Why This Matters for Strategy

Most strategy today is derivative.

We borrow templates, follow playbooks, or copy what worked for someone else.

But if you're operating in a fast, uncertain, AI-shaped world—that approach is risky.

Your context matters.

- Who you are as a person
- The systems you're working in
- The cultural moment you're designing for

And that means strategy needs to be ground-up, not top-down.

How First Principles Thinking Works

Instead of starting with a tool, ask:

- What is the core truth of this problem?
- Are we stuck in ▲ (assumptions), ● (old experiments), or missing ~ (signals)?
- What if we started from scratch?
- What do our users, systems, or stakeholders really need—not just what they say?

This kind of thinking doesn't mean rejecting frameworks.

It means **understanding them deeply enough to remix them intentionally.**

Google's AlphaGo didn't just mimic existing human moves. It used AI to explore what was possible—discovering strategies no one had seen before.

Questions to Guide You

Use these as prompts throughout the book:

- What assumptions are we making right now?
- What is the purpose behind this strategy?
- What rhythm are we designing for—line, loop, or vibe?
- Where might AI help us amplify human capability?
- What matters most in this moment, to this system?

Patagonia's leadership regularly asked, "What's our purpose?" That clarity led to bold moves—like embedding sustainability in everything they make. That question turned into a billion-dollar brand.

Try this

Ask your team one first-principles question in your next meeting—and see what shifts.

CHAPTER 05

Lines. Loops. Vibes. - The Philosophy of Movement

Most organisations don't have a strategy problem.

They have a rhythm problem.

They're building in a way that's out of sync with the world they're moving through. Too slow. Too fast. Too rigid. Too loose.

Strategy either lags behind or leaps ahead without anchoring.

To fix this, we don't need more methods.

We need a new philosophy of movement.

This is where Lines. Loops. Vibes. Comes in.

LINES



*Linear
Structured
Planned*

LOOPS



*Iterative
Adaptive
Learning*

VIBES



*Fluid
Sensing
Emergent*

A rhythm framework by Suhit Anantula



The Three Rhythms of Organisational Intelligence

1. ▲ Lines – The Structured Intelligence Mode

▲ **Lines** represent *systematic execution and intentional direction*.

This isn't just planning—it's ▲ **structured intelligence** that creates:

- **Intentional execution:** Converting insights into concrete, measurable action
- **Systematic frameworks:** Building repeatable processes that scale across contexts
- **Diagnostic precision:** Using analysis to understand exactly what's working and why
- **Strategic coherence:** Maintaining direction while adapting tactics

▲ **Lines** excel when:

- The path is clear and execution speed matters
- You need to scale successful patterns across multiple contexts
- ▲ **Systematic learning** can build a competitive advantage
- Quality and consistency are primary value drivers

Lines become liabilities when:

- Environmental change outpaces planning cycles
- ▲ **Rigid adherence** prevents necessary pivots
- Analysis paralysis delays critical decisions

Example: A logistics company used ▲ **structured intelligence** to optimise delivery routes with AI, reducing costs by 23% while maintaining service quality. Its ▲ **systematic approach** enabled rapid scaling across 12 countries.

2. ● Loops – The Adaptive Intelligence Mode

● **Loops** represent *experimental learning and adaptive resilience*.

This goes beyond iteration—it's ● **adaptive intelligence** that creates:

- **Experimental resilience:** Maintaining multiple pathways forward while learning
- **Portfolio thinking:** Running parallel experiments to reduce risk and accelerate discovery
- **Iterative discovery:** Using rapid cycles to sense what's working before full commitment
- **Adaptive learning:** Converting feedback into improved capabilities continuously

● **Loops** excel when:

- Uncertainty is high and traditional planning fails
- ● **Portfolio approaches** can manage risk while exploring opportunity
- Learning speed creates a competitive advantage
- Innovation requires ●▲ **structured experimentation**

Loops become problematic when:

- ● **Endless iteration** lacks strategic direction
- Learning doesn't convert into ▲ **systematic capability**
- Resource constraints require focused execution

Example: A healthcare startup used ● **adaptive intelligence** to test 47 different patient onboarding approaches across six months. ●▲ **Structured analysis** of its portfolio revealed three high-impact patterns, which it then scaled systematically.

3. ~ Vibes – The Sensing Intelligence Mode

~ **Vibes** represent *cultural sensing and emergent intelligence*.

This transcends intuition—it's ~ **sensing intelligence** that creates:

- **Cultural sensing:** Reading unspoken needs, community dynamics, and emotional undercurrents

- **Pattern recognition:** Detecting weak signals before they become strong trends
- **Emergent intelligence:** Sensing what's arising in complex systems before it becomes visible
- **Environmental awareness:** Understanding timing, context, and cultural resonance

~ Vibes excel when:

- Cultural context drives success more than technical execution
- ~ **Weak signal detection** provides an early competitive advantage
- Human resonance determines adoption and engagement
- ~▲ **Integrated perception** combines intuition with analytical insight

Vibes become problematic when:

- ~ **Sensing** lacks ▲ **structured analysis** to guide action
- Cultural intuition doesn't translate into ● **systematic testing**
- Individual insights don't scale into organisational capability

Example: A consumer brand used ~ **cultural sensing** to detect emerging social movements six months before competitors. It combined ~●▲ **multi-rhythm intelligence** to develop authentic campaigns that created both cultural resonance and measurable business impact.

Field Note: The Rhythm Behind the Rhythm

When I reflected on the design work I'd done over the years—across teams, sectors, systems—three words kept surfacing:

Lines. Loops. Vibes.

At first, it felt poetic. Maybe too loose for a strategic conversation.

But the more I sat with it, the more I realised: there's a deep logic underneath.

We all learned about **waterfall**. Then came **agile**. And later, the rise of working with **intuition** and **emotional resonance**.

What always struck me was how these modes were seen as *mutually exclusive*:

- If you followed waterfall, you couldn't be agile.
- If you worked in sprints, you weren't supposed to vibe.
- If you led with intuition, people doubted the rigour.

But what if that was never the point?

Over time, I started to see these not as competing ideologies—but as **rhythms**.

Each with its own use. Its own place. Its own **pulse**.

And that's the entire logic of the Helix.

It's not one method.

It's a **meta-rhythm**. A way of choosing what's needed based on:

- Who you are
- Where you are
- What the moment calls for

Just like DNA expresses differently based on the environment, **strategy and design should move differently based on context**.

Some parts of your organisation might need structure. Others need iteration. Others need intuition.

It's not about choosing the best rhythm.

It's about choosing the *right* rhythm for this moment.

That's the core of the Helix.

Not a prescription. A pulse.

Intelligence Combinations: Where the Magic Happens

The real power emerges when rhythms combine:

▲● **Structured Learning**: Using ▲ **systematic frameworks** to capture and scale ● **experimental insights**

●~ **Adaptive Sensing**: Combining ● **iterative testing** with ~ **cultural intelligence** for responsive innovation

~▲ **Diagnostic Intelligence**: Integrating ~ **pattern recognition** with ▲ **analytical precision** for deeper understanding

~●▲ **Multi-Rhythm Intelligence**: Orchestrating all three modes for complex challenges requiring sensing, experimentation, and execution

This Isn't a Model—It's a Mirror

Lines. Loops. Vibes. It isn't a maturity curve. It's not a ladder.

You're not meant to "graduate" from ▲ **lines** to ~ **vibes**.

You're meant to diagnose, choose, and orchestrate.

Each rhythm serves different purposes:

- ▲ **Lines** for execution and scaling
- ● **Loops** for learning and adaptation
- ~ **Vibes** for sensing and emergence

The power lies in knowing which intelligence mode your context requires—and how to combine them strategically.

How to Use This Lens

Start by diagnosing your organisational rhythm:

Current State Assessment:

- What rhythm are we operating in: ▲ (structured execution), ● (adaptive learning), or ~ (cultural sensing)?
- Which intelligence combinations are we missing: ▲●, ●~, ~▲, or ~●▲?
- Where are we stuck: ▲ over-planning, ● chaotic testing, ~ intuitive drift?

Context Requirements:

- What rhythm does this challenge require?
- How might **intelligence combinations** address complexity more effectively?
- What would ~●▲ **multi-rhythm orchestration** look like for this situation?

You'll be surprised how often teams recognise their rhythm patterns instantly—even if they've never had sophisticated language for it.

Once you can name your rhythm intelligence, you can evolve it.

Try this: Ask your team: "What rhythm intelligence are we using right now? What intelligence combinations might serve this challenge better?" Notice what emerges.

Strategy Is Rhythm Intelligence

If you take away nothing else from this chapter, take this:

Strategy in the AI age is no longer just about vision or planning.

It's about developing rhythm intelligence—knowing when and how to move across ▲●~ modes.

It's about sensing which intelligence combinations create an advantage in your context.

And it's about building organisational capability to orchestrate multiple rhythms simultaneously.

In the next chapter, I'll show you how I designed a system—the Helix—that enables exactly this kind of **multi-rhythm intelligence**.

One that blends ▲ **structure** and ~ **intuition**, ● **experimentation** and ▲ **execution**, human wisdom and AI augmentation into a living system of strategic intelligence.

CHAPTER 06

Collaborating with AI - Co-Intelligence

Let's talk about the algorithm in the room.

We live in a moment where artificial intelligence has shifted from science fiction to daily utility. Strategy design without AI in 2025 feels like ignoring electricity in a modern city. It's not optional. It's ambient.

But this isn't about hype. It's about rhythm. And learning to co-create with a new kind of intelligence.

AI as a General Purpose Technology (GPT)

AI—particularly generative AI—is what economists call a general purpose technology, like electricity or the internet. It's not a vertical tool. It's a field of force.

You don't use AI in one place—it shapes how you work, across everything.

Like the internet, AI's most powerful use cases haven't even been discovered yet. They'll emerge through experimentation, reflection, and use. You don't plan AI adoption—you learn your way into it.

AI is not a phase in the process. It's part of the atmosphere.

The First Strategy Book Built for AI Leaders

This isn't a book about AI strategy. It's the first book about strategy in the age of AI. The Co-Intelligence Age.

In the Co-Intelligence age:

- Planning horizons shrink from years to quarters to weeks
- Competitive advantages emerge and disappear faster than ever
- Human-AI collaboration creates new possibilities for strategic sensing
- Organisations must learn and adapt at machine speed with human wisdom

This is strategy for leaders who refuse to be disrupted by AI—and instead want to lead with it.

The Human + AI Rhythm

We use AI not to replace ourselves, but to amplify what we do best:

- Imagination
- Pattern recognition
- Judgment in context

A useful mindset shift:

The best strategy isn't human vs AI. It's human + AI, in rhythm.

This partnership works best when:

- Humans ask better questions (≈ intuition meets ▲ structure)
- AI generates options and analysis (● acceleration)
- Humans reflect, select, and steer (▲ judgement with ≈ wisdom)

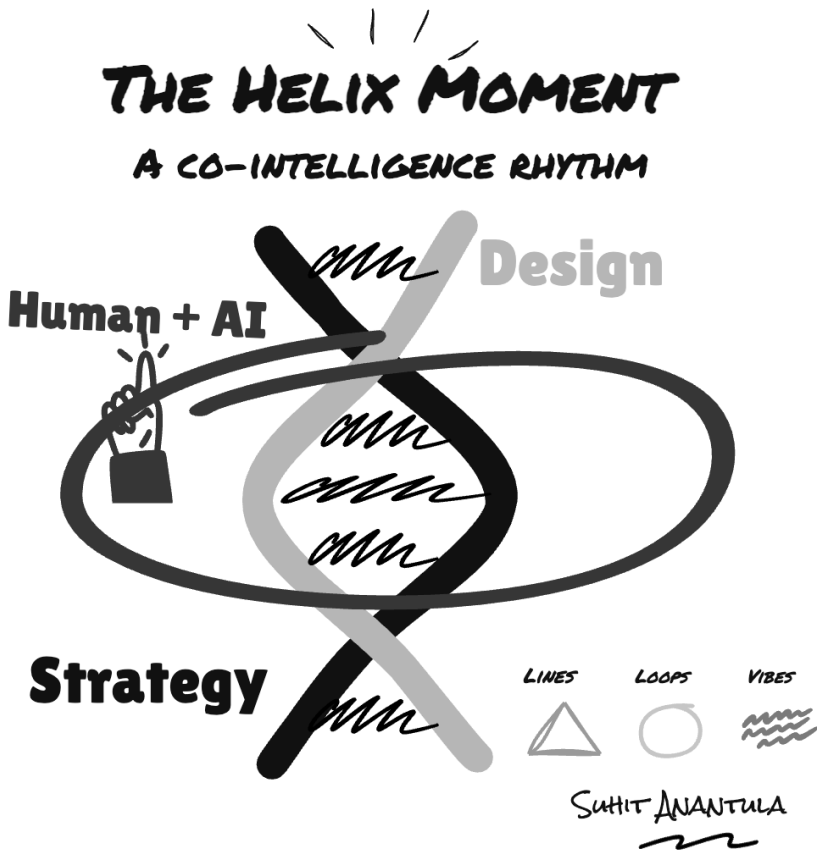
Co-Intelligence: Two Rules We Follow

I'm inspired by Ethan Mollick's book Co-Intelligence, which offers two elegant guidelines:

1. **Always invite AI to the table** – Use it in every part of the work. Ask what it sees. See what emerges.

2. **Keep the human in the loop** – Strategy is about ethics, emotion, and emergence. That's still our domain.

How AI Shows Up in the Helix Moment



AI is not a third strand of the Helix. It's the environment the Helix moves through.

It's Co-Intelligence for strategy & design.

The AI-Human Handshake Points

In the 5Ps of Loop Design (Introduced in Part 2 of the book), each “P” defines exactly where humans and AI interact: *we define five zones of collaboration.*

5P Phase	Human Intelligence	Machine Intelligence	Shared Rhythm
Perceive	Context, intuition, sensing	Pattern detection, broad input scanning	Vibes
Perform	Direction, ethics, intention	Fast execution, simulation	Lines
Portfolio	Boundaries, strategy, prioritisation	Option generation, parallel exploration	Loops
Pause/Promote	Judgment, resonance, awareness	Outcome evaluation, insight synthesis	Loops + Vibes
Progress	Meaning-making, integration	Pattern synthesis, knowledge capture	Lines + Loops

It’s not the work—but it accelerates the work.

Ethics, Bias, and Boundaries

AI is not neutral. It reflects our data, our decisions, and our limitations.

That’s why the Ethical-Emotional-Emergent (EEE) lens matters more than ever (explored in Part 2 and Part 3):

- **Ethical:** Are we designing responsibly?
- **Emotional:** Does this feel human, useful, and respectful?
- **Emergent:** What might evolve if we stay open?

AI should not be treated as an oracle. It's a collaborator—brilliant, fallible, and constantly learning.

Building Your Human + AI Edge

You don't need to master AI. You need to partner with it.

Experiment. Prompt. Learn. Reflect.

Use AI to:

- Ask better questions
- Explore further faster
- Reduce friction
- Make space for more human connection

AI isn't the end of human creativity.

It's the beginning of amplified imagination.

In the chapters that follow, we'll meet the real-world friction: strategic pain points. AI won't solve them—but it can help us listen, learn, and lead through them better.

From Structure to Iteration •

“At some point, the plan gives way to the prototype.”

Lines are where most of us begin. Strategy decks. Roadmaps. Frameworks. It feels safe—and often, it is.

But structure only takes us so far. Eventually, the world asks us to learn. To respond. To adjust.

This is the rhythm shift: from **knowing** to **testing**, from **control** to **curiosity**, from **linearity** to **loops**.

Where Lines give us direction, Loops give us discovery.

This next section is about practice:

- Designing your way through ambiguity
- Moving in cycles, not just steps
- Building learning systems, not just strategy systems

You'll meet the **Loop Design Rhythm**, the **SAFE Strategy posture**, and real-world examples of navigating complexity through motion.

Before you go on, take a breath. Let go of the need to be right. You're stepping into a rhythm of becoming.

➤ **Rhythm Trigger: The Moment of Misalignment**

You sense it before you can explain it.

Teams are executing, but not evolving.

Plans are in motion, but not moving you forward.

The rhythm is off.

This is the moment you realise your organisation is out of sync—not broken, but unaligned. Not failing, but flat.

You've seen the patterns. You've named the shift. Now it's time to move from knowing to making.

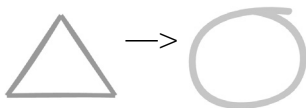
The next section invites you into movement:

— to experiment,

— to prototype,

— to learn by doing.

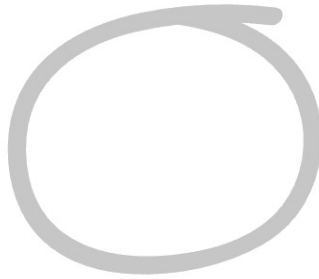
Rhythm lives in Loops. Let's begin.



PART II

The Movement (● Loops)

Applied Learning & Strategic Development



Designing in Rhythm

These chapters operationalise the moment. You now have language—this gives you method.

Where Part I grounded you in **▲ structured foundations**, Part II invites you into **● iterative discovery**. Here, the writing itself reflects the design process—learning through doing, refining through reflection, holding questions as deliberately as conclusions.

You'll notice the rhythm shift immediately. Less declaration, more exploration. **● Loops** are about testing assumptions, not defending them. About building capability through cycles of action and reflection.

This is where strategy becomes **experimental**:

- The **5Ps of Loop Design** that turn insights into systematic practice
- The **SAFE Strategy Mindset** for navigating complexity with confidence
- The **Seven Faces of Strategic Dysfunction** as rhythmic alignment opportunities
- **Real-world case studies** that reveal how rhythm intelligence works in practice

You're moving from **knowing** to **making**. From **▲ plans** to **● prototypes**. From **understanding** to **experimenting**.

Some concepts will feel unfinished—deliberately so. **● Loops** teach us that the most powerful insights emerge through iteration, not perfect first attempts.

You'll encounter frameworks that invite you to **test them**, not just learn them. Questions that matter more than answers. Methods that evolve through use.

This is learning by doing. This is strategy in motion.

CHAPTER 07

The Strategic Navigation Challenge

“The problem isn’t that we don’t have enough information. The problem is that we don’t know what type of information challenge we’re facing.”

Every strategic leader faces the same fundamental question: How do you make decisions when you don’t know what you don’t know?

This isn’t a new challenge. In 2002, Donald Rumsfeld articulated what strategists have always grappled with: *“There are known knowns; there are things we know we know. We also know there are known unknowns; that is to say, we know there are some things we do not know. But there are also unknown unknowns—the ones we don’t know we don’t know.”*

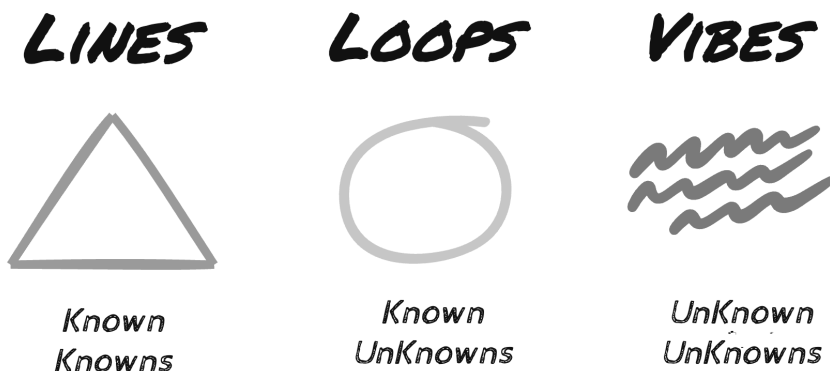
What Rumsfeld didn’t explain was how to navigate between these different types of knowledge challenges.

Most strategic failures occur not because organisations lack capability, but because they **apply the wrong approach to the wrong type of knowledge challenge**. They try to plan their way through ambiguity, experiment their way through established problems, or sense their way through execution challenges.

The result? Predictable patterns of strategic dysfunction.

The Three Domains of Strategic Knowledge

Every strategic challenge exists within one of three knowledge domains. Each requires a fundamentally different approach:



A rhythm framework by Suhit Anantula



Known Knowns: The Domain of Execution

When we know what works and how to do it

Examples: Scaling proven business models, optimising established processes, delivering consistent customer experiences

Strategic Approach: ▲ **Lines Mode** - Structured, systematic execution

- ▲ Clear processes and standardised approaches
- ▲ Efficiency optimisation and quality control
- ▲ Systematic scaling and reliable delivery

AI's Role:

- **Process automation** for routine strategic tasks
- **Performance optimisation** of established systems

- **Quality monitoring** and exception detection
- **Predictive maintenance** of strategic capabilities

Known Unknowns: The Domain of Learning

When we know what we need to figure out

Examples: Testing new market opportunities, developing product features, improving customer retention

Strategic Approach: • **Loops Mode** - Iterative experimentation and learning

- • Hypothesis-driven testing and validation
- • Rapid prototyping and feedback cycles
- • Progressive learning through controlled experiments

AI's Role:

- **Rapid experimentation** acceleration and A/B testing
- **Pattern recognition** across iterations and data
- **Predictive modelling** for hypothesis testing
- **Learning synthesis** from multiple experiments

Unknown Unknowns: The Domain of Sensing

When we don't know what we don't know

Examples: Emerging market disruptions, cultural shifts, breakthrough innovation opportunities

Strategic Approach: ~ **Vibes Mode** - Strategic sensing and emergence

- ~ Environmental scanning and weak signal detection
- ~ Cultural and emotional pattern recognition
- ~ Intuitive sensing of what wants to emerge

AI's Role:

- **Weak signal detection** from vast data sources
- **Cross-domain pattern recognition** beyond human cognitive limits
- **Sentiment analysis** and cultural trend identification
- **Scenario generation** for exploring possibilities

When Navigation Goes Wrong

Here's what we've discovered: Most strategic dysfunction occurs when organisations operate in the wrong mode for their knowledge challenge.

Common Mismatches:

- Using **▲ Lines** (planning) for **Unknown Unknowns** (sensing challenges)
- Using **● Loops** (experimenting) for **Known Knowns** (execution challenges)
- Using **~ Vibes** (sensing) for **Known Knowns** (structured delivery challenges)

The symptoms are predictable:

- Analysis paralysis when sensing is needed
- Endless experimentation when execution is required
- Rigid planning when adaptation is essential

But here's the opportunity: When you can correctly diagnose which knowledge domain you're operating in, you can choose the appropriate rhythmic response and integrate AI as an amplifier rather than a distraction.

The Strategic Intelligence System

LLV becomes your strategic navigation system:

Lines Mode handles what you know how to do well

Loops Mode discovers what you need to learn

Vibes Mode senses what you don't yet know to look for

AI enhances each mode by amplifying human capabilities rather than replacing strategic judgment. The result is **co-intelligence** - human wisdom combined with machine processing power, calibrated to the specific type of knowledge challenge you're facing.

The Seven Patterns of Navigation Failure

What happens when strategic navigation goes wrong? The same dysfunctional patterns emerge again and again across organisations, industries, and contexts.

We've identified seven fundamental patterns - predictable ways that rhythm-knowledge mismatches create strategic breakdown. Each represents a specific type of navigation failure that can be diagnosed, understood, and systematically addressed.

These aren't unique organisational problems. They're recognisable patterns of strategic dysfunction.

Once you can see the pattern, you can work with the pattern.

Once you can work with the pattern, you can transform it.

Field Note: Embracing Strategic Framework Diversity

So why don't we just have one strategic framework?

Why not just teach the best model and be done with it?

It's a fair question—and it's exactly why I took a different path in this book. There are entire books written about a single framework.

But that's not how real strategy happens—**not in my experience, not in yours.**

After more than two decades of working in strategy and design, I've learned this:

What works depends on what you're facing, who you're with, and where you are in the rhythm of the work.

Some frameworks are powerful in moments of clarity.

Others help us find coherence in chaos.

Some are about choice. Others about emergence.

Rather than saying, "Here's the best one," I wanted to offer something different:

- A diagnostic way in
- A design-led approach to choosing your frameworks
- A system that starts not with method—but with pain

What's the strategic tension you're facing?

Where is your team stuck?

What kind of movement do you need next?

That's why we start with pain points.

Because the **pain is the doorway to posture**—and from there, to your framework.

In every project I've worked on, I've never once reused the same framework in the same way.

Instead, I ask: *What is this moment asking of us?*

That's what I hope this book offers you—not just strategy, but strategic rhythm.

Not just principles, but plurality.

And not just a map—but a way to find your footing as the world moves.

CHAPTER 08

Strategy in Crisis: The Seven Faces of Strategic Dysfunction

“Every strategy team thinks its challenges are unique. They’re not. What’s unique is how the same fundamental patterns combine in each organisation.”

You know the feeling.

The leadership retreat where everyone agrees on priorities, but nothing actually changes. The detailed strategic plan that gets ignored the moment the first crisis hits. The innovation initiative that somehow produces only incremental improvements. The AI transformation that stalls because nobody knows how to actually integrate it with strategy.

Every strategic leader has been there. Different contexts, different companies, different industries - but somehow, the same frustrations keep emerging.

Here’s what we’ve discovered: Strategic pain isn’t random.

From Problem-Solving to Pattern Recognition

For decades, strategic consulting has approached each organisational challenge as if it were unique - conducting lengthy assessments, building custom frameworks, designing bespoke solutions. But what if most strategic dysfunction follows recognisable patterns?

What if, instead of starting from scratch each time, we could **identify the rhythmic signature** of strategic breakdown and understand both the root cause and the pathway forward?

This represents a shift from problem-solving to pattern recognition.

Through our work with organisations across industries, we've identified **seven recognisable faces** that encompass most forms of strategic dysfunction:

Face 1: The Paralysis (*Cognitive Overwhelm*)

~~~~~ *scattered sensing without convergence*

*"We don't know where to start."*

### **Face 2: The Beautiful Plan (*Process Disconnection*)**

▲▲▲ *rigid structure disconnected from reality*

*"Our plans never get used."*

### **Face 3: The Ivory Tower (*Organisational Fragmentation*)**

▲ ~ ● *fragmented rhythms across levels*

*"Strategy feels disconnected from teams."*

### **Face 4: The Hamster Wheel (*Temporal Reactivity*)**

●●● *reactive loops without strategic direction*

*"We're stuck reacting, not thinking long-term."*

### **Face 5: The Whiplash (*Environmental Mismatch*)**

▲ vs ~● | *static structure vs. dynamic environment*

*"The world is changing too fast."*

### **Face 6: The AI Fog (*Technological Disconnection*)**

~ ● ▲? *disconnected capabilities without integration*

*"We're unsure how to use AI in strategy."*

## Face 7: The Safety Dance (*Cultural Risk Aversion*)

▲ ▲ ▲ *false security through familiar patterns*

*“We want innovation but keep playing it safe.”*

**Most strategic challenges you’ve encountered likely have one of these seven faces - or emerge from their combination.**

### The Value of Rhythm Diagnosis

What makes this approach useful isn’t just the pattern recognition - it’s that **each face represents a specific rhythm dysfunction** that can be visually diagnosed and systematically addressed.

Using our **LLV framework**, we can see that:

- **The Paralysis** happens when scattered ~ Vibes (sensing) can’t converge into focused ● Loops (choosing)
- **The Beautiful Plan** occurs when rigid ▲ Lines (planning) operate without adaptive ● Loops (learning)
- **The Ivory Tower** emerges when different organisational levels operate in incompatible rhythms

**This shifts how we approach strategic challenges.**

Instead of lengthy diagnostic processes, strategic challenges become **recognisable patterns** with clearer solution pathways. Instead of starting from scratch, we can apply **rhythm transformations** that address the underlying dysfunction.

## Seven Faces and Rhythms

| Pain Point                                      | Current Rhythm              | Needed Transformation | Strategic Message                                                                        |
|-------------------------------------------------|-----------------------------|-----------------------|------------------------------------------------------------------------------------------|
| 1. We don't know where to start                 | ~~~~ (scattered)            | ~ → ● → ▲             | Scattered sensing<br>→ focused learning<br>→ clear direction                             |
| 2. Our plans never get used                     | ▲▲▲ (rigid)                 | ▲ → ● → ▲             | Rigid planning → adaptive iteration<br>→ responsive execution                            |
| 3. Strategy feels disconnected from teams       | ▲ ~ ● (fragmented)          | ~ ● ▲ (integrated)    | Fragmented rhythms → unified co-creation<br>→ aligned action                             |
| 4. We're stuck reacting, not thinking long-term | ●●● (reactive)              | ● → ~ → ▲             | Reactive cycles → strategic sensing<br>→ proactive planning                              |
| 5. The world is changing too fast               | ▲ vs ~● (static vs dynamic) | ~ ● ▲ (adaptive)      | Static structures → continuous adaptation<br>→ resilient systems                         |
| 6. We're unsure how to use AI in strategy       | ~ ● ▲? (disconnected)       | ~+AI ●+AI<br>▲+AI     | Isolated capabilities → integrated co-intelligence<br>→ enhanced execution               |
| 7. We want innovation but keep playing it safe  | ▲▲▲ (false security)        | ▲ → ~ → ● →<br>▲      | Safe foundations → exploratory sensing<br>→ experimental learning<br>→ confident scaling |

## Visual Recognition: A New Way of Seeing

Throughout this section, you'll encounter **Rhythm Signatures** - hand-drawn visualisations that capture the essence of each strategic dysfunction. These aren't just illustrations - they're **diagnostic tools** that make complex organisational problems more recognisable.

When you see the signature for "Plans Never Get Used," you'll recognise the disconnection between strategic documents and organisational reality. When you encounter "Strategy Feels Disconnected from Teams," you'll spot the hierarchy gaps that block strategic alignment.

**These signatures transform strategic diagnosis from complex analysis to pattern recognition.**

## A More Systematic Approach

What follows isn't just a collection of common problems - it's a **systematic approach** to strategic dysfunction. Each pain point connects to:

- **LLV rhythm patterns** that reveal the underlying dysfunction
- **SAFE strategy principles** that guide the response approach
- **5Ps processes** that operationalise the solution
- **AI co-intelligence methods** that accelerate transformation

**Together, they create a more systematic way to recognise and address strategic challenges.**

## The Opportunity

By the end of this section, you'll have a different way of looking at strategic challenges. Instead of feeling overwhelmed by complexity, you'll **recognise patterns**. Instead of starting from scratch, you'll **apply proven approaches**. Instead of lengthy diagnoses, you'll **see solutions connected to problems**.

**Strategic dysfunction becomes strategic opportunity.**

Because once you can see the rhythm, you can work with the rhythm.

And once you can work with the rhythm, you can help things move differently.

#

**Sidebar: Activating the SAFE Principles**

You don't just use SAFE—you move with it.

Each principle in the SAFE Strategy Framework is more than a mindset. It's a rhythm cue. A permission slip. A shift in stance that turns strategy from a static plan to a dynamic capability.

**Rhythm Mapping of the SAFE Principles**

S—Strategy is Co-Creation

Humanises each rhythm.

Brings people into the room—grounding Lines in reality, Loops in trust, and Vibes in shared meaning.

A—Strategy Embraces Ambiguity

Unlocks psychological permission to not know.

Makes room for emergence. Replaces false certainty with exploration.

F—Strategy is Future-Oriented

Extends futures thinking into strategic design.

Stretches perspective beyond the horizon of what's known.

E—Strategy is Emergent

Makes reflection and feedback feel like forward motion.

Transforms learning from reactive to directional.

Together, these principles don't just shape how we think.

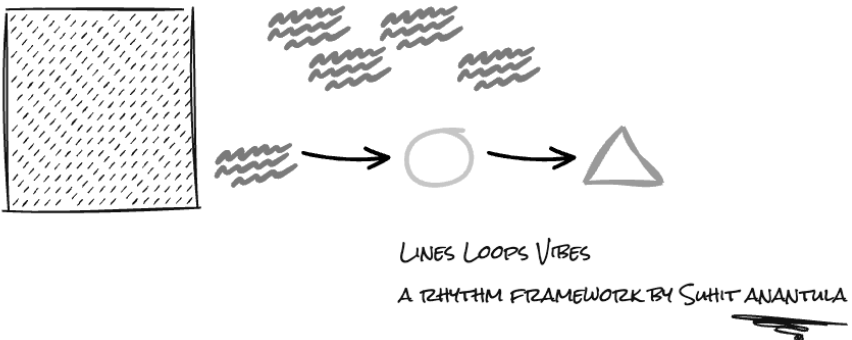
They shape how we lead. How we learn. How we move.

SAFE isn't just a strategy model. It's a rhythm map for co-intelligent movement.

## CHAPTER 09

### Face 1: The Paralysis - We Don't Know Where to Start

#### WE DON'T KNOW WHERE TO START



This is how it starts.

The dense square of endless analysis. The scattered waves of brainstorming sessions, research reports, and strategic workshops.

All that thinking. All those insights. All those possibilities.

And still, nowhere to start.

This isn't a failure of analytical intelligence. It's a failure of **~ rhythmic intelligence**.

Organisations get trapped in scattered ~~~~ sensing—exploring everything, testing nothing, deciding never. The breakthrough pattern is clear: **~ → ● → ▲**. From scattered sensing to systematic experimentation to decisive execution.

But most teams never make that transition.

They stay stuck in the ~~~~ **analytical paralysis**, burning time and money while competitors move with **▲● structured learning**.

Here's what that looks like in the room where it happens...

It was a Monday morning. The leadership team was gathered, and the CEO looked around the room with tired conviction.

“We’ve done the research. We’ve run the workshops. We’ve got all these ideas. But honestly... we’re burning \$50,000 every week we don’t decide.”

Silence.

W“The market’s moving. Our competitors launched two new features while we’ve been analysing. And I still don’t know what we’re trying to do.”

Then someone said it: “We don’t know where to start.”

Not because they lacked talent. Or time. Or even insight.

But because they’d **never made a real choice**. The whiteboard was full—but the direction was absent.

This is the **\$50 billion question**. BlackBerry faced it in 2010, trapped in endless analysis for five months while iPhone and Android moved with systematic execution. Yahoo under Marissa Mayer burned \$2.8 billion on 50+ acquisitions, stuck in scattered experimentation without ever achieving strategic coherence.

This chapter is about that moment. The fog of strategy. The noise of possibility. The paralysis of analysis.

It’s not a failure of intelligence.

It's a failure of **~▲ diagnostic intelligence** - the ability to sense when scattered exploration needs to converge into focused choice.

Let's get into it.

## Reframe the Rhythm

This pain point emerges when you're trapped in **~~~~ scattered sensing** without progression to **● systematic testing** or **▲ decisive execution**:

- You're stuck in **~~~~ endless ideation** without moving to **● experimentation**
- You're following **▲▲▲ rigid plans** disconnected from **~~ organisational reality**

You don't need a better plan.

You need **~ → ● → ▲ rhythm intelligence**.

Clarity doesn't come from thinking harder. It comes from **~● collaborative sensing** that converges into **▲ shared direction**.

## Diagnosing Strategic Paralysis

Before you can break through, you need to recognise the pattern. Strategic paralysis has telltale symptoms:

### The Analysis Trap Signs:

- How many strategic options are you actively considering? ( $>5$  = *paralysis risk*)
- How long since your last irreversible strategic commitment? ( $>6$  months = *decision deficit*)
- What percentage of leadership meetings end with concrete choices? ( $<30\%$  = *action gap*)

- Do you have more strategy documents than implemented initiatives?  
(*Documentation > execution = drift signal*)

### The Rhythm Mismatch:

- **Stuck in ~~~~ Scattered Sensing:** Endless exploration without converging to ● **focused testing**
- **Trapped in ●●● Reactive Loops:** Continuous analysis without ▲ **commitment to scale**
- **Missing ▲ Systematic Execution:** No structured implementation once direction is clear

Nokia and BlackBerry exemplified **paralytic sensing** in 2010-2011. Both companies spent five months trapped in the same analytical pattern, unable to shift from platform sensing to strategic experimentation to committed execution. Both had extensive research. Both had smart people. Both finally chose Windows by bypassing crucial experimentation phases.

The pattern isn't about intelligence. It's about **rhythm intelligence** - knowing when to shift from sensing to testing to committing.

## SAFE Activation: Co-Creation (S) + Futures (F)

This is a moment to:

- Invite your team or stakeholders to **make meaning together** (S)
- Zoom out, re-anchor in the long view, and choose a strategic direction (F)

Strategy isn't something you declare.

It's something you design together.

## Strategy Principle: Strategy is About Choice & Coherence

This principle reminds us that strategy is not just a plan—it's a **deliberate act of decision-making**.

It means:

- Making the hard calls.
- Creating alignment between ambition and action.
- Ensuring each move reinforces the next.

Strategy without choice is just an expensive to-do list.

## The Cost of Not Choosing

When organisations stay trapped between sensing and deciding, the consequences compound exponentially.

### BlackBerry's \$50 Billion Value Destruction

In 2010, BlackBerry dominated smartphones with a 50% market share. But iPhone and Android were gaining ground, and its platform needed ~  
→ ● → ▲ **strategic progression**.

For five months, dual CEOs Mike Lazaridis and Jim Balsillie were trapped in analytical paralysis: endless sensing of three options (Android, Windows, MeeGo) without progression to systematic testing. External advisers recommended Android. Internal teams provided exhaustive analysis.

But leadership conflict prevented ~ → ● **rhythm shift** from sensing to experimentation. When they finally bypassed ● **testing loops** and jumped to ▲ **Windows commitment**, it was a strategic disaster.

**The cost: \$50 billion in market value destroyed through rhythm dysfunction.**

## Yahoo's Five-Year Strategic Drift

Marissa Mayer's tenure (2012-2017) exemplified **~●~ scattered experimentation** without **▲ strategic coherence**. Despite hiring McKinsey for "Project Family Business" to determine priorities, Yahoo never achieved **~→▲ sensing-to-structure** progression.

The rhythm dysfunction was systematic:

- 50+ acquisitions totalling \$2.8 billion (**●●● reactive loops** without **▲ strategic framework**)
- Multiple strategic pivots every 6-12 months (**~~~ endless sensing** without **● systematic testing**)
- Extensive research and consulting engagements (**▲ analytical structures** disconnected from **● organisational learning**)
- Zero breakthrough products (**missing ●→▲ experimental validation**)

Employees described endless ideation rather than focused strategy execution. The result: A sale for \$4.48 billion—demonstrating how **rhythm misalignment** destroys \$40 billion in value.

**The lesson is stark: analysis without progression is more dangerous than structured learning with adaptation.**

Strategy without choice is just an expensive to-do list that gets more expensive every day you don't choose.

Let's explore how we solve it through the **Playing to Win** framework.

## Field Note: The Hardest Part of Strategy

Choice, you have to say, is one of the hardest things in strategy.

It's deeply strategic.

It requires courage.

And, more than we like to admit—it's intuitive.

As Roger Martin says, *"There is no data about the future."*

Which means strategy is always about choosing **without certainty**.

And that's where intuition steps in—not as guesswork, but as **pattern recognition** over time.

Still, many leaders fall into **analysis paralysis**.

They wait for more data, more alignment, more clarity.

But clarity doesn't come before the choice.

It comes **after**.

That's why one of the most powerful ideas in the *Playing to Win* framework is that "Where to Play" and "How to Win" are **inseparable**.

You can't define your battlefield unless you know what makes you formidable.

You can't choose your segment unless you know your edge.

What I've found is:

- You can have multiple ways to play
- You can have multiple ways to win
- But they must be **integrated**

It's not just about bold decisions.

It's about **coherent strategy**—choices that work together.

That's the real challenge.

And that's the real work.

## Framework: Playing to Win in Practice

Roger Martin's five-part framework becomes powerful when implemented systematically with stakeholder collaboration:

1. **Winning Aspiration** – What does success look like?
2. **Where to Play** – What markets, segments, or arenas will you serve?
3. **How to Win** – What is your distinct competitive advantage?
4. **Capabilities** – What must you be great at to win?
5. **Management Systems** – What enables this strategy to sustain?

### P&G's Decade of Decisive Choices

When A.G. Lafley returned as CEO in 2000, P&G faced exactly the paralysis described above—multiple business units, countless market opportunities, and no clear strategic direction.

Lafley implemented Playing to Win not as a planning exercise, but as a **collaborative choice-making system**:

#### The Process:

- Involved consumers, cross-functional teams, and management in deep collaborative exercises
- Used the Where to Play × How to Win intersection as the forcing function for hard choices
- Required each business unit to explicitly choose its battleground and competitive advantage
- Connected every operational decision back to the five strategic choices

#### The Discipline:

Instead of trying to compete everywhere, P&G made explicit choices to exit low-margin businesses, focus on billion-dollar brand potential, and build distinctive capabilities in consumer understanding and innovation.

## The Results:

- Sales doubled from \$40B to \$80B+
- Profits quadrupled
- Market value increased by \$100+ billion
- Billion-dollar brands grew from 10 to 24
- Clear strategic direction enabled faster operational decisions

The magic wasn't only in the framework—it was in the **discipline to evaluate multiple options and make definitive choices** before moving to execution.

Sara Blakely's **Spanx** development exemplified this framework in action at startup scale. Her early prototyping sessions weren't just feedback loops—they were live strategy tests. Testers ranked features using “Must Have/Can't Stand” matrices, each round eliminated design options, and the final prototype embodied an explicit “Where to Play” choice: high-end retail vs. direct sales. This iterative elimination forced strategic clarity through designed constraint.

The discipline works at any scale: **Force choices through systematic option elimination.**

## The Choice Architecture Framework

Moving from analysis to action requires systematic choice design. The most successful organisations don't just gather options—they architect the decision-making process itself.

### 1. Constraint Setting

Deliberately limit options to 3-4 maximum. More choices create paralysis, not clarity.

- Netflix’s content strategy: Focus on three content types (licensed, original series, original films) rather than endless categories
- Amazon’s business model: Three pillars (marketplace, AWS, advertising) with clear resource allocation
- Apple’s product strategy: Deliberate constraint to a few product lines with clear differentiation

## 2. Irreversibility Testing

Separate Type 1 (irreversible) from Type 2 (reversible) decisions to speed up execution.

- **Type 1 Decisions:** Require deep analysis and collaborative input (platform choices, major acquisitions, core business model)
- **Type 2 Decisions:** Can be made quickly and adjusted (feature priorities, marketing campaigns, operational processes)

Amazon’s Jeff Bezos: “Most decisions should probably be made with around 70% of the information you wish you had. If you wait for 90%, in most cases, you’re probably being slow.”

## 3. Commitment Cascade

Each strategic choice unlocks the next level of tactical decisions.

- **Choose Where to Play** → unlocks customer segment priorities
- **Choose How to Win** → unlocks capability investment decisions
- **Choose Capabilities** → unlocks organisational design choices
- **Choose Management Systems** → unlocks resource allocation and metrics

## 4. Learning Triggers

Pre-define what evidence would cause strategy revision before implementation begins.

- Market response thresholds (customer adoption rates, competitive reactions)
- Internal capability gaps (execution speed, quality standards)
- Environmental changes (technology shifts, regulatory changes)
- Financial performance (revenue targets, profitability timelines)

This prevents continuous strategy drift while enabling necessary adaptation.

**Implementation Note:** The Choice Architecture works best when combined with  $\sim$  **AI sensing** (market, customer, cultural) and  $\bullet\blacktriangle$  **collaborative validation** (ensuring buy-in). The goal isn't perfect choices—it's  $\sim\bullet\blacktriangle$  **decisive progression** with systematic learning.

## AI as Strategic Co-Creator

AI transforms choice-making not by replacing human judgment, but by accelerating the path from analysis to decision through systematic option generation and scenario modelling.

### McKinsey recently shared Five AI Strategic Applications:

Let's apply these to the Playing to Win approach.

#### 1. AI as Idea Generator

- Generate multiple “Where to Play/How to Win” combinations in minutes
- Cross-industry pattern recognition for non-obvious opportunities
- Competitive gap analysis across market segments

#### 2. AI as Research Analyst

- Synthesise market data, customer feedback, and competitive intelligence
- Identify patterns across seemingly unrelated market signals
- Automate comprehensive landscape analysis

### 3. AI as Thought Partner

- Challenge team assumptions with counter-narrative exploration
- Generate “What if?” scenarios to test strategic resilience
- Surface potential blind spots in strategic thinking

### 4. AI as Simulator

- Model competitive responses to strategic choices
- Stress-test strategies against multiple market scenarios
- Predict resource requirements for different strategic paths

### 5. AI as Storyteller

- Transform strategic choices into compelling stakeholder narratives
- Generate communication strategies for different audiences
- Create implementation roadmaps with clear milestones

### Real-World AI Strategic Acceleration:

**Southeast Asian Regional Bank:** Used AI for expansion strategy development, enabling pressure-testing of plans and identification of hidden pitfalls. **Result: Strategy development time reduced from months to weeks.**

**IBM’s Cognitive Supply Chain Strategy:** Watson enables natural language strategic queries with augmented intelligence that “empowers people with better information to make data-driven decisions very quickly” while maintaining human decision authority. **Result: 50% reduction in manual strategic analysis work.**

**AlixPartners’ Strategic Control Towers:** Using Palantir Foundry for real-time strategic decision support across clients. **Results: 50% reduction in out-of-stock levels for retailers, proactive risk management for banks, sustainability optimisation for manufacturers.**

## **Human-AI Collaboration Model for Strategic Choice**

The Helix Moment introduces a dance of human and machine intelligence that enables a new kind of collaboration. This enables us to use the strengths of humans and AI in sequence and keeping humans in the driving seat and AI in the Loop (more in Part 3).

### **1. Human-Led Problem Framing**

- Humans define the strategic challenge and success criteria
- Humans establish decision-making authority and timeline
- Humans determine stakeholder involvement approach

### **2. AI-Augmented Option Generation**

- AI generates comprehensive strategic options across frameworks
- AI simulates competitive responses and market scenarios
- AI identifies connections between customer needs and capability gaps

### **3. Human-AI Collaborative Evaluation**

- AI provides systematic assessment across multiple criteria
- Humans probe assumptions and explore strategic implications
- Joint analysis of second-order effects and unintended consequences

### **4. Human-Owned Decision**

- Humans make final choices based on values and strategic judgment
- Humans take responsibility for implementation and communication
- Humans determine success metrics and adaptation triggers

## **Effective AI Prompts for Strategic Choice**

- “Generate five non-obvious ‘Where to Play’ options that leverage our unique capabilities but aren’t being pursued by competitors”
- “For each potential market, simulate three competitive reactions and identify potential countermoves”

- “Evaluate our strategic options through three lenses: short-term feasibility, medium-term adaptability, and long-term sustainability”
- “Identify potential strategic blind spots by generating perspectives from non-traditional competitors”

### Key Success Factors:

- **~ AI sensing** excels at exploration and simulation—**▲ human intelligence** must make meaningful choices
- **● Speed advantage:** 25% faster research and insights generation through **●~ AI-human loops**
- **▲ Quality advantage:** More comprehensive option analysis via **~▲ sensing-structure integration**
- **▲~ Human judgment** remains essential for values-based decisions and strategic responsibility

Organisations report a **50-60% reduction in strategic analysis time** while maintaining or improving decision quality through systematic human-AI collaboration.

## Practice: The Strategic Choices Sprint

Fortune 500 companies validate similar approaches through “decision war games”—splitting executives into competing perspectives, forcing written pre-commitments to strategic bets, and running live market simulations. 72% of participants reported clearer decision-making frameworks afterwards. The power lies not in the specific format, but in designing choice-making architectures that transform paralysis into purposeful action.

### Objective:

Generate and evaluate multiple Where to Play / How to Win strategies using design and AI tools.

**Agenda:**

1. Warm-up: What does “winning” look like for us? (10 min)
2. WTP Ideation: Generate 5+ directions using AI + team input (30 min)
3. HTW Matching: Craft 2 options per WTP (40 min)
4. Prototype + Pitch: Create short strategic narratives (30 min)
5. Evaluate with DFV/EEE lenses + SAFE reflections (40 min)
6. Decide: Which one do we pursue or pause? Why? (20 min)

Use AI for clustering, visualisation, and prompting—but let the humans decide what matters.

**Final Reflection**

What are you afraid to choose—and why?

Who needs to be in the room to make that choice together?

What needs to be true for that choice to become real?

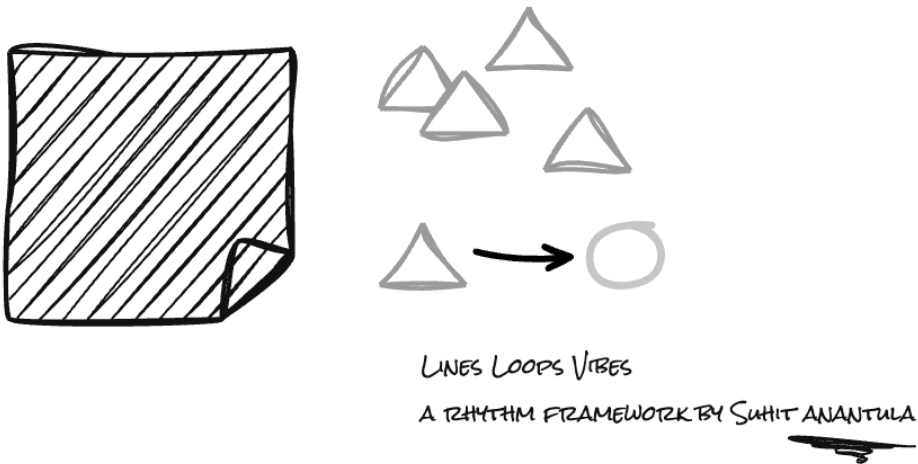
Starting strategy doesn't mean starting from scratch.

It means **starting with choice**.

## CHAPTER 10

### Face 2: The Beautiful Plan - Our Plans Never Get Used

#### OUR PLANS NEVER GET USED



The image looks familiar?

The beautiful strategic plan. Months of work. Perfectly logical. Board-approved.

Sitting unused while teams do what they've always done.

This isn't a failure of planning intelligence.

It's a failure of **rhythmic intelligence**.

Those scattered triangles? They represent every Lines-mode plan that ignored the Loops of reality.

The document gathering dust? That's what happens when strategy becomes a static artefact instead of a living system.

But notice that one triangle pointing to a circle...

That's where the magic happens. When rigid plans (Lines) transform into adaptive learning (Loops).

When strategy stops being a document and starts being a conversation with reality.

Let's start with the most expensive example of what happens when that conversation never occurs...

## When Apple Genius Meets Retail Reality

Ron Johnson had the golden touch.

Apple retail genius. The architect of the Apple Store experience. The man who convinced people to stand in line for hours to buy a phone. Steve Jobs personally recruited him and later called him "the best retail executive in the world."

In 2011, JCPenney's desperate board offered Johnson \$53 million to work the same magic on its struggling department stores.

Johnson's diagnosis was clear: JCPenney's constant sales and coupons were "drugs that customers needed to be weaned off." His solution was elegantly simple: **"Fair and Square" pricing.** No more sales. No more coupons. Everyday low prices, just like Apple.

The strategy looked brilliant on paper:

- Transform 1,100 stores into Apple Store-style boutiques
- Attract younger, affluent demographics
- Eliminate the "high-low" pricing that trained customers to wait for sales
- Create premium experiences that justify premium margins

Johnson had transformed Apple retail from zero to \$4 billion in annual revenue. His confidence was absolute.

## The Fatal ▲ Lines Moment

When JCPenney's merchandising team suggested ● **testing** the new pricing model in a few stores first, Johnson's response became retail legend:

**“We didn't test at Apple.”**

Instead of ● **pilots**, Johnson implemented ▲ **sweeping structural changes** across all 1,100 stores simultaneously. No ● **gradual experimentation**. No ~ **customer sensing loops**. No ● **adaptation** based on early results.

He eliminated 590 of 600 sale events in the first year.

Customers had been programmed by decades of JCPenney sales to expect 40-70% discounts. Johnson's “fair” prices often ended up higher than what customers typically paid during promotions. But there was no sensing mechanism to discover this—and no learning loops to adjust.

## Reality Strikes Back

The collision was immediate and devastating:

**Q1 2012:** Same-store sales collapsed by 20%—called “the worst quarter in retail history”

**Annual 2012:** Revenue dropped 25% to \$13 billion

**Customer traffic:** Fell by 10 million visitors per month

**Stock price:** Plummeted 50% in his first year

But Johnson stayed committed to ▲ **rigid execution**. No ● **pivots**. No ● **testing**. No ~● **adaptive sensing**.

“I’m not going back,” he declared, even as the losses mounted—trapped in **▲ structural thinking** without **~● market responsiveness**.

## The Human Cost

The numbers tell only part of the story. Johnson’s team replaced experienced JCPenney employees with Apple Store veterans who dismissed the existing customer base as “not smart” enough to understand the new pricing.

Long-term customers felt abandoned. They didn’t want to be educated out of their coupon-clipping habits—they wanted to feel smart about finding deals.

The cultural disconnect was total. Johnson was designing for the customers he wanted, not the customers JCPenney had.

## The Inevitable End

After 17 months and \$4 billion in losses, the board fired Johnson—one of the fastest CEO departures in retail history.

His replacement immediately brought back sales and coupons. Within months, customer traffic began recovering.

## The ~●▲ Rhythm Analysis

Johnson’s failure wasn’t stupidity. It was **▲▲▲ rhythm rigidity**.

He operated purely in **▲ Lines mode**:

- ✓ Clear strategic vision (**▲ structural transformation**)
- ✓ Systematic implementation (**▲ company-wide execution**)
- ✓ Unwavering commitment (**▲ staying fixed** despite results)

What he missed were the other rhythms:

● **Loops deficit**: No testing, no feedback cycles, no ● **adaptation** based on learning

~ **Vibes deficit:** No ~ **sensing** of customer emotional attachment to the “hunt for deals”

Johnson imported Apple’s **▲ Lines excellence** but without the ~ **cultural sensitivity**. He did not understand that JCPenney’s context required different ~●**▲ rhythmic intelligence**. Apple customers come to feel premium; JCPenney customers come to feel smart about savings.

## The Lesson

JCPenney proves that **▲ strategic brilliance** without ~●**▲ rhythmic intelligence** is just expensive failure.

The most dangerous moment in strategy isn’t when you **don’t know** what to do.

It’s when you’re so confident in **▲ structural execution** that you stop ~●**listening and learning** about what’s actually happening.

Johnson had the golden touch—until he forgot that even gold needs ●**systematic testing** to prove its purity.

While Johnson was declaring “**We didn’t test at Apple,**” Stewart Butterfield was doing the opposite—embodying ●~**adaptive sensing**.

Tiny Speck spent 3+ years building “Glitch,” an ambitious multiplayer game.

● **Testing revealed** it wasn’t working.

But their ~ **sensing** detected something magical: their internal communication tool.

In 8 weeks, they ●→**▲ systematically pivoted** from game to Slack.

8,000 users within 24 hours of launch through ~●**▲ rhythm intelligence**.

\$27.7 billion acquisition by Salesforce in 2021.

Same entrepreneurial confidence as Johnson. Opposite approach to reality.

## Reframe the Rhythm

This pain point usually shows up when we're trapped in **▲▲▲ line-based thinking**:

- Strategy is seen as a **▲ static plan**
- Execution is seen as **▲ delivery**, not **● learning**

But the world doesn't follow our timelines.

And when the map doesn't match the terrain, people don't ignore the terrain - they ignore the map. Plans that don't change get left behind—just ask Kodak, whose management couldn't embrace the digital photography it'd invented.<sup>1</sup> This is a call to move into **● loops** - into **~ emergence**, embracing the pivots that allowed PayPal to shift from security software for handhelds into the online payments giant it became.<sup>2</sup>

## SAFE Activation: Emergence (E)

When your plans go unused, it's often because:

- They were created in isolation
- They were too rigid to respond
- They didn't leave room for feedback or iteration

SAFE reminds us that strategy isn't just what you **▲ decide** - it's what **● ~ emerges through action and adjustment**.

## Field Note: Emergence is Everywhere

Emergence isn't just about strategy.

It's everywhere.

Any time we make a plan—whether for a product, a team, or an entire organisation—we eventually realise:

What we planned isn't quite what ends up happening.

Henry Mintzberg named this decades ago.

His idea of *emergent strategy* gave us the language to explain it.

Some parts of a strategy stay.

New things appear.

And together, they evolve into something new.

He showed that strategy isn't always deliberate.

Sometimes, it's what unfolds through a thousand adaptive decisions.

But this isn't just a business insight.

It's a systems insight.

Because we live inside complex adaptive systems—all the time.

Traffic is a complex system.

You can plan it. Model it.

But you can't control how every car, light, or person will act.

The same goes for:

- Teams
- Markets
- Organisations
- Society itself

These systems adapt.

They shift based on feedback.

They create new patterns you can't predict in advance.

That's what emergence is.

So the real lesson is this:

We don't just need strategy for complex systems. We need to *plan for emergence itself*.

Leave room for what might arise.

Create space for signals you didn't expect.

Let parts of your plan stay open—on purpose.

That's not failure.

That's reality.

And it's where better strategy begins.

### **Strategy Principle: Strategy is Emergent**

Margaret Wheatley and Henry Mintzberg both argued that real strategy is rarely imposed.

Instead, it *emerges* - from signals, from teams, from doing. As Mintzberg noted, "Intended strategy is what we think will happen. Emergent strategy is what actually happens..." Walmart, for example, saw its successful small-town store initiative *emerge* organically before it transitioned into a deliberate, scaled national strategy.<sup>3</sup> Strategy must be built to adapt - not just deliver.

### **Framework: Emergent Strategy (Wheatley & Mintzberg)**

This framework shifts strategy from a blueprint to a **living map**:

- Create simple rules and principles
- Align on intent, not prescription
- Empower local adaptation

- Learn by doing, not just deciding - embracing ‘intelligent opportunism’, the way Netflix pivoted from DVD-by-mail to streaming when it sensed changing consumer behaviour.

The question isn’t “Did we follow the plan?”

It’s “What are we learning - and what does that mean for where we go next?”

### Planning Failures vs. Emergent Success: Rhythm Patterns

#### Failed Planning Approaches (Stuck in ▲ ▲ ▲ Lines)

| Company              | Rigid Planning Pattern                            | Cost                  | Rhythm Problem                                      |
|----------------------|---------------------------------------------------|-----------------------|-----------------------------------------------------|
| <b>Target Canada</b> | Detailed 124-store rollout, no adaptation allowed | \$5.4B loss           | ▲ ▲ ▲ rigidity prevented ● local market learning    |
| <b>Kodak</b>         | Suppressed digital to protect film business model | \$31B → bankruptcy    | ▲ thinking couldn’t embrace ~ disruptive innovation |
| <b>JCPenney</b>      | “We didn’t test at Apple” - no pilot programmes   | \$4B revenue loss     | ▲ execution without ● validation                    |
| <b>Nokia</b>         | Elaborate planning teams, no iPhone response      | 40% → 1% market share | ▲ analysis paralysis vs. ~ market sensing           |

## Emergent Strategy Success (∼●▲ Fluid Rhythm)

| Company          | Emergent Pattern                                  | Value Created               | Rhythm Evolution                                                |
|------------------|---------------------------------------------------|-----------------------------|-----------------------------------------------------------------|
| <b>Slack</b>     | Internal tool →<br>pivot → platform               | \$27.7B acquisition         | ∼ (sensing value)<br>→ ● (8-week pivot)<br>→ ▲ (scaling)        |
| <b>Instagram</b> | Complex app →<br>photo focus →<br>social platform | \$1B acquisition            | ∼ (user behaviour)<br>→ ● (simplification)<br>→ ▲ (growth)      |
| <b>Netflix</b>   | DVD → streaming<br>→ AI-driven<br>content         | 6,230% stock<br>increase    | ● (testing) → ∼<br>(sensing shifts) →<br>▲ (scaling AI)         |
| <b>Microsoft</b> | Windows-centric<br>→ cloud-first → AI<br>leader   | \$300B → \$3T<br>market cap | ▲ (stability) → ●<br>(learning culture) →<br>∼ (empathy-driven) |

## The Pattern

**Failed Organisations:** Start with ▲ planning, stay in ▲ execution, ignore ∼ environmental signals

**Successful Organisations:** Move fluidly between ∼●▲ rhythms based on context and learning

**AI-Enhanced Success:** Use AI to accelerate all three rhythms - ∼ sensing, ● learning, ▲ scaling

## AI as Strategy Evolution Partner

Today, Johnson's "We didn't test at Apple" seems almost quaint.

AI now enables testing at an unprecedented speed and scale:

- A/B testing every customer interaction
- Real-time sentiment analysis of changes
- Predictive modelling of customer response before rollout

Unilever tests pricing changes across 100,000 AI-enabled freezer cabinets.

Netflix tests thumbnails with millions of users simultaneously.

JPMorgan processes 12,000 credit agreements in seconds to test lending strategies.

The excuse “we don’t have time to test” no longer exists.

The question is: do you have the rhythmic intelligence to act on what the tests reveal?

## **AI transforms how organisations can keep strategy alive and relevant in three dimensions**

### **AI as Strategic Accelerant**

- **Real-time adaptation signals:** Monitor market shifts, competitor moves, and internal performance metrics that might require strategic adjustments
- **Rapid scenario modelling:** Quickly generate “what if” simulations when conditions change – for instance, McKinsey describes how a Southeast Asian bank used AI to analyse growth adjacencies, model potential P&Ls, and even perform initial due diligence scans for M&A targets.<sup>4</sup>
- **Implementation velocity tracking:** Measure how quickly strategic initiatives move from concept to execution, identifying bottlenecks

### **AI as Strategic Connector**

- **Strategy-to-execution mapping:** Create visual connections between high-level direction and team-level activities
- **Cross-functional insight sharing:** Surface relevant learnings from one part of the organisation to others pursuing similar goals

- **Feedback loop integration:** Connect customer reactions, market responses, and internal experiences to strategic hypotheses

### **AI as Strategic Amplifier**

- **Weak signal detection:** Identify early indicators that the strategy is working or needs adjustment
- **Pattern recognition across experiments:** Synthesise learnings from multiple small tests to inform larger strategic shifts
- **Emergent opportunity sensing:** Detect unforeseen possibilities that arise during implementation

### **AI Prompting for Strategic Evolution**

Effective prompts to keep strategy alive and evolving:

- “Based on our implementation data from the past month, what three strategic hypotheses should we reconsider or adapt?”
- “Compare our original strategic assumptions with current market conditions and highlight where our thinking might need to evolve”
- “Analyse feedback from our frontline teams and identify emerging patterns that could inform our strategic direction”
- “For our current strategic initiative, generate three lightweight experiments we could run in the next two weeks to test critical assumptions”
- “Review discussions from our last three strategic meetings and highlight where our thinking has evolved versus remained static”

## **Human-AI Collaboration Model for Strategic Evolution**

### **Human-Led Direction Setting**

- Humans establish strategic intent and guiding principles
- Humans define what success might look like
- Humans determine which hypotheses to test first

## AI-Augmented Sensing

- AI monitors internal and external signals relevant to strategy
- AI tracks patterns across distributed experiments
- AI highlights divergence between intended and emergent paths

## Human-AI Collaborative Learning

- AI synthesises patterns from multiple feedback streams
- Humans interpret meaning and implications
- Joint exploration of what the learning suggests for next steps

## Human-Owned Evolution

- Humans decide how to adapt strategy based on emerging insights
- Humans update strategic narratives to reflect new understanding
- Humans determine which experiments to amplify or sunset

Remember: AI excels at pattern detection across complex systems, but humans must make the meaningful connections between what's emerging and what matters strategically.

## Practice: Emergent Strategy Jam

Before the Emergent Strategy Jam, run this 5-minute exercise:

“What’s our ‘We didn’t test at Apple’ moment?”

- Where are we implementing changes without validation?
- What customer feedback are we dismissing because it doesn’t fit our plan?
- Where are we confusing strategic confidence with strategic rigidity?

Use AI to scan recent strategic documents for language like:

- “We know that...”
- “Customers will...”
- “The market needs...”

Any statement without testing behind it is a potential JCPenney moment.

### **Objective:**

Transform static strategic plans into living, evolving navigation systems that adapt through learning.

### **Agenda:**

**1. Intention vs. Reality:** Map what we intended against what actually happened (20 min)

- *Lines tool:* Strategic plan review
- *Loops tool:* Reality assessment
- *Vibes tool:* Emotional response mapping

**2. Signal Sensing:** What's emerging in our ecosystem and organisation? (30 min)

- *Lines tool:* Structured signal categories
- *Loops tool:* Pattern detection
- *Vibes tool:* Intuitive response exercise

**3. Hypothesis Development:** What beliefs underlie our strategy that we could test? (30 min)

- *AI boost:* Use AI to generate alternative hypotheses that challenge our thinking

**4. Learning Loops Design:** Create lightweight experiments to test key assumptions (30 min)

- *Lines tool:* Experiment structure template
- *Loops tool:* Feedback mechanism design
- *Vibes tool:* Resonance check

**5. AI Integration:** Use AI to model potential outcomes and second-order effects (20 min)

- Practice using the AI prompts provided earlier

**6. Evolution Mechanisms:** Design the ongoing processes that will help strategy live (20 min)

- *Lines tool:* Regular rhythm calendar
- *Loops tool:* Adaptation protocols
- *Vibes tool:* Story evolution framework

Strategy becomes real not when we write it down, but when we let it evolve.

## Final Reflection

What did your last strategic plan teach you - about how your team really moves?

Where might your strategy want to go next - if you listened to it?

Don't throw out the plan.

Design it to evolve.

And when it does, your team won't just use it.

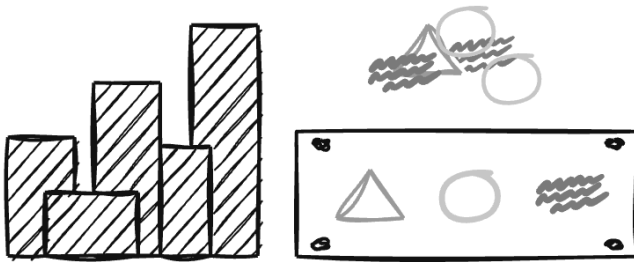
They'll *own* it.

**Emergence isn't an escape from planning.** It's a shift from lines to loops - and sometimes, if you listen deeply, to vibes.

# CHAPTER 11

## Face 3: The Ivory Tower - Strategy Feels Disconnected from Teams

### STRATEGY FEELS DISCONNECTED FROM TEAMS



LINES LOOPS VIBES

A RHYTHM FRAMEWORK BY SUHIT ANANTULA

Sound familiar?

Strategy born in the **▲ ivory tower** on the left. Documents filled with all the right frameworks on the right. And in the middle? A tangle of **▲ ~ ● disconnected rhythms** that should be flowing together but aren't.

This is the anatomy of strategy disconnection. Beautiful **▲ plans** crafted in boardrooms, far from the people who must execute them. The strategy looks perfect on paper—Lines, Loops, and Vibes all accounted for. But the **~ ● ▲ rhythm integration** between the tower and the teams has been severed.

The most successful organisations don't create strategy in isolation—they co-create it with the people who bring it to life.

Target Canada seemed like a sure thing. Meticulous planning. \$2.5 billion investment. Expert consultants. Yet within two years, it was gone.

Employees reported feeling “powerless to serve customers properly” while management imported American executives instead of empowering local staff. Beautiful ▲ **planograms** prevented workers from stocking available products, creating empty stores despite full warehouses.<sup>5</sup>

The ▲ **strategy** was brilliant. The ~● **human execution** was disconnected.

“It’s a great strategy - it just never left the boardroom.”

You’ve probably felt it: the PowerPoint is impressive, the language is crisp, and yet... something doesn’t land.

The team isn’t acting on it.

Frontline staff are doing their own thing.

Middle managers are translating - or ignoring - the message.

And leaders are frustrated by the “execution gap.”

“Why can’t we get people aligned?”

Because the people who ● **execute the strategy** didn’t get to ~● **co-create the strategy**.

## Reframe the Rhythm

This pain point emerges when strategy is overly ▲ **top-down** - stuck in rigid ▲ **lines**.

The assumption: ▲ **clarity** equals compliance.

But real alignment isn’t given - it’s ~● **generated** through participation.

This is a call to move into **~● collaborative loops** - rhythms of listening, making, testing, and adjusting together.

## The Pattern of Disconnection

The most expensive strategic failures share a common DNA: **▲ brilliant plans** that never connected with **~● execution teams**.

JCPenney lost **\$4 billion in sales** when CEO Ron Johnson eliminated beloved customer coupons without testing, declaring them “drugs customers needed to be weaned off.” When asked about piloting changes, Johnson responded: “We didn’t test at Apple.”<sup>4</sup>

WeWork’s valuation crashed from **\$47 billion to bankruptcy** as employees aware of financial unsustainability were silenced. Staff who “raised concerns were usually marginalised or fired.”

The pattern is clear: when strategy is **▲ proclamation** rather than **~● participation**, even brilliant plans fail spectacularly.

## SAFE Activation: Co-Creation (S)

The contrast is stark:

- **Disconnected strategies:** Target Canada (\$2.5 B loss), JCPenney (\$4B sales drop), WeWork (bankruptcy)
- **Co-created strategies:** Microsoft (\$300B to \$3T growth)<sup>6</sup>, Haier (9% pandemic growth), ING (€1B new deposits)

When teams feel disconnected, it’s often because:

- They weren’t part of shaping the direction
- They don’t see how strategy connects to their day-to-day
- They were asked to “buy in” after decisions were made

SAFE reminds us: strategy is strongest when it’s **~● co-authored**.

## Strategy Principle: Strategy is Co-Creation

True strategy isn't ▲ handed down - it's ~● built together with the people who bring it to life.

This principle draws from Collaborative Innovation, Agile planning, and human-centred strategy approaches. It's not about consensus - it's about **shared authorship and shared responsibility**.

Haier's radical transformation eliminated **12,000 middle managers** and created 4,000 independent "micro-enterprises" where employees operate as entrepreneurs. This RenDanHeYi model delivered **9% year-over-year growth during the pandemic** while transforming GE Appliances from near-bankruptcy to US market leader. CEO Zhang Ruimin explains: "People are not instruments, tools, or resources, but the purpose itself."<sup>1</sup>

If they helped shape it, they'll help deliver it.

## Field Note: You Can't Build Strategy at the Top

I've met many leaders who genuinely believe this:

If they bring together their smartest three people, lock themselves in a room, and hash it out—they'll have the strategy they need.

And sometimes, sure, that might work.

But even when it works, that's not the point.

There are two deeper truths I've learned over the years that make **co-creation** essential—not optional.

**First**, from a design perspective:

Co-design is non-negotiable for complexity.

You cannot design something adaptive, valuable, or human without involving those it affects.

**Second**, from an economic systems perspective:

Strategy is like price—it's not a command, it's a signal.

And signals only work when they're distributed.

Markets don't live in the boardroom.

They live outside the building.

And so does your best information.

We need all the signal data:

- From people inside the org
- From people outside it
- From the edge, not just the centre

Strategy built only at the top often **fails at the bottom**—because no one sees themselves in it.

That's where co-creation becomes transformative.

It's not just about better ideas.

It's about **belonging**.

Ownership. Energy. Alignment.

Because strategy that isn't executed is just noise.

And co-creation turns strategy into music people can move to—and move with.

## Framework: Collaborative Strategy Design

There's no one framework here - but the **meta-framework** is:

- Create space for multi-level participation.
- Use workshops and tools to gather insight, not just communicate direction.
- Treat facilitation as a strategic act.
- Use design tools (maps, canvases, systems thinking) to visualise complexity.

ING Bank dismantled its hierarchy to create **350+ autonomous “squads”** organised into thirteen tribes, with each squad defining its own mission within broader goals. Product development cycles dropped from **18 months to 3-6 months**, with smaller projects completed in 4-6 weeks. The bank added **€1 billion in new deposits annually** through digital channels while achieving a 20% increase in active digital users. COO Bart Schlatmann noted: “We needed to build the agile mindset. This was the hardest part. It’s a process that should never end.”<sup>2</sup>

Designing strategy this way builds clarity **from the inside out**.

## AI as Co-Facilitator

AI can't replace strategy conversations - but it can **enhance** them:

- Collect and cluster feedback from large groups.
- Generate strategy drafts or vision statements from co-creation sessions.
- Analyse internal data to surface gaps between teams and goals.
- Translate insights across departments and locations.

PepsiCo's Ada platform demonstrates AI's power to break down silos and accelerate co-creation. Named after Ada Lovelace, the system connects insights across all beverage brands and 100+ countries, **cutting product development cycles from 6-9 months to just 6 weeks**. The platform

processes millions of social media conversations while teams collaborate on strategy, with Chief Strategy Officer Athina Kanioura reporting that it now guides **\$900+ million in annual advertising investments**.<sup>3</sup>

AI helps scale listening - but humans still create the resonance.

## Practice: The Distributed Strategy Jam

### Objective:

Create shared ownership and clarity across levels of your organisation

### Agenda:

1. Gather: What does “strategy” mean to us? (20 min)
2. Share: What’s working/missing in our current direction? (30 min)
3. Co-Create: In small teams, ideate “If we owned this strategy...” (30 min)
4. Cluster: Use AI to group ideas, find themes (20 min)
5. Draft: Teams write 1-page visual stories of the strategy from their POV (30 min)
6. Reflect: What overlaps? What gaps? What feels true? (20 min)

This isn’t about wordsmithing the strategy.

It’s about letting people see themselves in it.

## Final Reflection

Where in your organisation is strategy being “translated” instead of lived?

What would it look like to design strategy with - not just for - your team?

Strategy doesn’t scale by telling.

It scales by **resonance**.

Start the loop.

And bring your people in.

## CHAPTER 12

### Face 4: The Hamster Wheel - We're Stuck Reacting, Not Thinking Long-Term

#### Field Note: The Best-Kept Secret in Strategy

I think Peter Drucker's *Theory of the Business* might be the best-kept secret in strategy.

For one, Drucker never called it a strategic framework.

So most people don't realise it's meant to shape strategy at all.

And second, Drucker didn't write about business the way we often do today.

He didn't use models or matrices.

He used **systems thinking**, **philosophy**, and deep observation.

But if you go back to his 1994 HBR article, it's all there.

Drucker brought together three layers of strategic thinking:

- **Context**—what's changing in the world, environment, or markets
- **Mission**—what we believe we're here to do, and what we think creates value
- **Strengths**—what we're good at, or in today's language: our business models

Then he asked a simple question:

What assumptions are we making about these three things?

Because every strategy is built on assumptions—about what's true, what matters, and what works.

But those assumptions were made in a previous version of the world.

And the world moves.

So the power of *Theory of the Business* is that it holds the past, present, and future in conversation:

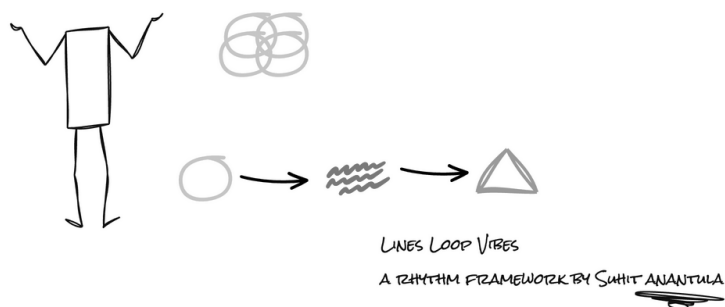
- What was true when we created this?
- What is true right now?
- And what needs to be true about the world ahead for our strategy to still hold?

It's not just a framework.

It's a lens. A rhythm. A pause.

And in my experience, it's one of the most powerful ways to explore strategy honestly—because it helps leaders see what they're carrying, what's still useful, and what's ready to be let go.

## WE'RE STUCK REACTING, NOT THINKING LONG-TERM



“We’re always busy. But are we actually going anywhere?”

It’s one of the most common leadership pains:

Everyone's moving fast - putting out fires, launching experiments, hitting short-term KPIs.

But when you zoom out, there's no shared horizon.

“We keep reacting. We don't have time to think ahead.”

This isn't just a capacity issue.

It's a **~▲ futures intelligence** issue.

When everything feels urgent, the future becomes abstract. And strategy becomes **● reactive survival** instead of **▲ proactive direction**.

## Reframe the Rhythm

In 2007, Nokia held 40% of the global smartphone market. Its engineers had created the most reliable, durable phones in the world. But when the iPhone launched, Nokia's response was predictable: improve the camera, extend battery life, make better hardware.

By 2015, its smartphone market share was 1%.

This wasn't a failure of engineering. It was a failure of **●~▲ rhythm intelligence**.

This is a symptom of being stuck in **●●● reactive loops** without **~▲ strategic lift**:

- You're **● iterating** well, but not **~ sensing** forward
- You're **● making decisions**, but not **▲ designing direction**

This is a call to move from **●●● short-term reactive loops** to **~▲ long-term strategic direction** - with rhythm intelligence.

Even in crisis, disciplined operating rhythms can create the space needed. During the 2008 financial crisis, Amazon maintained its long-term focus by continuing to invest in infrastructure and Prime membership while competitors cut costs, emerging stronger when conditions improved.

Domino's Pizza faced the same 2008 pressures as Pizza Hut. While competitors cut costs, Domino's invested \$40 million—60% of its 2007 profits—in digital infrastructure and completely overhauled its recipe.

The short-term pain was real: customers complained, sales initially dipped.

The long-term gain was extraordinary: stock price rose from \$2.61 to over \$160, with digital orders growing from 20% to 60% of total sales.

Two companies, same crisis, same strategic choice: maintain **~▲ long-term rhythm intelligence** despite **● short-term reactive pressure**.

**~▲ Long-term thinking** is not the opposite of **● speed**.

It's what gives **● speed** strategic **▲ meaning**.

### **SAFE Activation: Futures (F) + Ambiguity (A)**

When teams lose the future, it's often because:

- They're overwhelmed by the present
- They don't trust that plans will hold
- They don't know how to work with uncertainty

SAFE says: strategy must start with **~ imagination**, not just **▲ planning**.

It must move through **~ fog**, not just **▲ clarity**.

### **Strategy Principle: Strategy is About the Future**

Peter Drucker said:

"The best way to predict the future is to create it."

But creating it requires time, vision, and space to think. Singapore institutionalised this principle by embedding the Centre for Strategic Futures within the Prime Minister's Office, using systematic foresight methodologies to help the government think beyond electoral cycles.<sup>2</sup>

This principle reframes strategy as **narrative foresight** - the ability to:

- Think beyond this quarter
- Spot weak signals and long arcs
- Ask what kind of world you're designing for

## Framework: Theory of the Business (Peter Drucker)

Drucker's *Theory of the Business* asks a deceptively powerful question:

What must be true about your customers, your mission, and your environment for your strategy to make sense?

This framework helps leaders name the **assumptions** their strategy is built on:

- What are we assuming about our industry, market, and world?
- What do we believe about our users or customers?
- What do we think we're really good at - and will that still matter?

The power of this approach lies in its simplicity:

If your assumptions are wrong, your strategy will eventually fail.

Netflix exemplifies this assumption-testing approach. When it shifted from DVD-by-mail to streaming, it didn't just launch a new service—it questioned fundamental assumptions about how people wanted to consume entertainment. Its willingness to cannibalise its profitable DVD business came from recognising that its core assumption (convenience matters more than selection) was evolving.<sup>3</sup>

This makes it a foundational lens for **~▲ future-oriented design**:

- It creates a **~ diagnostic lens** before committing to **▲ direction**
- It encourages **~ slow clarity** in a **● fast world**
- It gives teams a way to surface **~ hidden truths** and see what's changed

~▲ Great strategy isn't built on ▲ predictions.

It's built on ~ re-examining what you believe is true.

## **Foresight Across Rhythmic Modes**

Different rhythmic modes play distinct roles in creating meaningful futures:

### **Lines Mode & Foresight**

- Creates structured horizons and clear time boundaries
- Establishes vision-strategy-tactics hierarchies
- Develops systematic roadmaps connecting the present to the future
- Provides stability for long-term commitments

### **Loops Mode & Foresight**

- Tests assumptions through rapid experimentation
- Refines future visions through feedback and learning
- Creates adaptive pathways that respond to changing conditions
- Builds future capabilities through progressive iteration

### **Vibes Mode & Foresight**

- Senses emerging patterns before they become obvious
- Cultivates an intuitive connection to possible futures
- Creates resonant future narratives that inspire action
- Attunes to cultural and emotional shifts that signal change

The foresight masters don't choose between these modes – they orchestrate them. They use lines to create clear horizons, loops to test assumptions and refine direction, and vibes to sense what might be emerging next.

## Tools for Foresight Design

Once assumptions are surfaced, we can begin stretching imagination through foresight:

- **Visioning:** Articulate a bold, preferred future
- **Backcasting:** Reverse-engineer what needs to be true to reach it
- **Scenario Planning:** Design “what ifs” based on forces you don’t control
- **Signal Scanning:** Use qualitative + AI-augmented trend mapping to detect weak signals

These tools give structure to imagination - and rhythm to futures thinking.

Strategy that includes the future becomes a movement - not just a motion.

## AI as Foresight Companion: From Reaction to Anticipation

AI transforms strategic foresight in three fundamental ways:

### AI as Foresight Accelerant

- Generate multiple future scenarios in minutes rather than weeks
- Rapidly simulate potential outcomes across different time horizons
- Process vast amounts of weak signals to identify emerging patterns
- Automate trend analysis across industries, regions, and technologies

### AI as Foresight Connector

- Link current decisions to long-term implications through causal modelling
- Connect weak signals across seemingly unrelated domains
- Bridge operational metrics with strategic outcomes
- Translate abstract futures into concrete strategic implications

Estée Lauder's AI transformation shows foresight acceleration in action. Its ConsumerIQ system analyses 80+ years of consumer data across 25 brands and 150 countries, while Trend Studio detects market shifts from social media and generates tailored responses.

The result: trend-to-market response time dropped from weeks to days.

This isn't AI replacing human judgment—it's AI amplifying human pattern recognition at an impossible speed and scale.

### AI as Foresight Amplifier

- Expand imaginative possibilities beyond organisational biases
- Surface counterintuitive futures that challenge conventional thinking
- Identify blind spots in organisational assumptions
- Enhance scenario depth by modelling complex system interactions

The most powerful approaches combine human and machine foresight capabilities:

- Humans define meaningful futures worth pursuing
- AI expands the range of possible paths to those futures
- Humans evaluate which paths align with values and purpose
- AI helps identify potential obstacles and enablers along those paths

### AI Prompting for Strategic Foresight

Effective prompts for future-oriented strategy include:

- **Signal Detection:** “Analyse recent developments in [industry/domain] and identify five weak signals that could become significant trends in the next 3-5 years”
- **Assumption Testing:** “What are three assumptions in our current strategy that might be challenged by emerging technologies, climate change, or demographic shifts?”
- **Scenario Generation:** “Create four distinct future scenarios for our industry based on two critical uncertainties: [uncertainty 1] and [uncertainty 2]”

- **Future Backcasting:** “If our vision for 2035 is [vision statement], what milestones would need to be achieved by 2030, 2028, and 2026?”
- **Strategy Stress-Testing:** “How might our current strategic approach fail under each of these future scenarios? What would need to change to make it more resilient?”

## **Human-AI Collaboration Model for Strategic Foresight**

### **Human-Led Purpose Setting**

- Humans articulate meaningful futures worth pursuing
- Humans establish values that should guide future direction
- Humans determine what success looks like across time horizons

### **AI-Augmented Exploration**

- AI identifies relevant weak signals and emerging patterns
- AI generates diverse future scenarios and possibilities
- AI simulates the potential impacts of different strategic choices

### **Human-AI Collaborative Sense-Making**

- AI organises signals and scenarios into coherent narratives
- Humans interpret meaning and implications through their context
- Joint exploration of strategic options across time horizons

### **Human-Owned Direction Setting**

- Humans select which futures to prioritise based on values
- Humans determine strategic commitments and resource allocation
- Humans design implementation rhythms that connect the present to the future

Remember: AI excels at pattern detection and simulation, but humans must provide the meaning, values, and purpose that make futures worth pursuing.

## **Practice: Foresight Framing Sprint**

### **Objective:**

Use imagination, design, and data to stretch beyond the short-term.

### **Agenda:**

1. Signals: What Nokia-level shifts are we missing in our industry? (30 min)
2. Apply Welch's test: If we weren't in this business, would we enter today?" (30 min)
3. Visioning: What would a 10-year bold success look like? (30 min)
4. Backcasting: What milestones would we need to hit? (30 min)
5. Scenarios: What are three alternate futures - good, neutral, risk? (30 min)
6. Strategy Fit: What would our current approach need to shift? (30 min)
7. AI Integration: Where could Estée Lauder-style pattern detection transform our sensing?" (30 min) (30 min)

Use AI to expand your imagination, not replace it.

Map where you are before designing where you want to go.

## **Final Reflection**

What's your organisation's vision for the next decade?

How often do your teams actually talk about it?

What rhythm would help you connect the future to the now?

Nokia optimised hardware when it needed to sense software ecosystems.

Domino's invested in digital when competitors cut costs.

GE systematically abandoned businesses when others defended positions.

Estée Lauder accelerated trend detection when others relied on intuition.

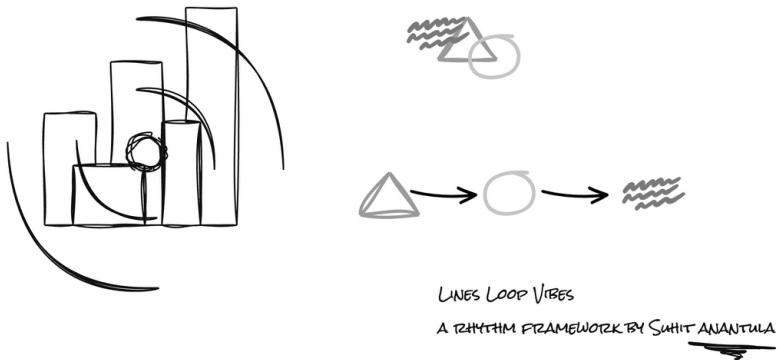
The difference wasn't intelligence or resources.

It was rhythmic intelligence—knowing when to shift from Lines to Loops to Vibes, and back again.

## CHAPTER 13

### Face 5: The Whiplash - The World is Changing Too Fast

#### THE WORLD IS CHANGING TOO FAST



“Every week, something new hits us - new tech, new competition, new mandates. We can’t keep up.”

This isn’t just velocity. It’s ~ **volatility**.

The teams are trying to adapt, but everything’s in flux. Markets shift. Tools change. Customer needs evolve mid-project. And the strategy? It’s always six steps behind.

“By the time we agree on what to do, the world’s already moved on.”

This isn’t a ● **speed** issue.

It’s a ~ **resonance issue** - and a ~●▲ **rhythm intelligence** issue.

**This visual at the start reveals everything.**

That spiral? It's your organisation caught in the whirlwind of accelerating change. Every strategic plan, every carefully built system, every "best practice" gets swept up in forces moving faster than your decision cycles can handle.

But notice the path on the right.

The way through volatility isn't to fight the wind—it's to **learn the rhythm of the storm itself**. ▲ **Lines** give you structure to stay grounded. ● **Loops** help you adapt as conditions shift. ~ **Vibes** let you sense the next gust before it hits.

Most organisations get trapped in the spiral because they're stuck in a single rhythm—usually ▲ **Lines**—trying to ▲ **plan** their way through chaos. The companies that thrive have learned something different: ~●▲ **rhythmic intelligence**.

But here's what the evidence shows: **Organisations implementing frameworks for rapid sensing and response report average performance improvements of 40-50%, while those failing to adapt have collectively lost over \$100 billion in market value between 2020 and 2024.**

## Reframe the Rhythm

This pain point reveals itself when organisations are trapped between ▲ **slow lines** and ~ **chaotic vibes**:

- Plans are outdated the moment they're written (▲ **Lines** dysfunction)
- Teams are moving fast but out of sync (~ **Vibes** without coherence)
- Sensing happens in isolation from decision-making (● **Loops** disconnection)

The result? Anxiety. Fatigue. Strategic whiplash.

What's needed isn't more ● **speed** - it's ~ **faster sensemaking** and ~●▲ **rhythmic harmony**.

Strategy must learn to move with reality, not around it.

Recent academic analysis of **249 empirical studies** by Nguyen, H and others in the *Management Review Quarterly*, confirms this shift: companies with superior environmental sensing and decision velocity consistently outperform peers, with effect sizes of 0.3-0.6 indicating medium to large performance impacts.<sup>1</sup>

## **SAFE Activation: Ambiguity (A) + Emergence (E)**

This is a moment to:

- Accept that clarity is temporary (A)
- Build the capacity to **move through uncertainty** (A)
- Let strategy **evolve through action**, not declaration (E)
- Create conditions for coherent responses to emerge (E)

When COVID hit in March 2020, Zoom faced 30x growth in 3 weeks. Rather than trying to control chaos, it embraced uncertainty, allowed its infrastructure strategy to emerge through action, and built the capacity to scale while maintaining quality. It didn't fight volatility—it moved with it.

But Zoom wasn't alone. **Microsoft Teams scaled from 20 million to 75 million daily active users—a 275% growth in five months**—by compressing feature deployment from quarterly releases to weekly updates. Netflix added 37 million subscribers versus 28 million the previous year by reducing content approval cycles from six months to 2-3 months.<sup>2</sup>

SAFE reminds us: you don't need to **▲ control** the system - you need to **~ sense it well** and **●▲ respond wisely**.

## **Field Note: The world is changing fast.**

But if you asked Peter Drucker, he'd say it's always been this way.

He'd take you back to 1890—when electricity, automobiles, industrial chemistry, and new financial structures began transforming the modern world.

The disruption we live in today has deep roots.

But knowing that doesn't make it easier to lead now.

Because the question isn't *if* the world is changing.

It's *how we orient ourselves* inside that change.

That's why I love the **OODA Loop**, designed by military strategist and fighter pilot John Boyd.

Picture a Top Gun dogfight: two jets, each reacting and adapting in real time.

But instead of a jet, imagine your organisation, your project, your challenge.

You're flying through turbulence.

Competitors are shifting.

Technology is rewriting the rules mid-air.

That's what the OODA Loop is for:

- **Observe** – What's happening, right now?
- **Orient** – What's your position, and what does it mean?
- **Decide** – What's the best next move?
- **Act** – Move quickly, and learn fast

Then? You loop again.

It's not just a military model.

It's a mindset for strategy in fast, volatile systems.

I see it everywhere now:

- In cybersecurity, where the attack surface shifts by the hour
- In AI, where a model release can render assumptions obsolete overnight
- In geopolitics, where a sentence in a speech can reset an entire market

Sometimes, the world changes in a second.

And when it does—we don't need a longer plan.

We need a tighter loop.

## Strategy Principle: Strategy is Sensing Speed

- **Speed** doesn't mean rushing.

It means knowing ~ **when** to act - and ● **how fast**.

This principle, inspired by Boyd's **OODA Loop**, reframes strategy as a ~●▲ **continuous feedback cycle**:

1. ~ **Observe** – What's really happening? What's changed?
2. ~ **Orient** – What do we know? What patterns are emerging?
3. ▲ **Decide** – What's the best move *now*?
4. ● **Act** – Commit. Learn. Loop again.

In a fast-changing world, your ability to ~●▲ **re-orient** is your advantage.

The organisation that can sense, interpret, and respond the fastest wins.

## Framework: OODA Loop - From Military Strategy to Business Excellence

The OODA Loop offers more than just decision speed - it's a mindset of strategic agility that's now being explicitly adopted by leading organisations.

**JPMorgan Chase CEO Jamie Dimon openly credits OODA Loop principles for the bank's success during the 2023 regional banking crisis, achieving record profits of \$43.74 billion in Q4 2024 - a 50% increase from the previous year.** Dimon specifically describes running the \$3.7 trillion institution through a “strategic process of constant review, analysis, decision-making and action”—literally naming the OODA components.<sup>3</sup>

## **Observe: Stay in observation longer than your competitors**

- Develop multi-sensor awareness (data, intuition, network)
- Create diverse input streams
- Watch for pattern breaks, not just patterns

**JPMorgan's AI implementation demonstrates this in practice:** 20% reduction in fraud false positives, 95% reduction in anti-money laundering false positives, and compressing 360,000 annual hours of contract analysis to seconds. This isn't just efficiency—it's sensing speed multiplication.<sup>4</sup>

## **Orient: Integrate insights faster using diverse perspectives**

- Combine analytical and intuitive processing
- Connect dots across domains
- Challenge existing mental models

## **Decide: Build tight decision protocols**

- Match decision scope to certainty level
- Distribute decision rights to appropriate levels
- Balance speed with reversibility

## **Act: Move with precision and learning intent**

- Execute with clear measurement
- Extract learning from each move
- Feed insights back into observation

**Walmart exemplifies OODA mastery at scale.** During COVID-19, the retailer compressed inventory allocation decisions from weeks to days through real-time demand sensing linked to local COVID case data. By rapidly converting 2,400 stores into mini-fulfilment centres, Walmart

became the only major retailer to generate net income growth in Q1 2020 despite \$900 million in pandemic-related expenses.<sup>5</sup>

The goal isn't to outpace the world - it's to move in rhythm with it.

## **The Multi-Rhythm Response**

Different rhythms play distinctive roles in volatility response:

### **Lines Mode: Creates the foundation**

- Structured sensing routines
- Clear decision protocols
- Reliable feedback systems
- Consistent learning frameworks

### **Loops Mode: Drives adaptive response**

- Rapid experimentation cycles
- Tight feedback loops
- Regular pattern recognition
- Continuous hypothesis testing

### **Vibes Mode: Reveals emergent possibilities**

- Intuitive pattern detection
- Cultural and contextual sensing
- Weak signal amplification
- Novel connection making

**ING Bank demonstrates sophisticated multi-rhythm orchestration.**

Its radical transformation into 350+ autonomous, nine-person “squads” within 13 “tribes” maintains strict regulatory compliance frameworks (Lines), while enabling product iteration in **2-3 week cycles versus 10-16 weeks previously** (Loops), all while fostering a culture where every employee spends time in customer service to maintain market sensing

(Vibes). This orchestration improved its Net Promoter Score from -30 to +30 within one year.<sup>6</sup>

Organisations that master volatility don't choose one rhythm - they orchestrate all three in harmony.

## The Cost of Slow Sensing: \$100 Billion in Lessons

While successful companies demonstrate the value of rapid adaptation, failures reveal the devastating cost of rigid thinking:

**Hertz's bankruptcy** exemplified sensing failure compounded by structural rigidity. Revenue fell **73% year-over-year** in April 2020, leading to a Chapter 11 filing with \$19 billion in debt. While competitors like Avis proactively restructured for the digital era, Hertz's complex securitised debt structure prevented crisis response flexibility.<sup>7</sup>

**Peloton's collapse** showed how companies mistake temporary trends for permanent shifts. Stock collapsed **96%** from \$170 to under \$7 as management failed to distinguish pandemic-driven demand from sustainable growth. Net losses reached \$2.83 billion in fiscal 2022, affecting thousands through multiple layoff rounds.<sup>8</sup>

**JCPenney's decade-long decline** accelerated catastrophically during COVID-19. Four CEOs in 10 years prevented coherent strategy, while early e-commerce success (\$1 billion in 2006) atrophied through underinvestment. Filing for bankruptcy with \$4.5 billion in net losses, JCPenney's 85,000 employees paid the price for the leadership's inability to sense and respond.<sup>9</sup>

*The pattern is clear: sensing speed isn't optional—it's existential.*

## AI as Strategic Sensor

AI transforms strategic sensing in three fundamental ways – as accelerant, connector, and amplifier:

## AI as Strategic Accelerant

- Process thousands of market signals simultaneously, compressing analysis time
- Continuously monitor competitor movements, technology developments, and customer behaviour shifts
- Generate rapid scenario simulations based on emerging trends
- Automate routine monitoring so humans can focus on novel patterns

## AI as Strategic Connector

- Link seemingly unrelated signals across different domains
- Translate weak signals into strategic implications
- Bridge organisational silos by routing relevant insights
- Connect historical patterns with emerging trends

## AI as Strategic Amplifier

- Surface non-obvious patterns invisible to human analysis alone
- Detect weak signals before they become obvious trends
- Challenge team assumptions by highlighting counterintuitive data points
- Generate multiple interpretations of the same signals

**Walmart's AI-driven supply chain** demonstrates enterprise-scale impact. Its Pactum AI system achieved a **68% success rate** in automated supplier negotiations, reducing costs by 1.5%. The retailer's demand forecasting AI enables real-time simulation of disruption scenarios, automatically reallocating inventory across 4,700 stores. With over 50% of fulfilment centres already automated, Walmart has fundamentally transformed retail operations.<sup>10</sup>

**Unilever's environmental AI applications** show sensing extending beyond traditional business metrics. Using satellite imagery analysis for

deforestation monitoring and machine learning for emissions optimisation, the company achieved an **82% reduction** in surfactant production emissions while increasing retailer sales by 15-35% through AI-driven promotions.<sup>11</sup>

The average return on investment for AI strategic intelligence implementations reached **3.7x**, with top performers achieving up to 10.3x returns. Organisations report average deployment times of eight months with value realisation within 13 months.<sup>12</sup>

The most powerful approaches combine AI sensing with human meaning-making. AI processes the landscape; humans provide context and judgment.

## **AI Prompting for Strategic Sensing**

### **Enhanced Signal Detection Prompts:**

- “Analyse these market data points and identify the 3-5 most significant anomalies that could signal strategic shifts, with confidence levels and potential impact assessment”
- “Compare current customer feedback patterns with historical data to identify emerging dissatisfaction trends, then model potential business impact scenarios”
- “Review competitor announcements from the past month and identify potential strategic pivots, including second-order effects on our market position”

### **Advanced Interpretation Prompts:**

- “Generate three alternative explanations for this emerging trend, assess their strategic implications, and identify leading indicators that would validate each scenario”
- “Model the second and third-order effects if this weak signal becomes a dominant market force, including impact on our competitive positioning”

- “If this pattern continues, what strategic assumptions might we need to revisit, and what would be the cost of a delayed response?”

### **Accelerated Response Prompts:**

- “Suggest three potential ‘no-regrets moves’ we could make regardless of which scenario unfolds, with resource requirements and risk assessments”
- “Design small experiments we could run in the next 30 days to test our hypotheses about this trend, including success metrics and learning objectives”
- “Generate a comprehensive set of leading indicators that would tell us if our strategic response is working, with recommended monitoring frequencies”

## **Human-AI Collaboration Model for Strategic Sensing**

### **AI-Augmented Signal Collection**

- AI monitors vast information streams continuously across news, social media, regulatory filings, and market data
- AI identifies statistical anomalies and pattern breaks using machine learning algorithms
- AI flags potential strategic signals for human attention with relevance scoring

### **Human-Led Sense-Making**

- Humans interpret signals within an organisational context and strategic priorities
- Humans apply strategic judgment and experience to assess implications
- Humans connect signals to organisational capabilities and competitive constraints

## AI-Enhanced Option Generation

- AI generates multiple strategic response options with feasibility assessments
- AI simulates potential outcomes of different approaches using scenario modelling
- AI identifies resource requirements and implementation pathways

## Human-Owned Decision-Making

- Humans select strategic responses based on values and organisational priorities
- Humans commit organisational resources and attention
- Humans take responsibility for strategic outcomes and stakeholder impacts

## Combined Feedback Processing

- AI tracks implementation results and environmental changes in real-time
- Humans interpret lessons learned and strategic implications
- Joint integration of insights into the next sensing cycle for continuous improvement

Let AI **speed up your sensing** so you can **slow down your thinking**.

## Practice: Enhanced Strategic OODA Sprint

### Objective:

Move from overwhelm to strategic clarity using short-loop decisions with AI amplification.

## Agenda:

### 1. **Observe:** Use AI + team insight to surface key signals (25 min)

- What's changed in our environment this week? (AI monitoring dashboard review)
- What patterns are our AI systems detecting? (Anomaly analysis)
- What are our teams sensing that data might miss? (Human intuition synthesis)
- What are competitors doing that we haven't noticed? (AI competitor tracking)

### 2. **Orient:** Make meaning of the signals (35 min)

- What do these signals mean for our strategy? (Context application)
- What assumptions might we need to update? (Belief challenging)
- Where do we see opportunities or threats emerging? (Pattern recognition)
- Which signals deserve immediate attention vs. longer-term monitoring?

### 3. **Decide:** Identify 2–3 specific responses (35 min)

- What actions could we take in the next week? (Short-term moves)
- Which decisions are reversible vs. irreversible? (Risk assessment)
- How do we balance speed with thoughtfulness? (Decision velocity optimisation)
- What resources do we need to commit? (Implementation planning)

### 4. **Act:** Build tiny tests with AI support (25 min)

- Design small experiments to test our hypotheses (Rapid prototyping)
- Assign clear ownership and timelines (Accountability structure)
- Establish success metrics and feedback loops (Learning systems)
- Set up AI monitoring for early results detection (Continuous sensing)

**5. Reflect:** Assess what changed (25 min)

- What did we learn from our actions? (Insight extraction)
- How accurate were our initial interpretations? (Calibration check)
- What should we watch for in the next cycle? (Forward sensing)
- How can we improve our sensing-to-action speed? (Process optimisation)

**6. Loop:** Schedule the next review cycle (15 min)

- Set up automated AI alerts for key indicators
- Assign responsibility for continuous monitoring
- Plan deeper analysis for complex signals

Use AI for signal detection and option generation - but let humans drive meaning-making and decisions.

## Final Reflection

What's one strategic decision you delayed because you were waiting for certainty?

What's one thing you could do *tomorrow* to learn faster?

What might you sense if you slowed down enough to really look?

The world is changing too fast.

But your organisation can move with it - if you build the rhythm to respond.

The evidence is overwhelming: **companies implementing frameworks for rapid sensing and response achieve 40-50% performance improvements, while those clinging to traditional approaches face not merely competitive disadvantage but existential risk.**

Sensing is speed.

Action is learning.

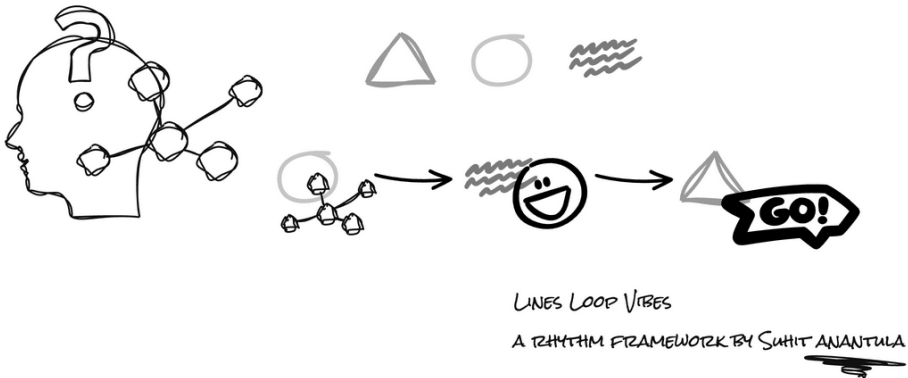
Loop early. Loop often.

**The question is no longer whether to build strategic agility capabilities, but whether you can build them fast enough to survive accelerating change.**

## CHAPTER 14

### Face 6: The AI Fog - We're Unsure How to Use AI in Our Strategy

**WE'RE UNSURE HOW TO USE AI IN STRATEGY**



**This is how it starts.**

The tangled thoughts, the branching possibilities, the question marks multiplying in your head every time someone mentions “AI strategy.” You know AI matters, but the path forward feels like a maze of conflicting advice, competing priorities, and uncertain outcomes.

Most leaders experience this exact moment: standing at the intersection of excitement and anxiety, knowing they need to act but unsure which direction leads to breakthrough versus breakdown.

But here’s what this visual reveals: **there’s actually a rhythm to navigating AI uncertainty.**

Notice the flow from Loops (experimentation and learning) → Vibes (intuitive understanding and resonance) → Lines (structured action and execution). This isn't random—it's the natural pattern successful organisations follow when transforming AI intimidation into strategic iteration.

The confusion in your head? That's not a problem to solve immediately. It's the starting point for systematic learning.

**Here's what might surprise you: Starting with AI uncertainty isn't a weakness—it's a strategic advantage.**

MIT Sloan Management Review's research across 3,000+ managers in 112 countries reveals that organisations acknowledging “we don't know how to use AI” and adopting experimental approaches achieve **6x better financial outcomes** than those pursuing grand AI strategies. The leaders who succeed don't begin with confidence— they begin with systematic approaches to managing unknowns.

Take Capital One. When Chief Scientist **Prem Natarajan** faced the same AI uncertainty you're experiencing, he didn't pretend to have all the answers. Instead, he deliberately chose what he calls a “very, very, very careful” implementation strategy, stating: “Everybody acknowledges, across every industry, that they are learning. Everybody is exploring.”

Rather than rushing to deploy AI in high-stakes credit decisions, Capital One developed a “**stairway to heaven**” methodology—embodying the exact rhythm shown in our visual:

- **Loops:** Starting with 10-person pilots for months (experimentation)
- **Vibes:** Expanding to hundreds for weeks (building intuitive understanding)
- **Lines:** Then thousands before enterprise deployment (structured execution)

This measured approach enabled the bank to deploy AI assistants to **20,000+ customer service agents** while maintaining regulatory compliance and customer trust.

The confusion you're feeling? Capital One felt it too. The difference is that it used it as fuel for systematic learning rather than paralysis.

This chapter is for that moment—the one where excitement and anxiety meet.

It's not a tech issue. It's a **learning issue**. And a **co-creation opportunity**.

## Reframe the Rhythm

AI uncertainty often emerges when teams:

- Over-index on experts and under-involve users
- Frame AI as a technology decision, not a strategic design question
- Move too fast or too vaguely—without rhythm

What's needed is a shift from **intimidation to iteration**, from **control to co-creation**.

## SAFE Activation: Ambiguity (A) + Co-Creation (S)

AI forces us to:

- Move without full clarity (A)
- Bring multiple voices into shaping what AI could do for us (S)

When JPMorgan Chase developed COiN (Contract Intelligence) to process legal documents, it didn't start with a grand AI strategy. It began with a specific pain point (lawyers spending 360,000 hours annually reviewing loan agreements), invited legal and tech teams to co-create the solution, and embraced the ambiguity of not knowing exactly how AI would transform its legal operations. Today, JPMorgan employs **2,000+ AI specialists** with **300+ AI/ML use cases in production**, generating **\$1.5+ billion in business value** from AI/ML initiatives.<sup>1</sup>

SAFE reminds us that strategy in the AI era is not about perfect planning. It's about **strategic experimentation with shared learning**.

## Strategy Principle: Strategy as Learning

We don't know the best use of AI for our context until we try.

That's why strategic learning loops—not just bold bets—are so vital.

Strategy is no longer “build and execute.”

It's “try, learn, adjust, repeat.”

This principle is grounded in frameworks like Lean Startup, Co-Intelligence (Mollick), and Agile experimentation. The **Financial Times provides a textbook example of this approach**. The organisation spent 1.5 months developing an AI-powered newsletter summarisation tool that “didn't get the effect we wanted”—a clear failure by traditional metrics. Instead of abandoning AI efforts, they pivoted to create an **AI Playground**, an interactive platform enabling journalists to drive their own experimentation. This shift from top-down implementation to bottom-up exploration accelerated innovation cycles and generated successful use cases across the newsroom.

The lesson: failed hypotheses provide valuable learning when organisations maintain experimental mindsets.

## The MIT Research Validation

Before diving into frameworks, it's worth understanding what distinguishes successful AI adopters from the rest.

MIT Sloan Management Review's longitudinal research identifies **three distinct patterns** among companies navigating AI uncertainty:

- **AI Pioneers (12%)** combine high understanding with systematic experimentation, achieving financial benefits at 6x the rate of other organisations

- **AI Investigators (17%)** build deep understanding before limited deployment, focusing on capability development
- **AI Experimenters (13%)** adopt a “learning-by-doing” approach with high deployment but initially limited comprehension

**Crucially, only organisations combining deployment with systematic organisational learning achieve significant financial returns**—pure technology implementation without learning structures fails to generate value.

Mayo Clinic exemplifies this approach. Despite being healthcare’s “most aggressive adopter” of AI with 200+ use cases in development, it explicitly acknowledges that AI remains “sufficiently new and experimental”, requiring extensive support structures. This admission led to the creation of a 60-person enablement team that supported 76,000 staff members and the establishment of an **AI Factory** for rapid model generation. The result: FDA-approved ECG algorithms reducing 45-minute kidney analyses to seconds while maintaining clinical accuracy.

### **Field Note: AI Isn’t a Tech Problem. It’s a Strategy One.**

Really, what’s a book about AI without talking about *AI strategy*, right?

But here’s what I keep running into:

I meet with CEOs and they say, *“This is interesting. Talk to my CIO or CTO.”*

And I get it.

It feels like a technology issue. Something technical.

Something outside the scope of “real” strategic conversation.

But that’s exactly the problem.

Most CIOs and CTOs are already stretched:

- Maintaining legacy systems
- Managing cybersecurity risks
- Cleaning up bad data
- Overseeing digital transformation programmes
- Keeping the lights on

They're critical partners.

But they are **not** the ones who should lead your AI strategy.

Because AI isn't about infrastructure.

It's about **intelligent capability**.

It's not about the wiring.

It's about what you build on top of it.

Saying "talk to the tech team" about AI is like saying:

"Electricity is a wiring issue. Let the electrical guys handle it."

But electricity didn't change the world because we understood volts.

It changed the world because we **imagined dishwashers, vacuum cleaners, electric vehicles**.

That wasn't a technical decision.

That was a design decision. A business model decision. A **strategic choice**.

It's the same with AI.

The CEO doesn't need to know how the model works.

They need to ask:

What could we design, change, or reimagine—if we had intelligence embedded in our system?

That's not a tech conversation.

That's the future of strategy.

## Framework: Lean Strategy + Co-Intelligence

**Lean Strategy** (Ries) invites you to:

- Treat your AI ideas as hypotheses
- Test early, test small, and learn fast
- Focus on value creation, not just implementation

**Co-Intelligence** (Mollick) adds:

- Always invite AI to the table
- Always keep humans in the loop

**Stitch Fix demonstrates how this integration creates a competitive advantage.** From its 2011 founding, the company pioneered **~●▲ multi-rhythm AI implementation**. The **▲ Lines pattern** appears in its systematic recommendation flow: AI algorithms generate suggestions → human stylists refine selections → clients receive shipments. The **● Loops pattern** creates continuous feedback cycles where client responses improve both AI algorithms and stylist understanding. The **~ Vibes pattern** emerges when stylists creatively remix AI suggestions for emotional resonance and lifestyle context. This **~●▲ multi-rhythm approach** generated **\$3.2 billion in 2024 revenue** (up from \$1.7 billion in 2020), with **AI-driven recommendations accounting for 75% of selections** sent to customers.<sup>2</sup>

Together, Lean Strategy and Co-Intelligence (and EEE, explored later) create an **ethical, experimental, and adaptive** posture.

## AI Integration Across Rhythmic Modes

Different rhythmic approaches to AI integration serve different strategic purposes:

## ▲ Lines Mode AI Integration: Structured & Systematic

- Establishes clear AI governance and ethical guidelines
- Creates standardised implementation frameworks
- Develops systematic measurement and evaluation processes
- Builds reliable AI infrastructure and operations

## ● Loops Mode AI Integration: Iterative & Adaptive

- Tests AI applications through rapid experimentation
- Refines AI capabilities through user feedback cycles
- Adapts AI implementations based on learning and results
- Builds AI literacy through hands-on experience

## ~ Vibes Mode AI Integration: Intuitive & Emergent

- Senses cultural readiness for AI adoption
- Explores creative AI applications beyond obvious use cases
- Develops organisational comfort with AI collaboration
- Cultivates intuitive understanding of human-AI balance

JPMorgan Chase demonstrates ~●▲ enterprise-scale rhythmic integration across departments. **Trading** operates on ▲ linear algorithms for high-speed transactions. **Risk Management** employs ● loop-based fraud detection, analysing \$10 trillion in daily transactions with continuous learning. **Customer Service** utilises ~ vibes-based chatbots, adapting to emotional context and relationship history. **Investment Banking** combines all three rhythms: ▲ linear analysis tools, ● iterative market modelling, and ~ creative deal structuring with AI augmentation.<sup>3</sup>

## Building AI Literacy Through Experimentation

Organisations successfully building AI capabilities share a common approach: they create psychologically safe environments for ●

**experimentation** rather than mandating ▲ **top-down training** programmes.

**Johns Hopkins Applied Physics Laboratory’s “Level Up” program** demonstrates the power of voluntary, gamified learning. Despite APL’s reputation as a highly technical organisation, many staff members felt uncomfortable implementing GenAI in their daily work. The voluntary programme incorporated entertainment elements, including a “Labwide Leader Board” and weekly prizes. Results exceeded all expectations: **1,500+ employees completed 6,500+ unique training sessions** during the competition period, with an additional 1,000 joining afterwards. Total training sessions exceeded 10,000, far surpassing mandatory programme benchmarks at peer organisations.

**Nestlé’s enterprise-wide implementation** across 189 countries and 339,000+ employees centred on **NesGPT**, an internal ChatGPT version enabling secure experimentation. The company created an innovation community of 100+ team members trained on AI concept generation tools, encouraging cross-functional experimentation. Measurable results include a **30% reduction in forecasting errors**, a **30-50% reduction in equipment stoppages** through predictive maintenance, and product ideation acceleration from 6 months to 6 weeks.

The shift from **intimidation to ● iteration** generates superior outcomes in both capability development and cultural transformation.

## **AI as Strategic Co-Creator**

AI transforms strategic integration in three fundamental ways – as accelerant, connector, and amplifier:

## **AI as Strategic Accelerant**

- Generate and test multiple AI use cases in days instead of months
- Rapidly simulate potential ROI across different implementation options

- Compress strategic learning cycles from quarters to weeks
- Automate competitive analyses to understand AI positioning in your market

### **AI as Strategic Connector**

- Bridge implementation gaps between technical and business teams
- Link customer pain points directly to potential AI solutions
- Translate strategic priorities into specific AI capabilities
- Connect organisational knowledge across silos for holistic insights

### **AI as Strategic Amplifier**

- Extend strategic imagination beyond conventional AI applications
- Surface non-obvious patterns in market and operational data
- Challenge assumed limitations with creative alternatives
- Expand the horizon of what's possible through unprecedented combinations

### **AI Prompting for Strategic Integration**

Effective prompts for AI strategy development include:

- **Problem Finding:** “Analyse our current business model and identify the top five operational areas where AI could create the most strategic value for us within 6 months”
- **Opportunity Mapping:** “Generate 10 creative ways we could use AI to solve our [specific challenge], ranging from simple augmentation to radical reinvention”
- **Risk Assessment:** “What are the most likely unintended consequences of implementing AI in our [function]? Include second-order effects and ethical considerations”
- **Implementation Planning:** “Create a staged approach for introducing AI into our strategy process, with specific milestones that balance quick wins with meaningful transformation”

- **Customer Experience:** “How might we use AI to enhance our customer experience while maintaining human connection? Generate seven concepts that blend automation and augmentation”

## **Human-AI Collaboration Model for Strategic Integration**

### **Human-Led Strategic Direction**

- Humans define strategic objectives and ethical boundaries
- Humans establish success metrics and implementation criteria
- Humans determine organisational readiness and change management approach

### **AI-Augmented Exploration**

- AI identifies potential application areas across functions
- AI generates implementation options with varying complexity/impact
- AI simulates potential outcomes and identifies dependencies

### **Human-AI Collaborative Evaluation**

- AI provides initial impact and feasibility assessment
- Humans evaluate cultural fit and organisational implications
- Joint exploration of ethical considerations using the EEE framework

### **Human-Owned Implementation**

- Humans make final decisions on where to start
- Humans design integration process with stakeholders
- Humans determine how to measure success and adjust

Remember: AI excels at identifying patterns and generating options, but humans must determine strategic fit and meaningful integration that aligns with organisational values and capabilities.

## Practice: AI Strategy Co-Creation Lab

### Objective:

Help your team explore, experiment, and define your first or next AI move with appropriate rhythm.

### Agenda:

1. **Rhythm Check:** Where are we today with AI? **▲ Lines** (structured), **● Loops** (learning), or **~ Vibes** (sensing)? (15 min)
2. **Possibility Space:** Use AI + team to generate use cases across functions (30 min)
  - Customer relationship applications (primarily **~● Vibes + Loops**)
  - Product innovation applications (primarily **●▲ Loops + Lines**)
  - Infrastructure applications (primarily **▲● Lines + Loops**)
3. **Strategic Selection:** Choose one use case from each function to develop (20 min)
4. **Rhythm Design:** For each use case, design the appropriate rhythm (30 min)
  - What needs **▲ structure?** (Lines)
  - What needs **● learning?** (Loops)
  - What needs **~ sensing?** (Vibes)
5. **EEE Assessment:** Evaluate each using the Ethical-Emotional-Emergent framework (30 min)
  - **Ethical:** Does this AI application align with our values and treat stakeholders fairly?
  - **Emotional:** How will this change relationships and emotional experiences?

- **Emergent:** How might this AI capability evolve and what should we enable?
- 6. **Integration Plan:** Build a staged approach with clear learning objectives (30 min)
- 7. **First Move:** Choose one initiative to start within the next sprint (15 min)

The goal isn't perfect AI integration.

It's **~●▲ rhythmic AI learning** that becomes part of how you work.

## Final Reflection

How might AI change your organisation's rhythm – not just its outputs?

Where in your strategic work could AI create the most meaningful acceleration, connection, or amplification?

What's one small experiment you could run tomorrow to start building your AI strategic muscle?

**The evidence is compelling:** Organisations adopting experimental approaches achieve 6x better financial outcomes (MIT SMR-BCG research) than those pursuing grand AI strategies. **Power users save 30+ minutes daily**, with some roles experiencing **5.4 hours of weekly time savings**. Stitch Fix generates **10,000 product descriptions every 30 minutes** using AI—a task previously requiring days of human effort.

But the transformation goes deeper than productivity metrics. Organisations that embrace AI uncertainty as a strategic starting point develop new organisational capabilities: increased risk tolerance, celebration of “intelligent failures,” and democratised access to AI tools. As Coursera's CLO noted about its GenAI Academy: “stories are more impactful than data” for driving adoption—highlighting how cultural transformation requires emotional engagement beyond rational metrics.

You don't need an AI strategy.

You need a ~●▲ **strategic rhythm for AI.**

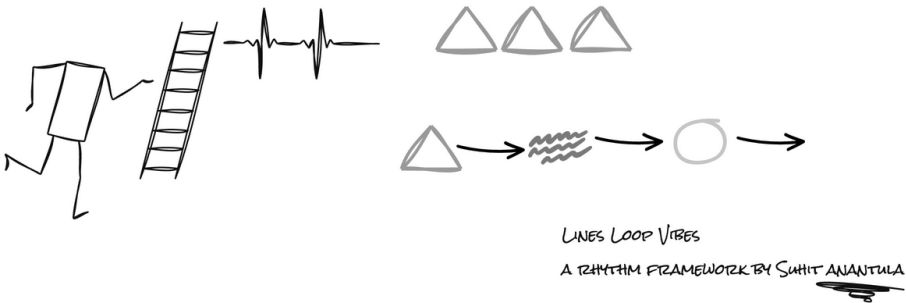
Start small. Co-design with intention.

And let AI become part of how you move – not just what you do.

## CHAPTER 15

### Face 7: The Safety Dance - We Want Innovation But Keep Playing It Safe

***WE WANT INNOVATION BUT KEEP PLAYING IT SAFE***



**You've lived this.**

The organisational heartbeat on the left—steady, predictable, climbing the same ladders we've always climbed. The innovation attempts on the right—three identical triangular “safe bets” that look remarkably similar to each other.

Then that one courageous attempt: breaking from the rigid triangle into fluid exploration, eventually finding its rhythm in iterative loops, with an arrow suggesting it continues evolving.

This is the innovation paradox visualised: **We keep generating the same ▲ triangular solutions while the breakthrough happens when we allow ourselves to move fluidly between ~●▲ rhythms.**

The ladder represents our established **▲ way of thinking**—step by step, predictable progression. The vital signs suggest an organisation that's alive

but might be stuck in a single rhythm. Those three safe triangles at the top? They're **innovation theatre**. The transformation flow below? That's **innovation courage**.

The real innovation doesn't happen when we produce more triangles. It happens when we allow **▲ structured intent** (Lines) to flow into **~ emergent exploration** (Vibes) and crystallise into **● learning cycles** (Loops)—and keep moving.

Most organisations can sense this pattern but struggle to embrace it. They approve the **▲ triangle**, fund the **▲ triangle**, measure the **▲ triangle**. But breakthrough innovation lives in the **~●▲ flow between rhythms**, not in the safety of staying in one.

This is the **courage gap** made visible: **the distance between what we ▲ approve and what actually ~● creates value**.

*The story of how this gap closes—and organisations transform from innovation theatre to innovation courage—begins with understanding why we default to triangles in the first place...*

“We talk about innovation. We even fund it. But somehow... everything ends up looking like what we've already done.”

This is one of the most frustrating strategic tensions:

- The desire to do something bold—but the instinct to de-risk it into oblivion
- The approval for experiments—but the pressure to get it right the first time
- The language of innovation—with the delivery of business as usual

“How do we actually make space to try something real?”

This isn't an **● innovation gap**.

It's a **~ courage gap**—and a **▲ systems gap**.

**The evidence is stark:** Companies implementing    **systematic innovation courage** achieve 200% faster growth, 33% higher profitability, and 10x better ROI than those engaged in **innovation theatre**.<sup>1</sup> Yet most organisations remain trapped in what researchers call “innovation theatre”—surface activities that feel like progress but deliver incremental results.

### **Field Note: Innovation, Reluctantly**

I used to love the word innovation.

I thrived on it. I believed it could change everything.

But after years of trying to actually innovate inside real organisations, I’ve learned something simple and painful:

It’s hard. Really hard.

Honestly, I didn’t want to write this chapter. I almost skipped it.

But here’s the thing:

How else do we evolve?

How else do we change, transform, grow, survive—if not through innovation?

That’s why I’m here again.

Because we don’t need more hype. We need tools. We need rhythm.

We need ways to make innovation *doable*.

But first, we need to stop treating it like a department or a sprint.

Innovation isn’t an initiative.

It’s a way of doing strategy differently.

That means two things:

- **Ecosystems**—we need to think beyond the four walls of the org.  
Value comes from the network, not just the product.
- **Horizons**—we need to place bets across time, not just in the now.  
Innovation lives in tension with operations—and that’s the point.

This isn’t about building innovation labs.

It’s about building innovation literacy—across strategy, systems, and time.

Let’s do that.

## Reframe the Rhythm: From Theatre to Courage

This is what happens when organisations are stuck in **▲ lines**—with brief detours into **● loops**, but always returning to what’s safe.

The difference between innovation theatre and innovation courage isn’t about resources or talent. It’s about **~●▲ rhythm** and **▲ systems**.

## Innovation Theatre: The Expensive Illusion

**Kodak (1975-2012):** Despite inventing the digital camera in 1975, Kodak accumulated over 7,000 patents while refusing to cannibalise its lucrative film business. The result: bankruptcy in 2012 after losing 90% of its market share to digital disruption, it pioneered but refused to embrace.<sup>2</sup>

**General Electric Digital (2013-2018):** GE invested \$4+ billion in its digital transformation and Predix platform, complete with massive PR campaigns and “digital industrial” rebranding. Without achieving product-market fit first, it scaled prematurely. The result: failed software company pivot, sold digital assets, and CEO departure.<sup>3</sup>

**Nokia (2007-2013):** As the 14-year mobile phone leader holding 40% global smartphone market share, Nokia developed touchscreen prototypes

but dismissed them as inferior to keyboards. Its “colossal strategic planning team” created elaborate analyses while organisational fear prevented adaptation. The result: market share collapsed to 1%, and it was sold to Microsoft for a fraction of its former value.<sup>4</sup>

## Innovation Courage: Systematic Transformation

**Microsoft under Satya Nadella (2014-Present):** The transformation from “know-it-all” to “learn-it-all” culture required fundamental ~ **courage**—shifting from Windows-centric to cloud-first while empowering teams to ● **experiment and fail**. Market capitalisation grew from \$300 billion to over \$3 trillion, with Azure becoming the second-largest cloud platform globally.<sup>5</sup>

**Adobe Creative Cloud (2012-Present):** Adobe risked its entire business model, shifting from perpetual licences to subscriptions despite potential revenue disruption. This ~ **courage** paid off: revenue grew from \$4.2B (2012) to \$19B+ (2023), with 26M+ Creative Cloud subscribers and 10x stock price increase.<sup>6</sup>

**Netflix Content Strategy:** While competitors played it safe with proven formulas, Netflix invested \$15 billion annually in original content, including unconventional shows like “Stranger Things” and “The Crown.” This ▲ **systematic content courage** transformed them from DVD-by-mail to a global streaming leader with 286+ million subscribers.<sup>7</sup>

Innovation requires a ~●▲ **rhythm of divergence, risk, iteration, and pattern recognition.**

- Not more ▲ **strategy decks**
- Not more **innovation theatre**
- But a ● **system that learns through trying**

Innovation isn't a department.

It's a ~ **dynamic.**

## SAFE Activation: Futures (F) + Emergence (E)

To innovate well, teams must:

- Work toward long-term possibilities (F)
- Let the best solutions emerge from action, not just analysis (E)

3M exemplifies this activation through its “15% time” policy—**~ untracked time** for personal projects that has generated 22,800+ patents, innovations like Post-It Notes and N95 masks, and sustained \$1B+ annual R&D investment over decades. It doesn’t just talk about innovation—it creates **▲ structural conditions** where breakthrough innovations emerge from **● employee experimentation** rather than **▲ top-down mandates**.<sup>8</sup>

SAFE says: you don’t **▲ plan innovation**—you **~● design the conditions** for it to show up.

## Strategy Principle: Strategy as Ecosystem

True innovation doesn’t come from **▲ internal brainstorming** alone.

It comes from engaging with the larger **~ system of value**:

- Users
- Partners
- Platforms
- Adjacent markets

This principle invites you to design for **~● emergent value creation**, not just **▲ core capability extension**.

## Platform Innovation at Scale

**John Deere’s Agricultural Ecosystem (2012-Present):** What began as **▲ farm equipment manufacturing** evolved into a comprehensive **~ data ecosystem**. Its MyJohnDeere platform, combined with IoT sensors

and AI-powered Blue River acquisition (\$305M), now delivers 70% Automatic Guidance adoption and 80-90% herbicide reduction through precision agriculture. The platform enables third-party developers and consultants to create value that neither John Deere nor farmers could achieve alone.<sup>9</sup>

**Salesforce AppExchange:** With 7,000+ apps and 4,500+ partners generating \$500M annually, Salesforce created an ecosystem projected to generate \$1 trillion in economic value by 2024. Its API-first architecture and no development fees enabled partner success while amplifying Salesforce's core platform value.<sup>10</sup>

Innovation is a product of ~ interactions—not ▲ isolation.

## Framework: Platform Strategy + Innovation Portfolio

**Platform Strategy** encourages you to:

- Think in terms of networks and value exchange
- Leverage other players' capabilities
- Design for scalability and evolution

**Innovation Portfolio** invites you to:

- Balance horizon 1, 2, and 3 bets
- Diversify your innovation efforts—some for now, some for next
- Use simple criteria to evaluate what to scale and what to sunset

Together, they help you ▲ **manage strategic risk** and ~ **creative ambition**.

## Multi-Horizon Innovation in Practice

**Microsoft's Portfolio Management:**

- **H1 (70%):** Windows/Office optimisation for current revenue
- **H2 (20%):** AI, Azure expansion and Teams growth
- **H3 (10%):** Quantum computing and mixed reality exploration

Its **~ platform integration** through Azure marketplace and GitHub enables **• ecosystem innovation** while maintaining **▲ balanced investment** across time horizons.<sup>11</sup>

**Corporate Venture Capital Growth:** CVC now represents 25%+ of startup funding, with portfolio companies generating 3.18x more patents than traditional funding. Companies like Google Ventures, Intel Capital, and Salesforce Ventures create **~ strategic value** beyond financial returns by connecting **• innovations** to their **▲ core platforms**.<sup>12</sup>

### **Multi-Rhythm Innovation: ▲ Lines, • Loops, ~ Vibes**

Different innovation challenges require different **~•▲ rhythmic approaches**. The most successful organisations operate **multiple rhythms simultaneously** rather than forcing single approaches.

#### **▲ Lines Mode: Structured Innovation**

**When to Use:** Compliance-driven industries, safety-critical systems, long development cycles

**Traditional Automotive R&D:** 5-7 year development cycles with sequential phases, heavy documentation, and regulatory compliance. While slow, this rhythm ensures safety and quality in complex manufacturing systems.

**Pharmaceutical Development:** 10-15 year timelines from discovery to market, driven by regulatory requirements and safety protocols. Recent evolution includes hybrid approaches using agile methods for digital tools while maintaining rigorous clinical processes.<sup>13</sup>

#### **• Loops Mode: Iterative Innovation**

**When to Use:** Software development, customer-driven products, market testing

**Spotify's Squad Model:** ● **Self-organising teams** of 6-12 people maintaining complete decision-making authority within tribes of 40-150 people. This structure enabled scaling from startup to 550+ million global subscribers while preserving ● **innovation velocity** through continuous deployment and weekly releases.<sup>14</sup>

**ING's Agile Banking Transformation (2010-2018):** Eliminated traditional ▲ **hierarchical structures**, creating ● **cross-functional tribes** focused on customer journeys with quarterly business reviews for alignment. Results: 50% faster feature delivery, improved customer satisfaction, and higher employee engagement.<sup>15</sup>

### ~ Vibes Mode: Emergent Innovation

**When to Use:** Early-stage exploration, cultural innovation, breakthrough discovery

**3M's 15% Time (1948-Present):** ▲ **Systematic approach** to ~ **emergent innovation** through untracked personal project time, peer review processes, and failure acceptance culture. Generated breakthrough innovations, including Post-It Notes, Scotch Tape, and N95 masks while maintaining ● **continuous innovation flow**.<sup>16</sup>

**Google's 20% Time Evolution:** ● **Engineer-driven innovation** time that produced Gmail, Google News, and AdSense. While less formal today, the culture of ~ **emergent innovation** persists, balancing ▲ **structure** with ~ **creative exploration**.<sup>17</sup>

### Multi-Rhythm Integration

**Amazon's Comprehensive Approach:**

- **Operations (▲ Lines):** Six Sigma fulfilment optimisation for reliability
- **Product Development (● Loops):** Two-pizza teams with rapid A/B testing

- **AWS Innovation (≈ Vibes):** Customer-driven feature emergence

Its PR/FAQ methodology integrates insights across all ≈●▲ **rhythmic modes**, enabling market leadership across diverse businesses.<sup>18</sup>

## The EEE Layer and Innovation

Innovation must be evaluated across all three dimensions of the EEE Layer:

### Ethical Innovation

- Considers impacts across diverse stakeholder groups
- Designs for inclusion and accessibility from the start
- Builds responsible governance into innovative solutions
- Questions: Who benefits? Who might be harmed? What values does this encode?

### Emotional Innovation

- Creates meaningful resonance, not just utility
- Designs for the full spectrum of human experience
- Connects to deeper motivations and aspirations
- Questions: How will this make people feel? What relationships does it create?

### Emergent Innovation

- Builds adaptation into core design
- Creates platforms for evolution rather than static solutions
- Enables recombination and unexpected uses
- Questions: How might this evolve? What possibilities does it enable?

## EEE Integration Example: Patagonia's Comprehensive Approach

**Ethical:** Mission-driven “Save our home planet” with 1% for the Planet founding, supply chain transparency, and values-based decision-making.

**Emotional:** Worn Wear repair program and Action Works activism platform creating community connection beyond product sales, with 28% customer participation in activism.

**Emergent:** Customer-driven initiatives and community-shaped products that evolve based on user feedback and changing environmental needs.

**Results:** Sustained premium pricing with 50% of customers highly valuing eco-materials, demonstrating how **~●▲ EEE integration** creates competitive advantage.<sup>19</sup>

When innovation addresses all three dimensions, it moves beyond novelty to create **~ lasting impact**.

## AI as Innovation Partner

AI transforms innovation processes in three fundamental ways – as accelerant, connector, and amplifier. **Organisations using AI for innovation report 55% productivity gains and 3.7x ROI on average, with top performers achieving 10.3x returns.**<sup>20</sup>

## AI as Innovation Accelerant

**GitHub Copilot Impact:** 50,000+ organisations using AI-assisted coding report 55% faster task completion, with 67% of developers using it 5+ days per week and 90% reporting increased job fulfilment. Pull request times decreased from 9.6 to 2.4 days.<sup>21</sup>

**Drug Discovery Revolution:** Insilico Medicine achieved the first AI-discovered drug in Phase 2 trials with <1 month discovery time versus

years traditionally required. The AI drug discovery market reached \$5B by 2024, with major pharmaceutical companies embracing AI acceleration.<sup>22</sup>

## AI as Innovation Connector

**Enterprise Integration:** TELUS achieved 45% operational efficiency gains by breaking organisational silos with AI platforms. Microsoft's internal AI deployment shows 30% of company code now AI-generated, with cross-functional teams collaborating more effectively through AI-enhanced workflows.<sup>23</sup>

**Cross-Domain Synthesis:** AI enables identification of solutions from unrelated fields, stakeholder perspective bridging, and interdisciplinary insight connection that humans might miss due to cognitive limitations.

## AI as Innovation Amplifier

**Creative Industries:** McCann Worldgroup uses AI for 3D modelling and personalised experiences, with the philosophy of “assistant and amplifier, not replacement.” This approach scales creative capabilities while maintaining human creative direction.<sup>24</sup>

**Signal Detection:** AI identifies weak signals and early trends, transforms constraints into creative starting points, and generates “what if” scenarios that challenge organisational assumptions.

## AI Prompting for Innovation

Effective prompts for innovation development include:

**For divergent exploration:**

- “Generate ten innovation concepts that combine our core capabilities with emerging technologies in [specific domain]”
- “What are five adjacent markets where our expertise could create unexpected value?”

- “How might our current offerings evolve if we prioritised [sustainability/accessibility/etc.] above all else?”

**For constraint-based creativity:**

- “What would our product look like if we had to design it using only half the resources?”
- “If our biggest competitor acquired us tomorrow, what would they change about our innovation approach?”
- “How could we deliver our core value proposition in an entirely different format or channel?”

**For portfolio balancing:**

- “Evaluate these innovation concepts across our three horizons, suggesting which belong where”
- “For each innovation concept, identify its primary risk type: technical, market, or organisational”
- “Generate alternative versions of each concept for different time horizons: now, next year, five years”

## **Human-AI Collaboration Model for Innovation**

**Human-Led Direction Setting:** Humans define innovation challenges, establish ethical boundaries, and determine strategic priorities.

**AI-Augmented Exploration:** AI generates diverse concepts, identifies market patterns, and simulates performance across contexts.

**Human-AI Collaborative Evaluation:** AI provides initial assessments while humans evaluate purpose alignment and cultural fit.

**Human-Owned Curation:** Humans make final portfolio decisions, allocate resources, and take responsibility for implementation.

## Building Systems for Innovation Courage

The difference between **innovation theatre** and ~ **real innovation** lies in the **▲ systems** you create to support ~ **courage**:

### Portfolio Approach to Risk

Instead of betting everything on one big idea, create a **● portfolio of experiments** across different risk levels. Research shows that organisations with **▲ balanced innovation portfolios** across three horizons achieve 4-6x better performance than single-focus approaches.<sup>25</sup>

### Psychological Safety as Foundation

**Academic research reveals:** 70-90% of failures are blamed when only 1-4% are truly blameworthy. Organisations with ~ **low-fear cultures** become innovation leaders 58% more often than high-fear cultures.<sup>26</sup>

**Implementation:** Google's blameless postmortems, failure celebrations, and vulnerability modelling by leadership create conditions where teams can pursue meaningful risk without career damage.

### Strategic Foresight Capabilities

**Shell's Scenario Planning (1965-Present):** Three-phase methodology (~ **Perceiving**, **● Prospecting**, **▲ Probing**) with 40+ year commitment enabled successful navigation of 1973 oil crisis, 1986 market collapse, and current energy transition. Future-prepared firms grow 200% faster with 33% higher profitability.<sup>27</sup>

### Organisational Ambidexterity

Research across 121 studies (2007-2021) confirms ~ **● ambidextrous firms** outperform by 4-6x through simultaneous ~ **exploration** and **▲ exploitation**. Key factors include leadership support, learning orientation, technology integration, and innovation culture.<sup>28</sup>

## Implementation Challenges and Solutions

Moving from **innovation aspiration** to **~●▲ rhythm** requires addressing systemic barriers:

### 1. Quarterly Pressure vs. Long-term Investment

**Challenge:** **▲ Short-term focus** killing innovation investments

**Evidence:** Successful transformations require 3-5 years of sustained commitment

**Solution:** Separate innovation metrics and budgets with explicit CEO protection

**Example:** Amazon's **~ long-term investment philosophy** enabling AWS development

### 2. Risk Aversion Culture

**Challenge:** **~ Fear of failure** preventing meaningful experimentation

**Solution:** Four-stage psychological safety implementation (Inclusion → Learner → Contributor → Challenger)

**Impact:** 4-5x engagement improvement in high-safety organisations

**Example:** W.L. Gore's **~ lattice organisation** with no hierarchy and 10% "dabble time"<sup>29</sup>

### 3. Innovation Theatre vs. Systematic Approach

**Challenge:** Surface activities without **▲ structural change**

**Solution:** **● Growth board models** with venture capital-style metered funding

**Success Rate:** 3x higher than traditional R&D approaches

**Timeline:** **~ Cultural change** must precede **▲ structural change**

## 4. Resource Allocation Mismatches

**Challenge:** Innovation treated as “extra work” rather than ▲ **core capability**

**Solution:** ▲ **Three Horizons resource allocation** (70-20-10 model)

**Validation:** Microsoft’s successful transformation maintaining all horizons

**Implementation:** Dedicated innovation budgets with different success metrics

### Practice: Innovation Portfolio Workshop

**Objective:**

Map, evaluate, and expand your strategic innovation bets using ~●▲ **multi-rhythm approach**.

**Agenda:**

1. **Rhythm Assessment:** What innovation rhythm dominates our organisation? (20 min)
  - ▲ **Lines:** Safety-first, compliance-driven approaches
  - ● **Loops:** Experimentation and iteration focus
  - ~ **Vibes:** Emergent, culture-led innovation
2. **Innovation Inventory:** Map current “innovations” across three horizons (30 min)
  - H1: Core business enhancement (70%)
  - H2: Adjacent opportunities (20%)
  - H3: Transformational bets (10%)
3. **Courage Gap Analysis:** Identify innovation theatre vs. genuine courage (20 min)
  - Theatre: Surface activities without risk

- Courage: Meaningful experiments with learning potential
- 4. **AI-Enhanced Ideation:** Generate new concepts using prompting framework (30 min)
  - **~ Divergent exploration** across all three horizons
  - **● Constraint-based creativity** challenges
  - **~ Cross-domain connection** opportunities
- 5. **EEE Evaluation:** Score concepts across Ethical-Emotional-Emergent dimensions (30 min)
  - Ethical: Values alignment and stakeholder impact
  - Emotional: Resonance and relationship creation
  - Emergent: Adaptation and evolution potential
- 6. **Portfolio Optimisation:** Balance risk, rhythm, and resource allocation (20 min)
  - **~●▲ Multi-rhythm integration** opportunities
  - **▲ Resource allocation** across horizons
  - **● Quick wins** to build momentum
- 7. **System Design:** What structures support sustained **~ innovation courage?** (20 min)
  - **~ Psychological safety** mechanisms
  - **▲ Innovation governance** models
  - **● Success metrics** and feedback loops

## Final Reflection

What's the bold idea everyone knows but no one's spoken aloud?

What rhythm is your innovation process stuck in?

- If in **▲ Lines:** How might you create space for more exploratory **~ Vibes?**

- If in **● Loops**: How might you connect your iterations to deeper **~ resonance**?
- If in **~ Vibes**: How might you translate intuitive signals into testable **● hypotheses**?

What's one small move you could make this week to shift from innovation theatre to innovation courage?

Playing it safe won't make you resilient.

**● Learning in motion will.**

So design for **~ emergence**.

And let innovation become a **~●▲ rhythm**, not a risk.

Remember: The most innovative organisations don't just have good ideas.

They have good rhythms.

**The evidence is overwhelming:** Organisations that embrace **▲ systematic innovation courage** through **~●▲ multi-rhythm approaches**, AI partnership, and psychological safety create sustainable competitive advantage. The choice isn't whether to innovate—it's whether to build the **▲ systems** and **~ courage** that make innovation inevitable.

## CHAPTER 16

# Strategy in Motion: What You've Learned

### Field Note: Loud Ambient Sounds

Over the years, as I learned strategy by reading, doing, and reflecting, I started to see how many perspectives were actually aligned.

Whether it was Drucker's *Theory of the Business*, Mintzberg's *emergent strategy*, or Roger Martin's *Playing to Win*, each offered a **core idea** that made sense—within its own context.

What I also discovered was my love for **meta-framing**.

Books like *Strategy Safari* or *Your Strategy Needs a Strategy* made me realise:

There is no single dominant approach. There is a field of ambient strategic sounds.

Different frameworks rise at different times.

Each one has its own rhythm—and each one works in a particular kind of terrain.

That's where the Helix comes in.

It doesn't replace those frameworks.

It holds them.

And it asks: *what rhythm is right now?*

Through *Lines. Loops. Vibes*, and the **SAFE Strategy Framework**, we begin to diagnose posture—not just apply process.

We create space for leaders to ask:

- Should we co-create this?
- Are we in emergence?
- Is this about the future we want to shape?

And that's where it all landed for me:

There is no right strategy framework.

There is only the one that makes sense in your moment.

Strategy doesn't live in a deck.

It lives in rhythm—in how we listen, decide, adapt, and learn.

In this section, you moved through **real-world strategic tension**. Not abstract principles, but the pain points that keep leaders awake:

*“We don't know where to start.” “Our plans never get used.” “We're moving fast but going nowhere.”*

Each chapter gave you a new way of seeing strategic challenges—not as problems to solve once, but as rhythms to master:

- A reframed rhythm using **SAFE**
- A strategic principle and framework
- Design rules to make strategy real
- AI augmentation to move faster and smarter

This isn't strategy as positioning. It's **strategy as sensing, story, and movement**.

## The SAFE Framework Recap

SAFE transforms how you approach strategic uncertainty:

| Principle              | What It Means            | Strategic Muscle                      |
|------------------------|--------------------------|---------------------------------------|
| <b>S</b> – Co-Creation | Strategy is a shared act | Invite, not impose                    |
| <b>A</b> – Ambiguity   | Uncertainty is reality   | Learn while moving                    |
| <b>F</b> – Futures     | Design the horizon       | Think in decades, act in weeks        |
| <b>E</b> – Emergence   | Strategy evolves         | Let direction be revealed, not forced |

SAFE is not a step-by-step method.

It's a set of **postures**—ways of holding complexity, together.

When you activate SAFE, you stop trying to control strategy and start **orchestrating** it.

## The Seven Faces: From Strategic Dysfunction to Rhythmic Flow

Every strategic challenge has a rhythm underneath it. Here's how the **Seven Faces of Strategic Dysfunction** map to rhythmic solutions:

| Face                          | Strategic Dysfunction                       | Current Rhythm Problem                                                 | Rhythm Solution                                                                                | Framework Applied                           |
|-------------------------------|---------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------------------------------|
| <b>Face 1: The Paralysis</b>  | We Don't Know Where to Start                | Stuck between <b>~ Vibes</b> (sensing) and <b>• Loops</b> (deciding)   | <b>~ → • → ▲:</b><br>Move from intuitive sensing through co-creation to decisive choice-making | Playing to Win + Co-Creation                |
| <b>Face 2: The Disconnect</b> | Strategy Feels Disconnected from Teams      | <b>▲ Lines</b> rigidity without <b>• ~ collaborative adaptation</b>    | <b>• ~ Collaborative Loops:</b> Bring others into strategy co-creation                         | SAFE Co-Creation + Collaborative Innovation |
| <b>Face 3: The Overwhelm</b>  | We Have Too Many Competing Priorities       | <b>• Chaotic loops</b> without <b>▲ strategic filtering</b>            | <b>• ▲ Portfolio thinking:</b> Structured prioritisation with adaptive learning                | Innovation Portfolio + Strategic Focus      |
| <b>Face 4: The Drift</b>      | We Keep Changing Direction Without Learning | <b>• Loops</b> without <b>▲ systematic intelligence</b> capture        | <b>• ▲ Structured Learning:</b> Loops that build strategic capability                          | Emergent Strategy + Learning Systems        |
| <b>Face 5: The Theatre</b>    | We Keep Having the Same Conversations       | <b>▲ Lines</b> analysis paralysis without <b>• experimental action</b> | <b>• → ▲ Experimental Lines:</b> Move from testing to systematic scaling                       | Lean Strategy + Co-Intelligence             |

|                                  |                                                                |                                                                                 |                                                                                                            |                                                  |
|----------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| <b>Face 6: The Isolation</b>     | Decision-Making<br>Feels Removed<br>from Reality               | <b>▲ Lines</b><br>disconnected<br>from <b>~</b><br><b>environmental sensing</b> | <b>~▲</b><br><b>Diagnostic Intelligence:</b><br>Ground<br>decisions in<br>cultural and<br>market reality   | Theory of the<br>Business +<br>Strategic Sensing |
| <b>Face 7: The Fragmentation</b> | Teams Work<br>Against Each<br>Other Despite<br>Good Intentions | <b>Single-rhythm silos</b> without<br><b>~●▲ multi-rhythm coordination</b>      | <b>~●▲ Multi-Rhythm Orchestration:</b><br>Different<br>functions<br>operating in<br>coordinated<br>rhythms | Platform<br>Strategy +<br>Rhythm Bridges         |

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**The Pattern:** Most strategic pain comes from **rhythm intelligence gaps**—being stuck in the wrong mode for what the situation requires, or missing the intelligence combinations needed for complex challenges.

**The Solution:** Develop **multi-rhythm intelligence**—the ability to sense which rhythm combinations you need and how to orchestrate them fluidly.

## Strategy Rhythm Check: Where Are You Working From?

Use this as a reflection or team alignment tool. It’s best done honestly—and often.

| Symptoms You Might Recognise            | Face You’re Experiencing  | SAFE Activation Needed  | Rhythm Intelligence Required           |
|-----------------------------------------|---------------------------|-------------------------|----------------------------------------|
| <i>Endless meetings, no decisions</i>   | Face 1: The Paralysis     | Co-Creation + Futures   | ~ sensing → ● choosing                 |
| <i>Beautiful plans, no adoption</i>     | Face 4: The Drift         | Emergence               | ▲ rigid → ● adaptive                   |
| <i>Strategy cascade, team confusion</i> | Face 2: The Disconnect    | Co-Creation             | ▲ top-down → ●~ collaborative          |
| <i>Reactive firefighting</i>            | Face 6: The Isolation     | Futures + Ambiguity     | ● reactive → ~ anticipatory            |
| <i>Change overwhelm</i>                 | Face 3: The Overwhelm     | Ambiguity + Emergence   | ● chaotic → ▲● structured learning     |
| <i>AI uncertainty</i>                   | Face 5: The Theatre       | Ambiguity + Co-Creation | ▲ analysis → ● experimentation         |
| <i>Innovation theatre</i>               | Face 7: The Fragmentation | Futures + Emergence     | ▲ safe silos → ~●▲ coordinated courage |

### Quick Diagnostic:

- If you’re **overthinking**, you need more ● **Loops** (action-based learning)
- If you’re **reacting**, you need more ~ **Vibes** (pattern sensing)
- If you’re **stuck**, you need more ▲ **Lines** (clear decision protocols)
- If you’re **fragmented**, you need **rhythm intelligence combinations** (▲●, ●~, ~▲)

## Your Strategy Toolbox (Quick Reference)

| When You Need...       | Use This Framework                           | Add This AI Enhancement                                     |
|------------------------|----------------------------------------------|-------------------------------------------------------------|
| Clarity on direction   | Playing to Win + Co-Creation workshops       | AI-generated “Where to Play” options + stakeholder analysis |
| Faster adaptation      | OODA Loop + rapid prototyping                | AI pattern detection + scenario modelling                   |
| Long-term vision       | Theory of Business + backcasting             | AI trend analysis + weak signal detection                   |
| Team alignment         | Collaborative Strategy Mapping + 5Ps process | AI-powered insight synthesis + perspective clustering       |
| Innovation courage     | Innovation Portfolio + EEE evaluation        | AI concept generation + risk assessment modelling           |
| Uncertainty navigation | SAFE principles + emergent strategy          | AI environmental scanning + option optimisation             |

**Remember:** AI is not the answer. But it can help you develop **rhythm intelligence** faster—sensing patterns, generating options, and learning from experiments at machine speed with human wisdom.

## What’s Next: From Strategy to Design Intelligence

You’ve learned to diagnose **rhythmic intelligence gaps** and apply the right frameworks to specific strategic challenges.

But strategy without systematic execution remains theoretical. You need a bridge between **strategic insight** and **organisational action**.

That bridge is **design intelligence**—the ability to turn strategic rhythm into systematic practice.

In the next section, you’ll discover:

- **The 5Ps of Loop Design:** A systematic framework for turning strategy into action
- **Design thinking evolution** for the AI age
- **Human-AI collaboration** protocols that amplify strategic capability

- **Systematic practice** that embeds rhythm intelligence into daily work

You've mastered **strategic rhythm intelligence** at the challenge level.

Now you need to master **design intelligence** that makes strategy systematic and scalable.

**Then** you'll be ready to orchestrate multi-rhythm organisations.

## Your Strategic Foundation

Take this strategic foundation with you:

**Strategy is not a plan. It's a rhythm intelligence practice.**

A practice of:

- ~ **Sensing** what's emerging (cultural intelligence)
- ● **Learning** through experimentation (adaptive intelligence)
- ▲ **Deciding** with clarity and speed (systematic intelligence)
- ~●▲ **Orchestrating** multiple rhythms for competitive advantage

The organisations that master this practice don't just survive uncertainty.

They **design with it**.

And through that systematic design capability, they create sustainable competitive advantage.

*Ready to turn your strategic rhythm intelligence into systematic design practice?*

*Let's explore the 5Ps of Loop Design.*

# CHAPTER 17

## Introduction to Design Thinking in the AI Age - From Products to Systems

Design has always been about more than aesthetics. But for a long time, it was treated as a surface discipline—the thing you did once the important decisions had already been made.

Then came **design thinking**—and with it, a quiet revolution.

Design moved from the margins to the centre of how we solve problems. We began talking about empathy, iteration, co-creation, desirability. The designer's mindset became a business tool.

But somewhere along the way, design thinking got stuck.

It got trapped in ▲ **rigid templating** when it needed ● **adaptive experimentation**. Codified processes replaced exploratory learning. Workshops became ▲ **structured theatre** instead of ● **real work**. Sticky notes replaced genuine system change.

Design thinking promised transformation but delivered predictable outputs.

And now—as we enter the AI age—it's time for another shift.

### From Products to Systems

Design thinking started in product development.

But today's challenges aren't just about products. They're about systems:

- Health systems, not just health apps
- Learning systems, not just LMS interfaces
- Strategic systems, not just business model canvases

We need ● **systems thinking** - understanding relationships and feedback loops - not just ▲ **product solutions** that solve isolated problems. A form of design that sees the whole, not just the touchpoints.

A design practice that operates at multiple altitudes: emotional, operational, structural.

## Why Design Needs to Move Again

Design in the AI age must go beyond empathy and iteration. It must include:

- ▲ **Systems literacy** – the ability to see structural patterns and frameworks beyond the moment
- ~ **Power sensitivity** – intuitive understanding of whose voice shapes the design and cultural dynamics
- ● **Strategic alignment** – adaptive connection between design, purpose, and evolving outcomes
- ●~ **Computational collaboration** – rhythmic partnership with intelligent tools, not just static prototypes

This is not the end of design thinking.

It's an expansion.

## The Helix View of Design

In this book, we treat design as a strategic rhythm system:

- Powered by empathy and iteration
- Guided by rules and reflection
- Evolving through loops, not lines
- Grounded in co-creation and systems thinking

Design is how we learn our way forward—when there are no best practices to follow.

And when combined with strategy and AI, it becomes a movement engine. In the chapters that follow, we'll explore the five moves of Loop Design. Each phase has a rule to guide it, and a rhythm to work with. This is not about doing design better. It's about designing differently—with rhythm, reflection, and co-intelligence.

### The Evolution of Design Thinking

Design thinking has shaped the last decade of innovation. But we're now witnessing its evolution into something deeper, faster, and more intelligent. This shift is already underway—and it's changing how we design, decide, and deliver.

| Phase            | Focus                           | Contribution                                                       |
|------------------|---------------------------------|--------------------------------------------------------------------|
| Design Thinking  | Human-centred problem-solving   | Transformed how organisations approach innovation and empathy      |
| Iterative Design | Loops of testing and refinement | Accelerated experimentation and brought learning into the process  |
| Loop Design      | Human + machine co-creation     | Amplifies creativity, expands insight, and enhances decision speed |

This isn't theoretical. Leading companies are already embedding AI inside their creative loops—not to replace humans, but to amplify them. The Helix Moment picks up from here—combining design, strategy, and AI into one adaptive system of rhythm.

## FIELD NOTE—From Iterative Design to Loop Design

Let's start with why the Iterative Design Framework was created in the first place.

For years, design frameworks have been mapped as linear steps—discover, define, develop, deliver. Even though the original intention was to loop, adapt, and iterate, the way these models have been taught and adopted tends to create a false sense of order. Despite all the talk of “double diamonds” and loops, most teams still work like it's a waterfall.

But beyond the issue of linearity, there was something deeper missing:

Strategic decision-making inside the design process.

I saw this clearly while working with a large federal agency in Australia.

We were running fieldwork, gathering insights, prototyping ideas—and involving senior leaders along the way. But what became clear was this:

The leaders wanted to contribute. They just didn't know when—or how.

They weren't sure:

- Where their decisions were needed
- Which insights mattered most
- How to compare options meaningfully
- What it even meant to “support the design process”

That was a turning point.

It showed me that most design frameworks were implemented in a way that lacked decision points—or clear spaces for reframing, alignment, or strategic contribution. So, I designed the Iterative Design Framework to include:

- Portfolio – A space for selecting and comparing real options
- Pause or Promote – A deliberate moment to invite leadership decisions
- Progress – A commitment to learning, not just launching

It wasn't about generating better ideas.

It was about knowing how to choose, and when to act.

But then something shifted again.

I started working deeply with AI.

That's when I realised: even the Iterative model was too narrow.

The real question became—how do humans and AI collaborate inside these strategic rhythms?

Each of the five Ps started to evolve. They stopped being sequential checkpoints.

They became zones of co-intelligence—shared spaces where human and AI roles could diverge, intersect, and reinforce each other.

This is when Iterative Design turned into Loop Design.

AI made loops more than metaphor.

With AI, you can:

- Explore multiple pathways at once
- Set direction and let agents run ahead
- Sense and course-correct dynamically
- Return with synthesised learning, fast

In a non-AI world, iteration made sense.

In an AI-native world, we need loops—and rhythms.

That's what Loop Design became:

A shift from linear steps to multi-threaded collaboration.

From static stages to dynamic sensing-action cycles.

It wasn't just about better design.

It became about redefining how we design, decide, and collaborate—with humans, leaders, and now, intelligent systems.

This is the new field.

Welcome to Loop Design.

# CHAPTER 18

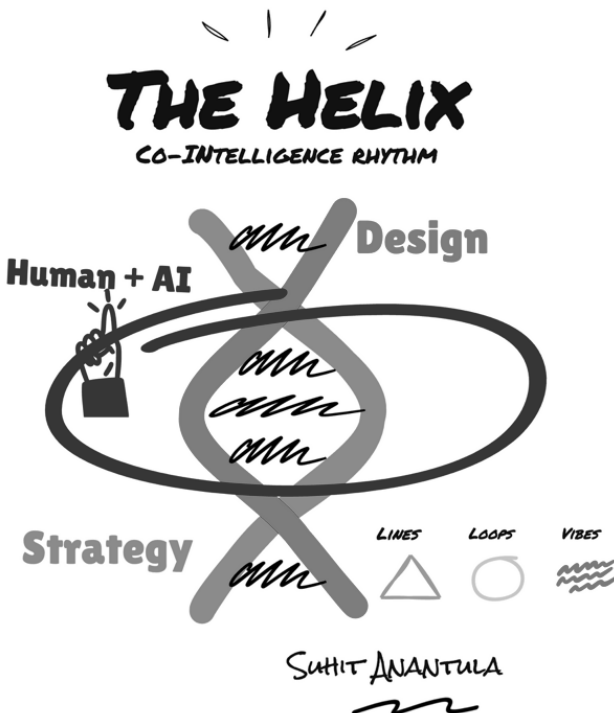
## The 5Ps of Loop Design

### Design in Motion – Where Strategy Becomes Co-Intelligence

Design is not what happens after strategy.

Design is how strategy moves.

In the Helix model, strategy and design are not separate phases but intertwined strands—constantly informing, challenging, and evolving each other within an AI-rich environment. The two strands spiral together, creating a dynamic system greater than either alone.



This intertwining is where the magic happens. Where ▲ **strategy's direction** meets ● **design's exploration**. Where ▲ **intention** meets ● **iteration**. Where thinking meets making.

## The Empathy Revolution

When Satya Nadella took the helm at Microsoft in 2014, he placed empathy at the core of its transformation. Nadella introduced a radical idea: placing empathy as key to business strategy—evolving from a culture of “**know-it-alls**” to “**learn-it-alls**.”

This wasn't just a cultural shift—it was a strategic one that drove Microsoft to a \$3 trillion market cap and positioned them as leaders in the AI revolution.

For Nadella, empathy isn't a “soft skill” but the foundation of innovation itself. Nadella said,

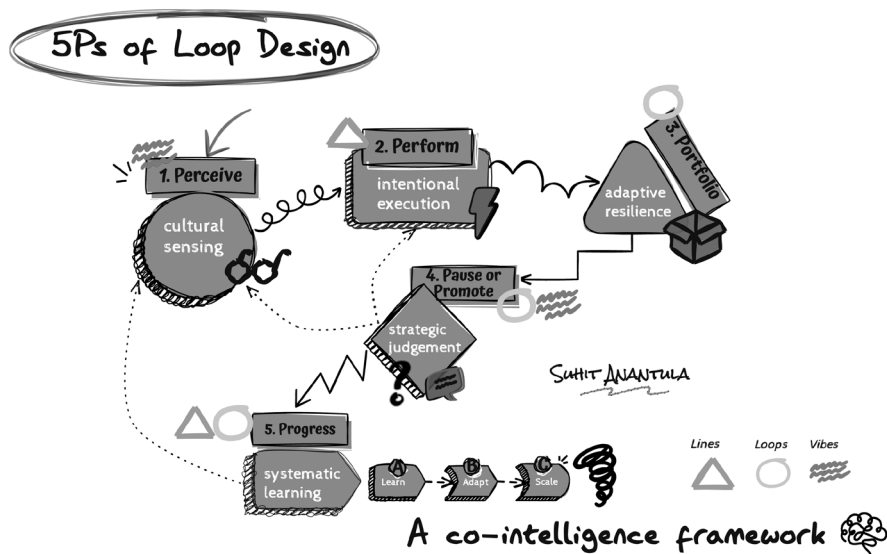
“If innovation is about meeting unmet, unarticulated needs, how can you get in touch with those needs? To extrapolate requires empathy. Design thinking is empathy.”

This perspective mirrors our own discovery, but for both humans and AI: Design is the primary arena of co-intelligence.

Not “design thinking.” Not “AI-enhanced tools.”

But **real-time, rhythm-based design**—where humans and AI partner at every phase, in their natural modes, strengthening the connection between the strategy and design strands.

## The 5Ps of Loop Design



### 1. Perceive – Never Forget the People

~ *Cultural sensing - reading unspoken needs and emerging patterns*

This is where we build understanding before solution-building. Humans bring contextual wisdom and lived experience, while AI brings pattern recognition across vast data. Together, they create ~ **empathetic intelligence** that senses what truly matters.

### 2. Perform – Move with Intention

▲ *Intentional execution - converting insights into concrete action*

This is where we transform ideas into tangible expressions. Humans provide ethical direction and purpose, while AI accelerates creation and simulation. Together, they create ▲ **focused momentum** that converts strategic intent into concrete moves.

### 3. Portfolio – Designing for Anti-Fragility

- *Adaptive resilience - maintaining multiple pathways forward*

This is where we maintain strategic options. Humans set value boundaries and priorities, while AI generates and tests variations. Together, they create

- **experimental resilience** through meaningful diversity.

### 4. Pause/Promote – Choose What Matters

- ~ *Strategic judgment - combining analytical insight with intuitive wisdom*

This is where we make consequential choices. Humans provide values-based judgment and cultural intuition, while AI offers analytical insight and pattern detection. Together, they create ●~ **integrated intelligence** that filters options through both strategic logic and emotional resonance.

### 5. Progress – Build Learning Systems

- ▲● *Systematic learning - converting experience into evolutionary capability*

This is where learning becomes advancement. Humans synthesise meaning and wisdom from experience, while AI accelerates pattern recognition across iterations. Together, they create ▲● **structured evolution** that transforms insights into organisational capability.

Each P activates specific design rules within a rhythmic context, creating a progression that moves from human understanding to evolutionary advancement.

## Functional Rhythmic Patterns

Different organisational functions naturally emphasise different Ps:

- *Customer relationship functions* thrive in Perceive and Pause/Promote, where ~ Vibes reveal what matters
- *Product innovation functions* excel at Perform and Portfolio, where ▲ Lines and ● Loops drive exploration

- *Infrastructure functions* find strength in Progress and Perform, where  
▲ Lines provide stability

The magic happens when organisations create rhythm bridges between these functions - connecting ~ **customer sensing** with ▲ **infrastructure execution**, or ● **product experimentation** with ● ~ **strategic judgment** - allowing co-intelligence to flow across the system.

## The Core of Co-Intelligence

This is the shift:

Design is where intelligence meets rhythm within the Helix.

It's not just about solving problems.

It's about creating systems that learn while doing—with AI inside the loop, not outside of it.

AI doesn't just enhance one strand; it creates the environment in which both strategy and design evolve together.

The 5Ps give you a map. LLV gives you the rhythm. The Companion GPT gives you a co-facilitator.

*Together, they strengthen the Helix by creating stronger connections between strategic intent and design execution.*

Design is no longer a workshop.

It's a **co-evolution system** where strategy and design continuously inform each other.

And when done well, it creates the most powerful outcome of all:

Not just a better solution—but a smarter, more adaptive system.

This is design in motion.

This is co-intelligence.

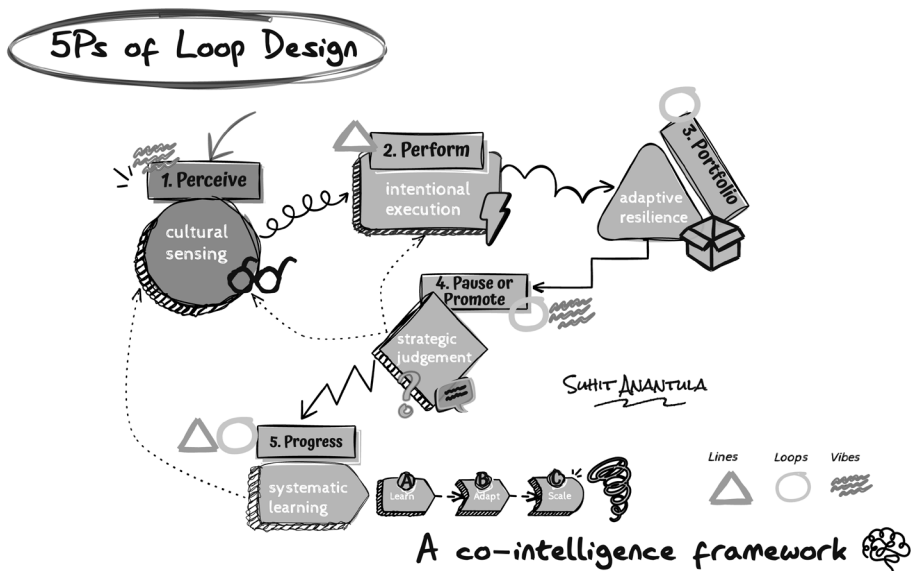
**This is the Helix in action.**

# CHAPTER 19

## Perceive - Never Forget the People

~ *Cultural sensing - reading unspoken needs and emerging patterns*

“The real voyage of discovery consists not in seeking new landscapes, but in having new eyes.”—Marcel Proust



### Rule #1: Never Forget the People

It might seem obvious, but in practice, it's easy to forget.

Tools become templates. Deadlines override dialogue. Personas replace presence.

**This rule grounds us back in the most human of instincts: empathy.**

“Empathy is at the heart of design. Without the understanding of what others see, feel, and experience, design is a pointless task.”—Tim Brown.

Design begins with perception—with how we see. But in complexity, we can’t just see differently—we must see **more deeply**.

Perceive is the first phase of the **5Ps of Loop Design**. It’s where we begin, not with answers, but with attention. It’s the practice of listening before doing. Of feeling before fixing. Of remembering that all design begins with the people we’re designing for—and designing with.

## The Essence

Perceive is the act of deep sensing that precedes meaningful action. It’s where we build understanding before building solutions. Without perception, design becomes disconnected from human reality—solving the wrong problems beautifully or the right problems poorly.

Perceive grounds our designs in lived experience, not assumptions. And in the age of AI, that grounding must come from rhythm—not just research. It’s about learning how to sense across multiple modes, in teams, and *with machines*.

## Rhythmic Pattern

The way we perceive shifts dramatically depending on which rhythm drives our approach. This isn’t about choosing one mode, but rather understanding how each reveals different aspects of reality.

- **▲ Lines Mode:** Structured research frameworks, consistent measurement approaches, standardised documentation
- **● Loops Mode:** Iterative exploration, questioning assumptions, progressive discovery cycles

- **~ Vibes Mode:** Intuitive sensing, emotional undercurrents, cultural patterns, weak signals

The masters of perception don't choose between these modes – they dance between them. They use **▲ structure** to ensure they don't miss the expected, **● loops** to discover the hidden, and **~ vibes** to sense the emerging. In that dance, perception becomes not just information gathering, but revelation.

## Human-AI Collaboration

Perception is no longer a solo act. It's a duet between:

- **Humans:** Bring lived experience, cultural sensitivity, ethical judgement, contextual understanding
- **AI:** Offers pattern recognition, scale, anomaly detection, memory, tireless processing
- **Together:** They create what we call **co-intelligence**—the ability to perceive more deeply, act more wisely, and design with greater understanding

As **accelerant**, AI dramatically increases the velocity and volume of perception. As **connector**, AI reveals relationships that might otherwise remain hidden. As **amplifier**, AI extends perception beyond human cognitive limits.

But here's the thing: AI can help us sense what's happening. *Only humans can decide why it matters.*

## When Lives Depend on Better Seeing

Dr. Sarah Chen had seen thousands of chest X-rays in her fifteen years as a radiologist. But on this Tuesday morning, something felt different about the case on her screen. A 34-year-old teacher, no symptoms, routine screening. The image looked... normal.

Almost.

Her AI diagnostic partner had flagged a subtle shadow in the upper left quadrant—barely perceptible, the kind of pattern that could easily be dismissed as image noise or benign tissue variation. But the system had learned from analysing over 100,000 similar cases, detecting patterns no human eye could track alone.

Dr. Chen paused. Her clinical experience told her the patient's age and lack of symptoms made cancer unlikely. But her AI partner's pattern recognition was suggesting otherwise. She decided to order additional imaging.

The follow-up CT scan revealed early-stage lung cancer—stage I, highly treatable, caught years before symptoms would have appeared.

This scene plays out daily across healthcare systems where radiologists and **AI systems have formed a new kind of partnership**. Singh's 2025 meta-analysis of 94 studies found that this collaboration is transforming medical diagnosis: radiologists using AI assistance detected 22.7% more early-stage malignancies while reducing false positives by 18.4% compared to unassisted interpretation (Singh, 2025).

This was **~▲ diagnostic intelligence** in action. Dr. Chen's **~ clinical intuition** (years of experience reading subtle patterns) combined with AI's **▲ structured recognition** (analysing 100,000+ cases systematically). Clinical wisdom met computational scale.

The result: **~▲ integrated perception** that created a smarter, more human system that saved lives.

"The integration of AI in healthcare isn't about replacing human judgement—it's about enhancing it. When physicians and AI systems work together, we see faster diagnoses, fewer errors, and more personalised treatment plans."—Dr. Michael Strzelecki, Medical Imaging Expert.

## Strategic Sensing at Enterprise Scale

Meanwhile, in the boardroom of a major European automotive manufacturer, executives faced a different kind of perception challenge. With €40 billion in annual sales and the automotive industry transforming rapidly around AI and electrification, they needed to sense where artificial intelligence could support—or disrupt—their operations.

But instead of rushing into AI implementation, they chose to start with strategic sensing.

Over several months, the leadership team engaged in what researchers call **“prospective sensemaking”**—a systematic process of perceiving potential futures before they fully materialised. They mapped their entire value chain, from supplier relationships to customer service, asking a crucial question: *Where could human-AI collaboration create value, and where might it create risk?*

The process revealed **63 potential AI use cases** across their operations. But more importantly, it flagged **7 high-risk applications** where AI might misread human emotions, where customers preferred human interaction, or where the cultural context was too complex for algorithmic interpretation (Sudeeptha et al., 2024).

This was **▲ ~ systematic sensing with cultural awareness**. A deliberate **▲ structured approach** that maintained **~ sensitivity** to human elements and cultural context. This rhythm combination revealed not just opportunities—but ethical blind spots that could have derailed their entire AI transformation.

“We weren’t choosing tools. We were choosing futures.”—Strategy Executive (paraphrased)

The systematic mapping didn’t just identify where AI could help—it helped executives perceive the human elements that must be preserved. In customer-facing roles, they sensed that empathy and cultural understanding

remained distinctly human capabilities. In safety-critical systems, they perceived the need for human oversight and judgement.

## Perceive Across Organisational Functions

Different parts of your organisation naturally perceive through different lenses, each attuned to their primary purpose and rhythm:

- **Customer relationship functions** excel at ~ **cultural sensing** - reading emotional undercurrents, community dynamics, unspoken expectations. But they need ▲ **systematic frameworks** to scale these insights and ● **experimentation** to test cultural assumptions across diverse segments.
- **Product innovation functions** thrive on ● **experimental discovery** - testing assumptions, exploring user behaviours, iterating on feedback. But they need ~ **user intuition** to sense what matters and ▲ **structured validation** to ensure reliability.
- **Infrastructure functions** perceive through yet another lens. They notice system performance patterns, efficiency bottlenecks, and scale challenges. ▲ **Lines perception** provides their foundation.

The magic happens when these perceptual rhythms connect. Create intentional rhythm bridges: ~ **customer sensing** informing ▲ **infrastructure planning**, ● **product experimentation** guided by ~ **cultural intuition**, ▲ **systematic analysis** enhanced by ● **adaptive learning**. These connections create organisational intelligence greater than any single function.

## EEE Layer Activation

- **Ethical:** Perceiving long-term impacts, power dynamics, value misalignments
- **Emotional:** Sensing trust, resonance, and tension
- **Emergent:** Detecting patterns before they fully form

These layers make perception more than observation. They make it wisdom.

## Practical Methods

- **AI-Enhanced Empathy Mapping:** Merge human interviews with sentiment analytics
- **Cross-Modal Perception:** Interpret images, language, behaviour in one loop
- **Strategic Sensing Teams:** Blend trend detection with executive foresight
- **Evidence Synthesis Collaboration:** Research shows human-AI teams identify relevant literature with 24% higher recall and 19% greater precision compared to either working independently (Spillias et al., 2024)

## Common Pitfalls

- **Automation Without Interpretation:** Using AI for data but skipping human meaning
- **Single-Rhythm Perception:** Over-relying on one mode (just ~ Vibes or just ▲ Lines)
- **Disconnection from Strategy:** Failing to connect sensing to action
- **Scale Without Empathy:** Losing human connection as organisations grow

## How to Practice This Rule

**Exercise 1: The Empathy Deep Dive:** Use AI sentiment tools to analyse user feedback. Then interview three people. What does AI surface that humans miss? And vice versa?

**Exercise 2: Cross-Rhythm Sensing:** Pick one challenge your organisation faces. Examine it through ▲ **Lines** (structured analysis), ● **Loops** (iterative questioning), and ~ **Vibes** (intuitive sensing). Notice what each reveals.

**Exercise 3: AI-Powered Personas:** Feed anonymised user feedback into clustering tools to generate diverse persona types. Refine with real-world human input.

## Reflect and Reframe

Think about a time you felt truly understood by a service or product. What made it feel that way?

Now think of a time something missed you completely. What did the designer fail to see?

This is the heart of Perceive. It's not about research. It's about respect.

And from that place, the most powerful design emerges.

## Transition: Perception to Performance

Perceive creates the foundation for action. It sets the stage for Perform—where strategic insight transforms into systematic execution.

- In crisis, this transition happens fast
- In complexity, it takes time
- In creativity, it flows intuitively

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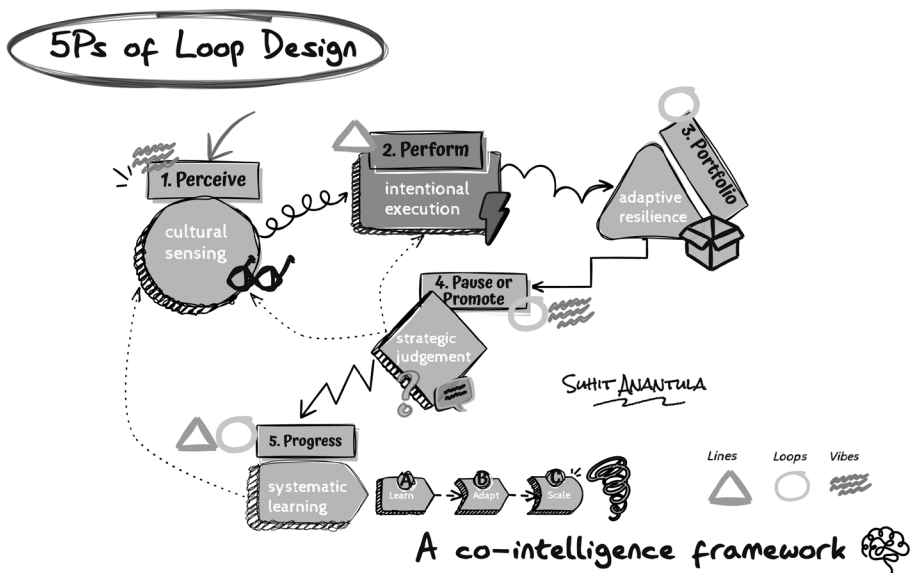
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# CHAPTER 20

## Perform - Move with Intention

▲ *Intentional execution - converting insights into concrete action*

“The journey of a thousand miles begins with a single step.”—Lao Tzu



### Rule #2: Move with Intention

Design begins with perception, but it cannot end there.

In the age of AI, insight without action is a kind of delay. A postponement of learning. A deferral of truth.

**Move with Intention** is the rule for organisations ready to execute at the speed of intelligence itself. It's for leaders who understand that in a world

of AI-augmented performance, the question isn't whether to act—it's how to act with strategic precision at machine speed.

When you have clarity, move decisively.

Not tentatively. Not experimentally. With the full force of human strategic intent amplified by AI's execution capabilities.

## The Essence

Perform is the second phase of the **5Ps of Loop Design**—where strategic insight transforms into systematic action. But this isn't the performance of traditional project management or cautious prototyping. This is performance at scale, where human intention meets machine execution.

In the AI age, performance means designing systems that can execute thousands of decisions per minute while staying true to human values and strategic direction. It's about creating what we call **▲ execution intelligence**—a manifestation of co-intelligence where human wisdom and AI capability combine to act with both speed and strategic precision.

## The Decision Factory Revolution

At Marimekko, the Finnish design company known for bold patterns and vibrant colours, executives faced a modern challenge: how to deliver personalised customer experiences across their digital channels while maintaining the human creativity and aesthetic judgement that defined their brand.

With revenue of €152 million and over 20% year-over-year growth, much of it driven by digital channels, Marimekko had already invested heavily in customer-centric technology. It had product recommendations and proprietary analytics since 2018, marketing mix modelling since 2019, and computer vision-backed immersive services by 2021.

But in 2022, it made a different kind of move. Instead of building another isolated feature, it created what it called a **“Decision Factory”**—an AI-powered system that could make thousands of tactical decisions in real-time while staying aligned with human strategic intentions.

The challenge was complex: How do you personalise everything from front-page banners to discount amounts to product categories, while ensuring each decision reflects Marimekko’s distinctive aesthetic and brand values?

Its solution embodied the essence of **Move with Intention**:

**Human strategic contribution:** Marimekko’s executives and designers defined the business rules, revenue targets, brand guidelines, and aesthetic principles. They established what success looked like and what values must be preserved. They identified key customer segments—those interested in sustainability, new collections, different sub-brands like Kioski—and set the strategic boundaries for AI decision-making.

**AI execution contribution:** Reinforcement learning agents operated within these human-defined parameters, making real-time decisions about which banner to show, what discount to offer, which products to recommend. The system ingested a real-time event stream from marimekko.com, triggering learning processes every 10 minutes to continuously optimise performance.

**The results spoke to the power of human intention + machine execution:**

- **41% lift** in front-page clickthrough rates within hours of launch—without pre-training
- **24% increase** in average revenue per user after five weeks
- A scalable system that could optimise “virtually any tactical decision with a finite set of choices”

This wasn’t prototyping. This was ▲ **performance architecture**—building systems that execute strategic intent at machine speed while preserving human judgement where it matters most.

“We’re not just automating decisions—we’re scaling strategic thinking. The AI executes thousands of choices, but every choice reflects our creative vision and business principles.”—Marimekko Executive (paraphrased)

## Rhythmic Pattern

Performance in the 5Ps operates primarily in **▲ Lines Mode**—structured, systematic, execution-focused. But it’s Lines Mode amplified by AI capabilities:

- **▲ Lines Mode + AI:** Systematic execution at machine speed, consistent application of strategic principles, scalable performance across thousands of decisions
- **● Loops Integration:** Continuous learning and optimisation within execution systems
- **~ Vibes Awareness:** Ensuring execution systems preserve human values and aesthetic judgement

The magic happens when human strategic intention (what to optimise for) meets AI execution capability (how to optimise at scale).

## Co-Intelligence in Performance

Performance is no longer limited by human bandwidth. It’s a partnership that exemplifies co-intelligence—the seamless integration of human and artificial intelligence capabilities:

- **Humans:** Provide strategic direction, define success criteria, set ethical boundaries, maintain aesthetic judgement
- **AI:** Execute tactical decisions at scale, learn from outcomes, optimise within human-defined parameters
- **Together:** Create **▲ execution intelligence**—the practical expression of co-intelligence in action

As **accelerant**, AI enables execution of thousands of decisions per minute. As **connector**, AI translates strategic intent into tactical actions. As **amplifier**, AI scales human judgement across complex decision landscapes.

## Compliance at Machine Speed

The power of AI-augmented performance extends beyond customer experience into domains like regulatory compliance—traditionally slow, manual, and resource-intensive processes.

Consider a financial services firm facing new regulatory requirements. Traditionally, compliance teams would spend months manually reviewing policies, cross-referencing regulations, and identifying gaps. The process was thorough but painfully slow.

Enter AI-augmented compliance performance:

**Human strategic contribution:** Compliance officers identified priority risk areas, defined validation criteria, and established the regulatory framework. They provided the contextual understanding of business operations and the judgement needed to prioritise findings.

**AI execution contribution:** AI systems analysed over 300 internal controls against new regulatory texts, cross-referencing policies with regulatory requirements at unprecedented speed and scale.

**Results:** The firm achieved a **70% reduction** in compliance gap analysis time while maintaining the thoroughness that human oversight provides (Savkín, 2023).

This demonstrates ▲ **Lines Mode** performance—systematic execution that translates strategic intent (regulatory compliance) into scalable action (automated policy analysis) while preserving human judgement where it matters most (risk prioritisation and validation).

## The Spectrum of Performance

Modern performance operates across a spectrum, from experimental prototyping to scaled execution systems:

### Experimental Performance (Traditional prototyping):

- Testing concepts through rapid experiments
- Learning through making small, tangible expressions
- Validating assumptions before commitment

### Pilot Performance (Limited deployment):

- Testing systems with real users in controlled environments
- Validating human-AI collaboration patterns
- Refining execution parameters

### Scaled Performance (Full deployment):

- Executing strategic intent through AI-powered systems
- Operating thousands of decisions within human-defined boundaries
- Continuous optimisation while preserving strategic direction

The key insight: AI enables us to move rapidly from experimental to scaled execution.

## Perform Across Organisational Functions

Different organisational functions naturally express performance through different approaches:

**Customer relationship functions** perform through personalised interactions, dynamic communication strategies, and real-time service optimisation. Their performance focuses on relationship building and emotional connection—areas where AI can scale human intention while preserving authentic connection.

**Product innovation functions** perform through rapid feature development, A/B testing at scale, and continuous product optimisation.

Here, AI enables exploration of vast possibility spaces while humans provide creative direction and user empathy.

**Infrastructure functions** perform through systematic process optimisation, predictive maintenance, and operational excellence. AI amplifies their ability to maintain reliability and efficiency while humans provide strategic oversight and exception handling.

The most powerful organisations create performance bridges between these functions—enabling insights from one area to inform execution in others.

## EEE Layer Activation

- **Ethical:** Ensuring AI execution systems operate within ethical boundaries and preserve human values
- **Emotional:** Maintaining authentic human connection even within automated systems
- **Emergent:** Designing systems that can adapt and learn while staying aligned with strategic intent

These layers ensure that performance at scale doesn't sacrifice the human elements that create meaning and value.

## Practical Methods

- **Decision Factory Design:** Create systems that execute tactical decisions within strategic boundaries
- **AI-Augmented Process Optimisation:** Use AI to scale human expertise across operational domains
- **Real-Time Learning Systems:** Build feedback loops that improve performance while maintaining strategic alignment
- **Execution Intelligence Dashboards:** Monitor AI performance while preserving human oversight and intervention capabilities

## From Prototyping to Performance Architecture

While prototyping remains valuable for exploration and validation, the AI age demands a new level of performance thinking:

**Traditional Approach:** Build → Test → Learn → Iterate  
**Performance Architecture:** Design → Deploy → Optimise → Scale

The shift is from cautious experimentation to confident execution, enabled by AI's ability to learn and adapt within human-defined parameters.

### Common Pitfalls

- **Automation Without Intention:** Using AI for efficiency without strategic direction
- **Scale Without Wisdom:** Optimising metrics without preserving human values
- **Speed Without Learning:** Moving fast without building adaptive capabilities
- **Execution Without Ethics:** Scaling performance without considering broader impacts

### How to Practice This Rule

#### Exercise 1: Decision Mapping

Identify one area where your organisation makes repeated tactical decisions. Map what could be systematically executed versus what requires human judgement.

#### Exercise 2: Intention Definition

For a current project, clearly articulate: What strategic outcomes do you want? What principles must be preserved? What can be optimised by AI?

#### Exercise 3: Performance Spectrum Analysis

Take one initiative and map it across the spectrum: What parts need experimental performance? Pilot performance? Scaled performance?

## Reflect and Reframe

What decisions is your organisation making repeatedly that could be systematically executed while preserving strategic intent?

Where are you still prototyping when you could be performing at scale?

This is the heart of **Perform** in the AI age. It's not about cautious experimentation—it's about confident execution at the speed of co-intelligence.

When you have strategic clarity, **move with intention**.

## Transition: Performance to Portfolio

Perform creates execution capability and demonstrates what's possible. It sets the stage for Portfolio—where we design anti-fragile systems that thrive on uncertainty.

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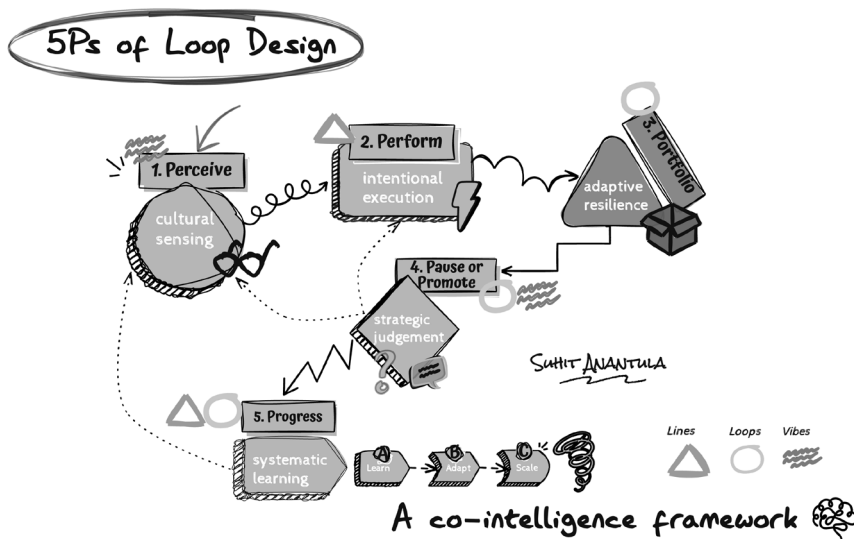
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# CHAPTER 21

## Portfolio - Designing for Anti-Fragility

- *Adaptive resilience - maintaining multiple pathways forward*

The fragile wants tranquillity, the antifragile grows from disorder. - Nassim Taleb



### Rule #3: Design for Anti-Fragility

Design begins with perception, continues through action, and then faces a critical juncture: choice.

But in the age of AI, we can't just choose wisely—we must design systems that get stronger from uncertainty.

**Design for Anti-Fragility** is the rule for organisations that understand the difference between surviving volatility and thriving on it. It's for leaders

who recognise that in a world of exponential change, the question isn't how to predict the future—it's how to create systems that benefit from unpredictability.

When facing uncertainty, **design for anti-fragility**.

Not just resilience. Not just robustness. But systems that actually improve when stressed, that discover opportunity in volatility, that transform disruption into advantage.

## The Essence

Portfolio is the third phase of the **5Ps of Loop Design**—where we shift from executing single strategies to orchestrating dynamic option systems. But this isn't the portfolio thinking of traditional planning, where we choose between static alternatives. This is anti-fragile portfolio design, where we create systems that learn, adapt, and strengthen through exposure to uncertainty.

In the AI age, portfolio means designing systems that can explore thousands of possibilities simultaneously while getting smarter from every outcome. It's about creating what we call • **adaptive resilience**—the manifestation of co-intelligence where human strategic wisdom and AI's exploratory power combine to build systems that thrive on volatility.

## The Barbell Strategy Revolution

**Think like a portfolio, not a pitch.**

Whether you're investing in products, markets, or your own future—the principle is the same: Spread the risk. Span the horizon. Think like a portfolio.

Nassim Taleb calls this the **barbell strategy**: Place some bets on low-risk, near-term wins—and some on bold, high-upside innovations. Avoid the fragile middle where moderate risks yield moderate returns.

This maps perfectly to design in the AI age. In a portfolio, you don't implement every idea. You explore the edges, see the spread, and begin to notice what's really possible.

But most teams—by habit—move from problem straight to solution. We frame. We fix. We ship.

What's missing is the space between: The part where we generate not one, but many answers. The part where we hold those answers up to the light and ask, "Which of these gives us leverage, not just motion?"

That's what **anti-fragile design** makes possible. It's not about commitment. It's about ● **dynamic curation**.

## When 1,200 Strategies Beat One Perfect Plan

At a leading hedge fund, they discovered something counterintuitive: Running **1,200+ parallel trading strategies** simultaneously outperformed any single "perfect" strategy, no matter how sophisticated.

The challenge was immense: How do you manage thousands of competing approaches to market prediction while maintaining overall portfolio coherence and risk management?

Their solution embodied the essence of **Design for Anti-Fragility**:

**Human strategic contribution:** Risk managers defined tolerance thresholds, ethical trading boundaries, and overall portfolio objectives. They established what winning looked like and what principles must be preserved across all strategies. They set the strategic guardrails within which the system could explore and adapt.

**AI portfolio contribution:** Reinforcement learning algorithms continuously generated, tested, and retired trading strategies within these human-defined parameters. Each strategy operated as an autonomous agent, but their collective behaviour created an anti-fragile system that actually benefited from market volatility and uncertainty.

**Results:** The firm achieved **34% higher risk-adjusted returns** compared to traditional single-strategy approaches, while maintaining lower overall volatility. When individual strategies failed—as many did—the portfolio system grew stronger by learning from those failures and reallocating resources to more successful approaches (Liminary, 2023).

This wasn't diversification for its own sake. This was ● **anti-fragile system architecture**—building systems that get smarter and stronger from exposure to uncertainty. Each market shock, each failed strategy, each unexpected outcome made the overall system more robust and capable.

“We don't try to predict the market. We create systems that benefit from market unpredictability. Our portfolio gets stronger from volatility, not weaker.”—Risk Manager (paraphrased)

## Rhythmic Pattern

Portfolio in the 5Ps operates primarily in ● **Loops Mode**—iterative, adaptive, learning-focused. But it's Loops Mode amplified by AI's ability to run thousands of parallel experiments:

- ● **Loops Mode + AI:** Continuous portfolio optimisation, parallel strategy testing, adaptive resource allocation based on performance
- ▲ **Lines Integration:** Systematic frameworks for portfolio evaluation and risk management
- ~ **Vibes Awareness:** Ensuring portfolio strategies align with organisational values and market intuition

The magic happens when human portfolio strategy (what to optimise for) meets AI exploration capability (how to discover what works at scale).

## Co-Intelligence in Portfolio Design

Portfolio design is no longer limited by human analytical bandwidth. It's a partnership that exemplifies co-intelligence—the seamless integration of human strategic wisdom with AI's exploratory capabilities:

- **Humans:** Define portfolio objectives, set risk parameters, establish ethical boundaries, provide strategic direction
- **AI:** Generate and test thousands of options simultaneously, optimise portfolio balance, learn from outcomes across parallel experiments
- **Together:** Create • **adaptive resilience**—the practical expression of co-intelligence that gets stronger through uncertainty

As **accelerant**, AI enables exploration of option spaces far beyond human cognitive limits. As **connector**, AI reveals relationships between strategies that might otherwise remain hidden. As **amplifier**, AI scales human strategic judgement across complex portfolio landscapes.

## Pharmaceutical Pipeline Anti-Fragility

The power of anti-fragile design extends beyond finance into domains like drug discovery—traditionally slow, expensive, and failure-prone.

Consider Atomwise's approach to pharmaceutical development. Instead of betting everything on a few carefully chosen compounds, it created an AI-powered portfolio system that explores vast molecular possibility spaces while learning from every outcome.

**Human strategic contribution:** Researchers defined disease targets, established therapeutic goals, and provided validation criteria. They brought deep biological understanding and clinical judgement to guide the overall portfolio direction.

**AI portfolio contribution:** The AtomNet® platform analysed millions of molecular structures simultaneously, predicting interaction patterns with disease-related proteins and continuously optimising the portfolio of development candidates based on emerging data.

**Results:** Atomwise reports its AI platform can reduce drug discovery timelines by 50% and leads to 30% higher success rates by improving the quality of candidates entering the pipeline. Most importantly, its portfolio approach means that failed compounds strengthen the overall system's

understanding rather than representing pure loss (Redress Compliance, 2023).

This demonstrates • **Loops Mode** portfolio design—where each experimental outcome, whether successful or not, improves the system’s ability to identify promising directions and avoid unproductive paths.

## The Anti-Fragility Spectrum

Modern portfolio design operates across a spectrum of anti-fragile capabilities:

### Static Portfolio (Traditional approach):

- Fixed set of predetermined options
- Manual evaluation and selection processes
- Linear progression from options to decisions

### Dynamic Portfolio (AI-augmented):

- Continuously evolving option sets based on performance data
- Automated optimisation within human-defined parameters
- Real-time resource allocation based on emerging results

### Anti-Fragile Portfolio (Co-intelligence):

- Systems that strengthen from volatility and uncertainty
- Self-improving exploration capabilities
- Portfolio architectures that discover opportunity in disruption

The key insight: AI enables us to move from static choice-making to dynamic anti-fragile system design.

## Portfolio Across Organisational Functions

Different organisational functions naturally express anti-fragile design through different approaches:

**Customer relationship functions** create anti-fragile portfolios through diverse engagement strategies, multiple communication channels, and adaptive service models. Their portfolios strengthen from customer feedback variability, learning what resonates across different segments and contexts.

**Product innovation functions** build anti-fragile portfolios through parallel development tracks, diverse technical approaches, and varied market positioning strategies. Here, AI enables exploration of vast feature combinations while humans provide creative direction and user empathy.

**Infrastructure functions** design anti-fragile portfolios through redundant systems, alternative operational approaches, and diversified capability sets. AI amplifies their ability to maintain reliability while continuously optimising performance across multiple operational strategies.

The most powerful organisations create portfolio bridges between these functions—enabling learning from one domain to strengthen portfolios in others.

## EEE Layer Activation

- **Ethical:** Ensuring portfolio exploration includes options that serve diverse stakeholder needs and societal benefits
- **Emotional:** Maintaining authentic human connection across different portfolio strategies
- **Emergent:** Designing portfolios that can discover and adapt to unprecedented opportunities and challenges

These layers ensure that anti-fragile design serves human flourishing, not just optimisation metrics.

## From Options to Anti-Fragile Systems

While traditional option generation remains valuable for initial exploration, the AI age demands a new level of portfolio thinking:

**Traditional Approach:** Generate → Evaluate → Select → Implement

**Anti-Fragile Design:** Design → Deploy → Learn → Evolve → Strengthen

The shift is from static choice-making to dynamic system architecture, enabled by AI's ability to explore and learn at scales impossible for human teams alone.

## Practical Methods

- **Barbell Portfolio Design:** Combine low-risk, reliable strategies with high-potential, experimental approaches
- **AI-Powered Strategy Generation:** Use AI to continuously create and test new approaches within strategic boundaries
- **Dynamic Resource Allocation:** Build systems that automatically invest more in successful strategies and retire unsuccessful ones
- **Anti-Fragile Feedback Loops:** Create learning mechanisms that strengthen from both successes and failures

## The Clay Pot Lesson Revisited

A pottery teacher's experiment reveals a profound truth about innovation: The path to quality runs through quantity. The group focused on making many pots—exploring the full space of possibility—produced the highest quality work. Meanwhile, the group focused on perfecting a single pot was constrained by premature optimisation.

But in the AI age, we can take this lesson further. Instead of just making many pots to find the best one, we can create pottery systems that get better at making pots through every attempt. Each “failure” teaches the system something new. Each success reveals principles that can be applied across the portfolio.

This is the essence of **anti-fragile design**: Systems that transform uncertainty into capability, volatility into advantage, and failures into wisdom.

## Common Pitfalls

- **Fragile Diversification:** Creating options without learning mechanisms
- **Optimisation Without Exploration:** Focusing only on improving existing strategies
- **Complexity Without Purpose:** Building elaborate systems without clear strategic objectives
- **Scale Without Wisdom:** Running many experiments without extracting insights

## How to Practice This Rule

### Exercise 1: Portfolio Mapping

Identify one strategic challenge. Instead of seeking the best solution, design a portfolio approach: What would 70% safe bets look like? What would 30% bold experiments include?

### Exercise 2: Anti-Fragile Assessment

For a current initiative, ask: How could this get stronger from uncertainty? What would make this benefit from volatility rather than suffer from it?

### Exercise 3: Dynamic Resource Allocation

Design a system where resources automatically flow toward successful experiments and away from unsuccessful ones. What metrics would drive this? What human oversight would be needed?

## Reflect and Reframe

Where is your organisation still thinking “one right answer” when it could be designing for anti-fragility?

What would change if your strategies got stronger from market volatility instead of weaker?

This is the heart of **Portfolio** in the AI age. It’s not about hedging your bets—it’s about designing systems that thrive on uncertainty.

When facing the unknown, **design for anti-fragility**.

## Transition: Portfolio to Pause/Promote

Portfolio creates abundant possibilities. It sets the stage for Pause/Promote—where we filter for coherence and meaning across vast option spaces.

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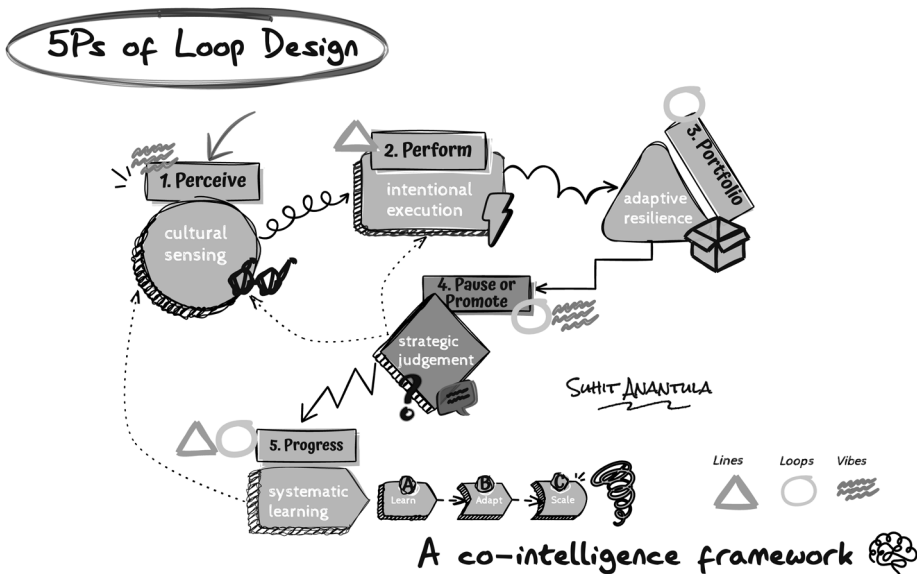
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## CHAPTER 22

### Pause/Promote - Choose What Matters

- ~ *Strategic judgment - combining analytical insight with intuitive wisdom*

“The ability to pause and reflect, even in moments of apparent success, is what separates the wise from the merely clever.”—Susan Cain



#### Rule #4: Choose What Matters

Design begins with perception, moves through performance, creates portfolio systems, and then faces its most critical challenge: discernment.

In the AI age, the problem isn't having too few options—it's having too many. The challenge isn't generating possibilities—it's filtering for what truly matters.

**Choose What Matters** is the rule for organisations that understand the difference between making decisions and designing decision systems. It's for leaders who recognise that in a world of infinite options, strategic advantage comes not from generating more choices, but from developing superior filtering capabilities.

When facing abundance, **design for discernment**.

Not just better decisions. Not just faster choices. But **filtering architectures** that continuously separate signal from noise, meaning from metrics, substance from surface.

## The Essence

Pause/Promote is the fourth phase of the **5Ps of Loop Design**—where we shift from creating options to curating value. But this isn't the decision-making of traditional planning, where we evaluate static alternatives through predetermined criteria. This is strategic filtering at scale, where we design systems that continuously choose what matters while preserving human judgement for what can't be measured.

In the AI age, choosing what matters means creating systems that can process thousands of possibilities simultaneously while ensuring the most meaningful options rise to human attention. It's about building what we call ●~ **discernment intelligence**—the manifestation of co-intelligence where human wisdom and AI's pattern recognition combine to filter for coherence across vast option spaces.

## When Humans and Machines Choose Together

At a leading technology company, the talent acquisition team faced a modern challenge: processing thousands of applications while ensuring it hired not just qualified candidates, but people who would thrive in their collaborative culture.

The traditional approach was overwhelmed by scale. HR teams couldn't meaningfully evaluate every candidate, yet automated screening often missed the subtle qualities that made someone a great cultural fit.

Their solution embodied the essence of **Pause/Promote**:

**AI filtering contribution:** The system analysed resumes, skills assessments, and interview responses to rank candidates based on technical qualifications and experience matches. It could process thousands of applications simultaneously, identifying patterns across successful hires and flagging outliers that might otherwise be overlooked.

**Human discernment contribution:** Hiring managers and team leads evaluated the AI-filtered candidates through a different lens—cultural fit, team dynamics, long-term vision alignment, and the intangible qualities that create productive collaboration. They brought years of experience reading between the lines, sensing potential beyond what algorithms could detect.

**Results:** This filtering partnership enabled the company to process **40% more candidates** while achieving **29% higher retention rates** in the first year. More importantly, new hires reported significantly higher job satisfaction and team integration scores (Kenility, 2023).

This wasn't automation replacing human judgement—it was **strategic filtering architecture** that enabled humans to focus their discernment where it mattered most. The AI handled the analytical heavy lifting, while humans applied wisdom, intuition, and values-based evaluation.

“AI helps us see the patterns, but humans determine what patterns actually matter for our culture and mission. The combination gives us capabilities neither could achieve alone.”—Head of Talent Acquisition (paraphrased)

## Rhythmic Pattern

Pause/Promote operates through **• Loops + ~ Vibes**—iterative filtering combined with intuitive resonance:

- **• Loops Mode:** Continuous refinement of filtering criteria based on outcomes, progressive learning about what drives success, adaptive criteria that evolve with experience
- **~ Vibes Mode:** Intuitive sensing of cultural fit, emotional resonance, alignment with deeper purpose and values
- **•~ Integration:** Systems that combine analytical pattern recognition with human wisdom about meaning and context

The magic happens when **iterative learning** (what works) meets **intuitive sensing** (what feels right) at scale.

## Co-Intelligence in Strategic Filtering

Choosing what matters is no longer limited by human processing capacity. It's a partnership that exemplifies co-intelligence—the seamless integration of human discernment with AI's analytical capabilities:

- **Humans:** Provide values framework, cultural context, intuitive judgement, ethical boundaries, meaning-making
- **AI:** Process vast option spaces, detect subtle patterns, flag outliers, maintain consistency, learn from outcomes
- **Together:** Create **•~ discernment intelligence**—the practical expression of co-intelligence that filters for both quality and meaning

As **accelerant**, AI enables evaluation of option spaces far beyond human cognitive limits. As **connector**, AI reveals relationships between criteria that might otherwise remain hidden. As **amplifier**, AI scales human judgement across complex filtering landscapes.

## Research Filtering at the Academic Scale

The power of strategic filtering extends beyond hiring into domains like academic research—traditionally slow, overwhelming, and prone to bias in evidence synthesis.

Consider how research teams now approach systematic literature reviews. Instead of manually screening thousands of articles—a process that could take months—they’ve created AI-augmented filtering systems that combine machine efficiency with human expertise.

**AI filtering contribution:** AI systems rapidly process thousands of academic papers, flagging those that match specific criteria, identifying methodological patterns, and detecting relevant connections across studies. Natural language processing can screen abstracts and full texts at speeds impossible for human researchers.

**Human discernment contribution:** Researchers provide contextual understanding of field significance, methodological quality assessment, and interpretation of findings within broader theoretical frameworks. They bring deep domain knowledge and the ability to sense which studies matter beyond their statistical significance.

**Results:** Research teams using this collaborative approach demonstrate significant improvements in both efficiency and thoroughness. The hybrid method ensures comprehensive coverage while maintaining the rigorous evaluation that human expertise provides (King’s College London, 2023).

This exemplifies ● **Loops** + ~ **Vibes** filtering—iterative refinement of search criteria (Loops) combined with intuitive assessment of research significance (Vibes). The result is evidence synthesis that’s both comprehensive and meaningful.

## The Filtering Spectrum

Modern strategic filtering operates across a spectrum of sophistication:

### Basic Filtering (Traditional approach):

- Manual evaluation of predetermined options
- Static criteria applied uniformly
- Sequential processing of alternatives

### Smart Filtering (AI-augmented):

- Automated screening within human-defined parameters
- Dynamic criteria that adapt based on outcomes
- Parallel processing of vast option spaces

### Discernment Systems (Co-intelligence):

- Continuous learning about what matters most
- Integration of analytical and intuitive evaluation
- Self-improving filtering that gets better with experience

The key insight: AI enables us to move from manual choice-making to systematic discernment architecture.

## Pause/Promote Across Organisational Functions

Different organisational functions naturally express strategic filtering through different approaches:

**Customer relationship functions** filter through relationship impact, emotional resonance, and cultural alignment. Their filtering systems learn what creates authentic connection while scaling personal attention across larger customer bases.

**Product innovation functions** filter through user value, technical feasibility, and innovation potential. Here, AI enables rapid screening of feature combinations while humans provide creative direction and market intuition about what will truly resonate.

**Infrastructure functions** filter through reliability, scalability, and system integration requirements. AI amplifies their ability to assess complex technical dependencies while humans provide strategic oversight about long-term architectural decisions.

The most powerful organisations create filtering bridges between these functions—enabling insights from one domain to improve discernment in others.

### EEE Layer Activation

- **Ethical:** Ensuring filtering systems include options that serve diverse stakeholder needs and avoid discriminatory biases
- **Emotional:** Maintaining sensitivity to human feelings and authentic connection in automated filtering processes
- **Emergent:** Designing filters that can adapt to changing contexts and discover unexpected value patterns

These layers ensure that strategic filtering serves human flourishing, not just efficiency metrics.

### Creative Production Filtering

Beyond hiring and research, strategic filtering transforms creative industries where the challenge is curating quality from abundance.

In media and entertainment, creative teams now use AI tools to generate dozens of visual concepts, narrative options, or content variations in seconds. The filtering challenge becomes: How do you identify the ideas with genuine creative potential from the merely competent?

**AI generation contribution:** Tools like Runway ML or similar platforms can create numerous visual or narrative options rapidly, exploring creative territories that would take human teams much longer to traverse manually.

**Human curation contribution:** Creative teams then filter these options through brand alignment, emotional impact, and cultural resonance—the intangible qualities that separate compelling content from generic output.

This ~ **Vibes-heavy** filtering demonstrates how human taste and cultural sensitivity remain essential even when AI can generate creative options at scale. The collaboration enables exploration of vastly larger creative possibility spaces while preserving the human judgement that determines what truly matters (Medium, 2023).

## From Decision-Making to Filtering Architecture

While traditional decision frameworks remain valuable for major strategic choices, the AI age demands a new approach to ongoing discernment:

**Traditional Approach:** Generate Options → Evaluate → Decide → Implement

**Filtering Architecture:** Design → Deploy → Learn → Refine → Scale

The shift is from periodic decision events to continuous discernment systems, enabled by AI's ability to maintain consistent evaluation while learning from outcomes.

## Practical Methods

- **Hybrid Evaluation Systems:** Combine AI pattern recognition with human values assessment
- **Progressive Filtering:** Design multi-stage processes that apply different criteria at different levels
- **Outcome Learning:** Build systems that improve filtering criteria based on real-world results
- **Cultural Coherence Checks:** Ensure automated filtering preserves organisational values and human connection

## Common Pitfalls

- **Filter Bubble Creation:** Over-optimising for past patterns while missing emerging opportunities
- **Values Drift:** Letting efficiency metrics override human values in filtering criteria
- **Context Collapse:** Applying uniform filtering across contexts that require different approaches
- **Human Judgement Atrophy:** Over-relying on automated filtering without maintaining human discernment skills

## How to Practice This Rule

### Exercise 1: Filtering Audit

Identify one area where your organisation processes many options regularly. Map what currently gets filtered, how, and by whom. Where could AI augment human judgement without replacing it?

### Exercise 2: Values-Based Criteria

For a current decision challenge, define both measurable criteria (what AI can assess) and values-based criteria (what requires human judgement). Design a two-stage filtering process.

### Exercise 3: Learning Loop Design

Create a filtering system that improves over time. What outcomes will you track? How will you refine criteria based on results? What human oversight will you maintain?

## Reflect and Reframe

Where is your organisation drowning in options when it could be designing better filters?

What would change if your filtering systems got smarter from every choice rather than applying static criteria?

This is the heart of **Choose What Matters** in the AI age. It's not about making perfect decisions—it's about designing systems that consistently filter for value.

When facing infinite options, **choose what matters**.

## **Transition: Choosing to Progress**

Pause/Promote creates clarity and direction. It sets the stage for Progress—where we advance the options we've chosen while building the systems that enable continuous advancement.

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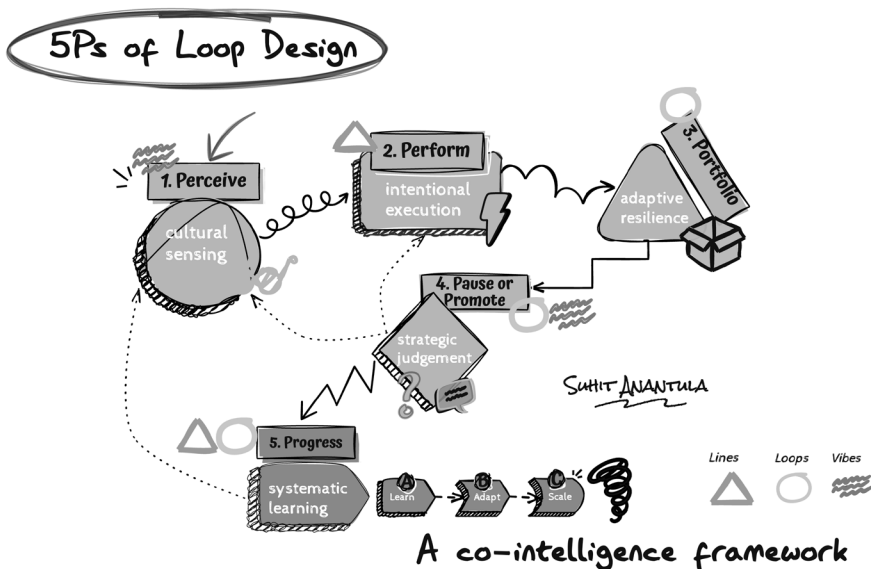
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# CHAPTER 23

## Progress - Build Learning Systems

▲● *Systematic learning - converting experience into evolutionary capability*

“Even if you’re on the right track, you’ll get run over if you just sit there.”—Will Rogers



### Rule #5: Build Learning Systems

Design begins with perception, moves through performance, creates portfolio systems, develops filtering architectures, and then faces its ultimate test: continuous advancement.

In the AI age, the problem isn't building solutions—it's building solutions that get smarter. The challenge isn't creating success—it's creating systems that learn from every outcome to drive continuous improvement.

**Build Learning Systems** is the rule for organisations that understand the difference between iteration and evolution. It's for leaders who recognise that in a world of constant change, competitive advantage comes not from perfect solutions, but from superior learning architectures.

When facing complexity, **design for continuous advancement**.

Not just better products. Not just improved processes. But **learning systems** that synthesise insights from every interaction, outcome, and change to drive ongoing evolution.

## The Essence

Progress is the fifth and last phase of the **5Ps of Loop Design**—where we shift from making improvements to building improvement capacity. But this isn't the progress thinking of traditional development cycles, where we iterate through discrete versions. This is learning system architecture, where we design systems that continuously advance through the integration of human expertise and AI pattern recognition.

In the AI age, progress means creating systems that learn from every sensor reading, every user interaction, every business outcome, while preserving human wisdom about what improvement actually means. It's about building what we call **▲● learning intelligence**—the manifestation of co-intelligence where human expertise and AI's learning capabilities combine to create systems that get smarter through use.

## When Machines Learn While Humans Guide

At Shell, offshore drilling operations faced a challenge that threatened both safety and profitability: equipment failures that occurred without warning, causing costly downtime and potential environmental risks.

Traditional maintenance schedules were based on time intervals and manual inspections—approaches that often either caught problems too late or performed unnecessary maintenance on functioning equipment. The complexity of offshore environments made prediction especially difficult, with thousands of variables affecting equipment performance.

Their solution embodied the essence of **Build Learning Systems:**

**Human expertise contribution:** Engineers brought decades of experience understanding failure patterns, safety requirements, and operational thresholds. They defined what constituted acceptable risk, established safety protocols, and provided the contextual knowledge needed to interpret sensor data meaningfully. Their expertise guided the learning process and ensured that system recommendations aligned with operational realities.

**AI learning contribution:** Machine learning algorithms analysed continuous streams of sensor data from thousands of equipment points across offshore platforms. The system learned to recognise subtle patterns that preceded failures, refining its predictive models based on every maintenance outcome, every equipment response, and every operational context.

**Results:** Shell achieved a **41% reduction in unplanned downtime** through these continuously improving forecasts. More importantly, the system became more accurate over time, learning from each prediction and outcome to enhance future performance (Zignuts, 2023).

This wasn't simply predictive maintenance—it was **▲● learning system architecture** that transformed operational intelligence into competitive advantage. Each equipment reading, each maintenance decision, and each operational outcome made the entire system smarter and more capable.

“What we're doing with AI is a fundamental part of our digital transformation. It's part of the fabric of our culture of innovation and of our community. We have a learner mindset which is

critical when adopting new technology, processes and ways of working.”—Dan Jeavons, Vice President of Computational Science & Digital Innovation at Shell.

## Rhythmic Pattern

Progress operates through **▲ Lines + ● Loops**—structured advancement through continuous learning:

- **▲ Lines Mode:** Systematic learning frameworks, consistent improvement metrics, structured knowledge accumulation, reliable advancement processes
- **● Loops Mode:** Continuous feedback integration, adaptive learning cycles, progressive capability building, iterative knowledge refinement
- **▲● Integration:** Systems that combine structured advancement with adaptive learning, creating reliability through continuous improvement

The magic happens when **systematic structure** (what to learn from) meets **continuous adaptation** (how to get better) at scale.

## Co-Intelligence in Learning Systems

Building learning systems is no longer limited by human analytical capacity or machine contextual understanding. It’s a partnership that exemplifies co-intelligence—the seamless integration of human wisdom with AI’s learning capabilities:

- **Humans:** Provide experiential knowledge, contextual understanding, values framework, safety boundaries, meaning-making
- **AI:** Process continuous data streams, detect subtle patterns, refine predictive models, maintain consistent learning, scale insights
- **Together:** Create **▲● learning intelligence**—the practical expression of co-intelligence that continuously improves performance while preserving human judgement

As **accelerant**, AI enables learning from vast data streams at speeds impossible for human analysis. As **connector**, AI reveals relationships between operational patterns that might otherwise remain hidden. As **amplifier**, AI scales human expertise across complex operational landscapes.

## Legal Intelligence at Financial Scale

The power of learning systems extends beyond operations into domains like legal analysis—traditionally slow, labour-intensive, and resistant to systematic improvement.

Consider JPMorgan Chase's approach to contract management. Instead of treating each legal document as an isolated task, it created a learning system that combines human legal expertise with machine pattern recognition across vast document libraries.

**Human expertise contribution:** Lawyers provided nuanced interpretation of ambiguous clauses, contextual understanding of regulatory requirements, and judgement about risk implications. They brought years of legal training and practical experience that enabled sophisticated reasoning about contract implications and business risks.

**AI learning contribution:** The COiN (Contract Intelligence) platform used natural language processing to analyse patterns across 12,000+ agreements, identifying recurring negotiation bottlenecks, clause variations, and process inefficiencies. The system learned from every contract review, building an increasingly sophisticated understanding of legal language patterns and business implications.

**Results:** JPMorgan saved over **360,000 legal work hours annually** while achieving **35% faster contract turnaround times**. Compliance-related errors were reduced by approximately **80%**, and overall legal operations costs dropped by an estimated **30%** (Medium, 2023).

This exemplifies **▲● Lines + Loops** learning architecture—structured legal frameworks (Lines) that continuously improve through case-by-case learning (Loops). The system preserved human judgement for complex interpretation while scaling pattern recognition across massive document volumes.

“COiN can review 12,000 documents in seconds—something that used to take weeks.”—JP Morgan Tech Blog.

## The Learning Spectrum

Modern learning systems operate across a spectrum of advancement capabilities:

### **Reactive Learning (Traditional approach):**

- Manual analysis of outcomes after they occur
- Periodic improvement based on accumulated experience
- Human-dependent insight generation and application

### **Adaptive Learning (AI-augmented):**

- Real-time pattern recognition and adjustment
- Continuous refinement based on emerging data
- Automated optimisation within human-defined parameters

### **Anticipatory Learning (Co-intelligence):**

- Predictive improvement before problems manifest
- Proactive capability development based on emerging patterns
- Self-improving architectures that enhance both human and machine capabilities

The key insight: AI enables us to move from reactive improvement to anticipatory advancement.

## Progress Across Organisational Functions

Different organisational functions naturally express learning systems through different approaches:

**Customer relationship functions** build learning systems through interaction pattern analysis, relationship development tracking, and engagement effectiveness measurement. Their systems learn what creates authentic connection while scaling personal attention across larger customer bases.

**Product innovation functions** develop learning systems through user behaviour analysis, feature performance tracking, and market response monitoring. Here, AI enables rapid learning from user interactions while humans provide creative direction about what improvements actually matter.

**Infrastructure functions** create learning systems through operational performance monitoring, efficiency pattern detection, and reliability enhancement. AI amplifies their ability to detect subtle performance patterns while humans provide strategic oversight about system evolution priorities.

The most powerful organisations create learning bridges between these functions—enabling insights from one domain to accelerate advancement in others.

## EEE Layer Activation

- **Ethical:** Ensuring learning systems improve outcomes for all stakeholders, not just operational metrics
- **Emotional:** Maintaining human connection and authentic relationships even within automated learning processes
- **Emergent:** Building learning architectures that can adapt to unprecedented situations and discover new improvement opportunities

These layers ensure that learning systems serve human flourishing, not just efficiency optimisation.

## From Iteration to Learning Architecture

While traditional improvement cycles remain valuable for specific projects, the AI age demands a new approach to continuous advancement:

**Traditional Approach:** Plan → Build → Test → Learn → Repeat  
**Learning Architecture:** Design → Deploy → Learn → Advance → Evolve

The shift is from periodic improvement cycles to continuous learning systems, enabled by AI's ability to process ongoing feedback while humans provide direction about meaningful advancement.

## Practical Methods

- **Feedback Loop Architecture:** Design systems that automatically capture, analyse, and act on performance data
- **Human-AI Learning Synthesis:** Combine machine pattern recognition with human expertise about what patterns matter
- **Progressive Capability Building:** Create learning systems that enhance both technical performance and human understanding
- **Cross-Domain Knowledge Transfer:** Build systems that apply learning from one context to improve performance in others

## Common Pitfalls

- **Learning Without Direction:** Optimising for improvement metrics without strategic purpose
- **Data Rich, Insight Poor:** Collecting vast amounts of information without synthesising meaningful understanding
- **Automation Creep:** Letting machine learning replace human judgement rather than augmenting it

- **Learning Silos:** Building systems that improve in isolation without contributing to broader organisational capability

## How to Practice This Rule

### Exercise 1: Learning System Audit

Identify one area where your organisation repeats similar activities regularly. Map what's currently learned from each instance versus what could be learned. Design a system that captures and applies insights continuously.

### Exercise 2: Feedback Architecture Design

For a current initiative, design a feedback system that includes both quantitative data (what AI can process) and qualitative insights (what requires human interpretation). Create mechanisms for both to inform ongoing improvement.

### Exercise 3: Cross-Domain Learning Transfer

Identify successful learning patterns from one part of your organisation. Design ways to apply these insights to improve performance in a different domain or function.

## Reflect and Reframe

Where is your organisation improving things once when it could be building systems that improve continuously?

What would change if your solutions got smarter from every interaction rather than remaining static after deployment?

This is the heart of **Progress** in the AI age. It's not about making things better—it's about building systems that make themselves better.

When facing complexity, **build learning systems**.

## Transition: Progress to Perceive

Progress creates new conditions and capabilities. It sets the stage for returning to Perceive with enhanced sensing abilities—completing one cycle of the 5Ps and beginning the next at a higher level of capability.

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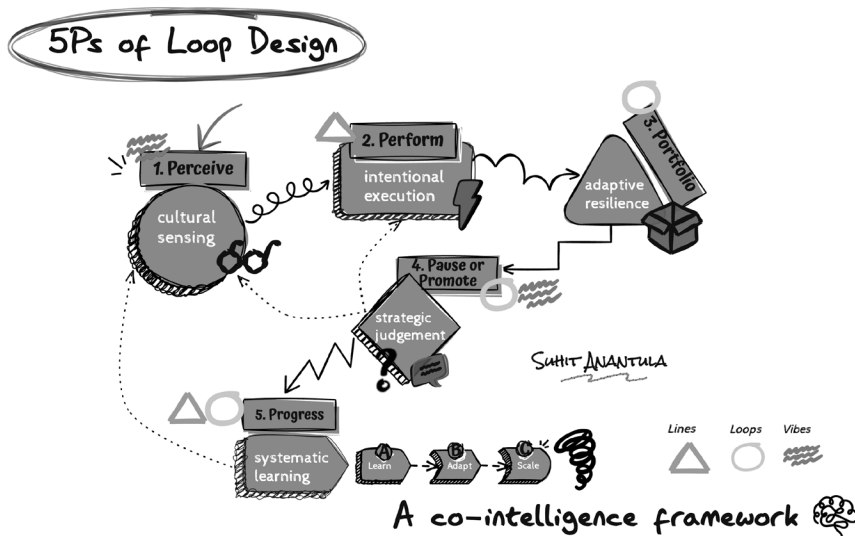
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# CHAPTER 24

## The 5Ps in Action - Where Design Becomes Strategy

▲ Lines + ● Loops + ~ Vibes – orchestrating co-intelligence

“The future belongs to organisations that can seamlessly blend human wisdom with machine intelligence to create value that neither could achieve alone.”



By now, you’ve journeyed through each phase of the **5Ps of Loop Design**. You’ve seen how ~ **Perceive** grounds us in human empathy while leveraging AI’s pattern recognition. How ▲ **Perform** transforms insight into systematic execution at machine speed. How ● **Portfolio** creates anti-fragile systems that strengthen through uncertainty. How ●~

**Pause/Promote** filters for meaning across vast option spaces. How **▲● Progress** builds learning architectures that evolve continuously.

But the real power emerges when these phases work together as an integrated system—a **co-intelligence engine** where strategy and design strengthen each other within the Helix.

## The Multi-Rhythm Integration

What makes the 5Ps distinctive isn't just their individual capabilities, but how they create natural bridges between different organisational rhythms:

**Customer relationship teams** excel in **~ Perceive** and **●~ Pause/Promote**, naturally sensing cultural patterns and filtering for authentic connection. But they need **▲ Perform** systems to scale personalised experiences and **● Portfolio** approaches to serve diverse segments effectively.

**Product innovation teams** thrive in **▲ Perform** and **● Portfolio**, rapidly building and testing possibilities. But they need **~ Perceive** to sense what truly matters to users and **▲● Progress** to build on learning rather than starting fresh each cycle.

**Infrastructure teams** find strength in **▲ Perform** and **▲● Progress**, creating reliable systems that improve over time. But they need **~ Perceive** to understand user needs and **● Portfolio** thinking to maintain resilience across changing demands.

The 5Ps create **rhythm bridges** that enable these functions to collaborate effectively while honouring their natural strengths.

## From Workshop to Operating System

Traditional design thinking lives in workshops—intensive sessions that generate insights and options, then hand them off for implementation. The 5Ps transform design from an event into an **operating system**.

**Perceive** becomes ongoing organisational sensing, not periodic research.  
**Perform** becomes systematic execution capability, not project delivery.  
**Portfolio** becomes strategic resilience architecture, not option generation.  
**Pause/Promote** becomes continuous discernment, not decision meetings.  
**Progress** becomes learning infrastructure, not improvement initiatives.

This shift enables what researchers call “**design-driven innovation**”—where design capability becomes the engine of strategic advantage rather than a supporting function.

## Co-Intelligence at Scale

The most profound impact of the 5Ps emerges when they operate as a **co-intelligence system**:

- AI amplifies human  $\sim$  **sensing** across vast data streams while humans provide contextual wisdom about what patterns matter
- Human  $\blacktriangle$  **intention** guides systematic execution while AI scales decision-making across thousands of interactions
- AI explores  $\bullet$  **option spaces** beyond human cognitive limits while humans curate for meaning and values alignment
- Human  $\bullet \sim$  **judgement** filters for cultural fit and emotional resonance, while AI provides analytical consistency across evaluations
- AI  $\blacktriangle \bullet$  **learns** from continuous feedback while humans synthesise insights into wisdom and capability

Each phase strengthens the others, creating emergent capabilities that neither humans nor AI could achieve independently.

## Strategic Implementation Framework

To implement the 5Ps as an integrated system:

**Start with Diagnosis:** Which organisational functions naturally excel at which Ps? Where are the gaps and disconnections?

**Design Rhythm Bridges:** How can customer sensing inform infrastructure planning? How can product experimentation enhance strategic filtering?

**Build AI Integration:** Where can AI amplify human capabilities without replacing human judgement? What data and feedback systems enable continuous learning?

**Create EEE Coherence:** How do ethical considerations, emotional intelligence, and emergent possibilities integrate across all five phases?

**Establish Learning Architecture:** How does the system get smarter from every cycle? What capabilities build over time?

## The Helix in Motion

When the 5Ps operate as an integrated system, they embody the Helix in action—strategy and design continuously informing each other, strengthened by AI collaboration, creating adaptive capability that responds to changing conditions while maintaining human wisdom and values.

This is design as strategic capability. Strategy as learning system. Co-intelligence as competitive advantage.

The future belongs to organisations that can move fluidly between perception and performance, portfolio thinking and purposeful choice, building systems that learn while human wisdom guides the direction of that learning.

**This is the promise of Loop Design: Not just better outcomes, but better systems. Not just smarter solutions, but smarter organisations.**

Ready to build yours?

# CHAPTER 25

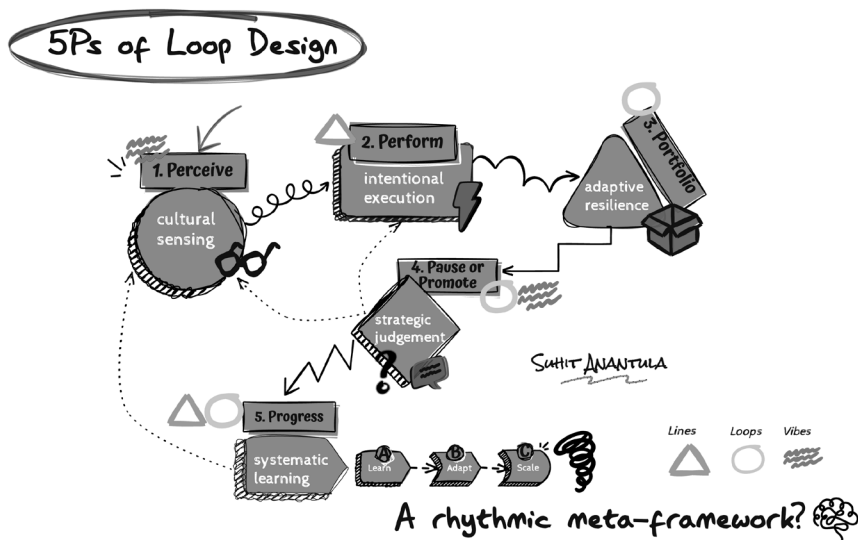
## The 5Ps as a Rhythmic Meta-Framework

### Design, Strategy, and AI in Loop-Based Harmony

Rhythm Mode: ● Loops and ~ Vibes

**Reader Objective:** Learn how to orchestrate diverse tools, mindsets, and rhythms into one co-intelligent loop.

What if there is a way to see 5Ps as not just a Loop Design but a meta-framework to run the entire strategy process? That's what this chapter explores.



## The Challenge: When Tools Collide

Innovation teams run Design Thinking sprints.

Product teams use Agile.

Strategy teams swear by Blue Ocean or Lean Canvas.

Executives ask for roadmaps and ROI.

And somewhere between these silos, the rhythm breaks.

We don't need another framework.

We need a **framework of frameworks**.

A conductor. A rhythm-aware integrator.

That's what the **5Ps of Loop Design** is becoming.

## What the 5Ps Really Is

5Ps is more than a sequence.

It's more than a method.

It's a **meta-framework**—a looped, rhythm-aware operating system that integrates creativity, analysis, and AI.

It doesn't replace other tools.

It tells you **when to use which**—and **how to move between them**.

Each “P” in the loop holds its own rhythm.

Each can host different tools, mindsets, and decision patterns.

And when conducted well, the 5Ps becomes a **multi-rhythm orchestration system**.

## Rhythm Logic Across the 5Ps

| 5P                   | Primary Rhythm      | Purpose                                      |
|----------------------|---------------------|----------------------------------------------|
| <b>Perceive</b>      | ~ Vibes             | Sense the system, the context, the need      |
| <b>Perform</b>       | ▲ Lines             | Make something real with intent              |
| <b>Portfolio</b>     | ● Loops             | Diverge, test, explore multiple paths        |
| <b>Pause/Promote</b> | ● + ~ Loops + Vibes | Evaluate, sense meaning, choose what matters |
| <b>Progress</b>      | ▲ + ● Lines + Loops | Scale, learn, evolve                         |

This rhythm map lets you plug in the **right framework at the right moment**, like placing instruments in an orchestra.

## Meta-Framework in Action

### The Problem: Fragmentation.

Design teams run their process.

Product runs Agile.

Strategy creates a PowerPoint.

And the loops don't connect.

### The Solution: The 5Ps as Integrator.

Imagine this:

| Phase         | Integrated Tool                                   | Purpose                                           |
|---------------|---------------------------------------------------|---------------------------------------------------|
| Perceive      | Design Thinking, JTBD, Blue Ocean                 | Deeply understand the problem, context, and users |
| Perform       | Design Sprints, TRIZ, Co-creation Labs            | Make, prototype, simulate rapidly                 |
| Portfolio     | Lean Startup, Innovation Portfolio, Option Theory | Run experiments, map bets, test variations        |
| Pause/Promote | Balanced Scorecard, ERRC, SWOT, SAFE              | Evaluate with data <i>and</i> discernment         |
| Progress      | Agile, DevOps, OKRs, Kaizen                       | Implement, refine, improve, scale                 |

The result?

A living loop—where **insight flows**, **methods sequence**, and **strategy stays alive**.

## AI as the Co-Intelligence Layer

In this loop, AI is not a phase—it's the **connective tissue**.

- In **Perceive**, AI scans signals, finds weak patterns.
- In **Perform**, it helps generate prototypes, simulations, storyboards.
- In **Portfolio**, it compares, ranks, and predicts.
- In **Pause**, it reflects and amplifies feedback loops.
- In **Progress**, it watches, learns, and optimises.

AI supports both *rhythm detection* and *transition*—helping humans know when to shift gears.

## Companion Canvas: Plug In Your Methods

You can use this as a strategy rhythm map:

| P             | Method You Use       | Rhythm | AI Role                    | Gap?                       |
|---------------|----------------------|--------|----------------------------|----------------------------|
| Perceive      | Design Thinking      | ~      | Pattern sensing            | Too surface?               |
| Perform       | Design Sprint        | ▲      | Idea generation            | Not bold enough?           |
| Portfolio     | Lean Startup<br>MVPs | ●      | Test/learn<br>acceleration | No divergent<br>thinking?  |
| Pause/Promote | Balanced Scorecard   | ● + ~  | Evaluation<br>analytics    | Ignoring intuition?        |
| Progress      | Agile / OKRs         | ▲ + ●  | Real-time metrics          | Learning feedback<br>slow? |

### Strategic Implication

“Most organisations aren’t missing a framework.

They’re missing *rhythm awareness*.”

The 5Ps gives you that awareness.

It helps teams co-create, analysts co-evaluate, and leaders co-conduct.

It’s not just a method.

It’s the **operating rhythm for co-intelligent design**.

### Closing Reflection

Where are your frameworks colliding?

Where is your team running loops in isolation?

Could the solution be... not more tools—but a better **rhythm map**?

The 5Ps is your integrator.

Use it to **coordinate**, not control.

To **conduct**, not command.

Let your tools play together.

Let your rhythms sync.

Let your strategy *breathe*.

## From Practice to Presence ~

“When we stop iterating long enough to listen—we start to sense.”

Loops teach us to learn. To move. To try again. But eventually, motion must give way to meaning.

You’ve tested. You’ve built. You’ve iterated. Now it’s time to ask: **what’s emerging beneath all this activity?**

This is the rhythm shift: from **doing** to **being**, from **feedback** to **feeling**, from **iterations** to **intuition**.

Where Loops help us refine what we know, Vibes help us tune into what we can’t quite name yet.

This next section is about resonance:

- Designing with emotion, not just logic
- Letting values, ethics, and aesthetics guide decisions
- Moving not just with tools—but with timing

You’ll explore the **EEE Layer**, human-AI presence, and stories of organisations that sense before they act.

Let go of process for a moment. Listen to what your body knows.

You’re entering the rhythm of presence.





## PART III

# The Momentum (≈ Vibes)

*Deeper Wisdom & Strategic Resonance*



### Feeling the Flow

These chapters explore resonance. You now have structure and motion—this gives you momentum.

When you know how to sense what's emerging, you can move with timing, not just intention. This is **momentum**—the compound effect of ▲ **foundation** plus ● **movement** plus ≈ **sensing** working together.

Where Part II taught you to ● **experiment and iterate**, Part III invites you into ≈ **sensing and emergence**. Here, we stretch beyond what we currently know into speculative frontiers—ideas like the Multi-Rhythm Organisation and the evolving relationship between AI and human sense-making.

As David Deutsch writes in *The Beginning of Infinity*:

“Discovering a new explanation is inherently an act of creativity... They have to be guessed, after which they can be criticised and tested.”

This is the transition from **mastery to mystery**. You’ve mastered ▲ **structured foundations** and developed ● **adaptive capabilities**. Now we venture into ~ **creative territory** where new explanations must be guessed before they can be proven.

**I’m not confident about many of the ideas in this section.** They are conjectures that need to be tested, challenged, and evolved through real-world application. Some may prove wrong. Others might spark insights I can’t yet see. That’s exactly what makes them worth exploring.

You’ll feel the writing shift again. More intuitive. More cultural. More concerned with **what’s arising** than **what’s proven**. ~ **Vibes** are about pattern recognition that happens beneath conscious analysis—the realm where breakthrough insights are born.

This is where strategy becomes **cultural intelligence**:

- **Multi-rhythm orchestration** across organisational functions
- The **EEE Layer** of ethics, emotion, and emergence
- **AI in the Loop** as collaborative intelligence partner
- **Sensing systems** that detect weak signals before they become trends
- **Global pattern recognition** across industries and cultures

You’re moving from **making** to **sensing**. From ● **iteration** to ~ **intuition**. From **systematic** to **emergent**.

Some ideas will feel like conjectures—because they are. ~ **Vibes** require us to sense into possibilities that don’t yet exist, to feel patterns that haven’t fully formed.

You'll encounter frameworks that ask you to **attune** rather than apply. Cultural insights that matter more than metrics. Capabilities that emerge through presence, not just practice.

**This is strategy as sensing. This is intelligence as emergence.**



## CHAPTER 26

### The Multi-Rhythm Organisation

The CEO looked confused. “Our innovation team moves fast, but manufacturing can’t keep up. Marketing wants to experiment, but finance needs predictability. It feels like everyone’s dancing to different music.”

The consultant nodded. “They are. And that’s not necessarily a problem.”

“What do you mean?”

“Different parts of your business *need* different rhythms. The challenge isn’t making everyone move at the same pace—it’s orchestrating those differences.”

This chapter is about sensing that orchestration. The tensions between functions. The clash of cultures. The struggle to be both stable and dynamic.

It’s not a failure of management.

It’s a failure of **~ rhythm awareness**.

Let’s explore what might be emerging.

#### Reframe the Rhythm

I’m starting to notice something: Organisations struggle when they try to force a single rhythm across diverse functions:

- Finance operates in **▲ Lines** but innovation needs **● Loops**
- Operations thrives on **▲ Lines** while customer experience requires **~ Vibes**
- Leadership might envision in **~ Vibes** while middle management needs to execute in **▲ Lines**

What if you don't need organisational uniformity?

What if you need ~ **rhythm orchestration**?

I'm sensing that great organisations aren't mono-rhythmic. They might be **multi-rhythmic** by design.

## **SAFE Activation: Ambiguity (A) + Emergence (E)**

This feels like a moment to:

- Embrace the inherent tensions between different functional rhythms (A)
- See organisational design as an emergent property of rhythmic harmony (E)

Organisation isn't something you impose.

It's something you ~ **orchestrate**.

## **Strategy Principle: Strategy as Orchestration**

Most business frameworks assume harmony.

"Get everyone aligned."

"March to the same beat."

But what if different parts of your business should move to different rhythms—and the strategic challenge is not uniformity but ~ **orchestration**?

In a symphony, the conductor doesn't make all instruments play the same way. They create harmony across differences.

A strategic organisation might sound like this:

- **Product Development:** Fast, iterative, loop-driven → • **Loops Mode**

- **Operational Excellence:** Systematic, reliable, refined → ▲ **Lines Mode**
- **Brand and Culture:** Sensing, resonant, responsive → ~ **Vibes Mode**
- **Leadership:** Orchestrating all three rhythms → ●~▲ **Multi-Rhythm Intelligence**

This requires leaders who can sense:

- Which function needs which rhythm when
- How to translate between different organisational languages
- When to let tensions exist and when to bridge them

### **Framework: Multi-Rhythm Organisation Design**

I'm starting to sense a framework emerging. A map for thinking about functional rhythms.

## THE MULTI-RHYTHM ORGANISATION

|                     |                                                                                     |                                                                                     |                                                                                     |
|---------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Sales               |    |    |    |
| Marketing           |    |    |    |
| Product Development |    |    |    |
| Operations          |    |    |    |
| Finance             |    |    |    |
| HR/People           |    |    |    |
| Strategy            |  |  |  |
| Customer Success    |  |  |  |
| Engineering         |  |  |  |

LINES LOOPS VIBES

A RHYTHM FRAMEWORK BY SUHIT ANANTULA



## Finance / Operations: ▲ Lines Excellence

*Purpose: Predictability and Excellence*

### Rhythm Characteristics:

- Monthly/Quarterly cycles
- Process optimisation
- Risk management
- Continuous improvement

### AI Role:

- Predictive analytics
- Process automation
- Risk detection
- Performance optimisation

### Culture:

- Rigour
- Reliability
- Efficiency
- Standards

## Product / R&D: ● Loops Excellence

*Purpose: Learning and Innovation*

### Rhythm Characteristics:

- Sprint cycles (1-4 weeks)
- Rapid experimentation
- Customer feedback loops
- Iterative learning

**AI Role:**

- Rapid prototyping
- A/B testing acceleration
- Pattern recognition in user data
- Hypothesis generation

**Culture:**

- Experimentation
- Learning from failure
- Speed of iteration
- Customer-centric

**Brand / Culture / Strategic Sensing: ~ Vibes Excellence**

*Purpose: Sensing and Resonance*

**Rhythm Characteristics:**

- Real-time sensing
- Cultural awareness
- Emotional intelligence
- Timing sensitivity

**AI Role:**

- Sentiment analysis
- Trend detection
- Weak signal identification
- Cultural pattern recognition

**Culture:**

- Intuition
- Presence
- Authenticity
- Connection

## Multi-Rhythm Integration Patterns

The magic happens at the intersections:

### ▲ Lines + ● Loops = Continuous Improvement

Operations learns from product experiments to refine processes systematically.

### ● Loops + ~ Vibes = Resonant Innovation

Product development senses cultural shifts to guide experimentation directions.

### ~ Vibes + ▲ Lines = Principled Adaptation

Culture and brand insights inform operational design decisions.

### ● ~ ▲ Multi-Rhythm Leadership = Orchestration

Leaders translate between functional languages and orchestrate rhythm timing.

## Real-World Examples

### Amazon: Multi-Rhythm Mastery

**Operations (▲ Lines):** Six Sigma fulfilment. Systematic warehouse automation.

**Product (● Loops):** Two-pizza teams. Rapid experimentation. A/B testing everything.

**Culture (~ Vibes):** Customer obsession. Day 1 mentality. Long-term thinking.

**Leadership:** Bezos as ● ~ ▲ multi-rhythm conductor. “Working Backwards” methodology to orchestrate across rhythms.

## Google: Rhythm Coordination

**Engineering (● Loops):** 20% time. Rapid experimentation. Fail fast.

**Operations (▲ Lines):** Massive infrastructure. Systematic scaling. Reliability engineering.

**Culture (≈ Vibes):** “Don’t be evil” → sensing mission drift. Cultural evolution.

**Leadership:** Balancing innovation freedom with operational excellence.

## Culture and Rhythm: Sales & Marketing at Google vs Apple

What if Sales as a function can have different rhythms based on culture?

### CULTURE AND RHYTHM

Apple  
Sales



Google  
Sales



SUHIT ANANTULA



Google and Apple have very different approaches to sales and branding. Apple “thinks different” and has a ≈ **Vibes** approach and feel to its marketing and sales. Google, on the other hand, is numbers-driven. It

starts with **▲ Lines**, the number of times it changes the name of its products tells you that vibes are missing or come last.

The point is not which is better, but that the same function can have a different rhythm based on the culture and approach of the organisation.

## Rhythm Clash Diagnostics

**Symptom:** “Innovation is too slow”

**Diagnosis:** Innovation team stuck in **▲ Lines** rhythm when they need **● Loops**

**Symptom:** “Operations are inconsistent”

**Diagnosis:** Operations trying to operate in **● Loops** when they need **▲ Lines**

**Symptom:** “Leadership seems out of touch”

**Diagnosis:** Leadership operating in **▲ Lines/● Loops** without **~ Vibes** sensitivity

**Symptom:** “Teams don’t collaborate”

**Diagnosis:** No rhythm translation protocols between functions

## AI as Multi-Rhythm Enabler

AI can help orchestrate across rhythms:

### Cross-Functional Intelligence

- Translate insights between different functional languages
- Bridge timing gaps between fast/slow functions
- Identify rhythm mismatches before they become conflicts

## Organisational Sensing

- Monitor each function's rhythm health
- Detect when functions are out of sync
- Suggest rhythm adjustments based on business context

## Rhythm Optimisation

- Model scenarios where different rhythm combinations work best
- Identify optimal timing for cross-functional collaboration
- Enable real-time rhythm coordination

## Practice: Multi-Rhythm Diagnostic

### Objective:

Map your organisation's current rhythmic profile and identify optimisation opportunities.

### Process:

#### 1. Function Mapping (30 min)

List your key organisational functions and their current rhythms:

- What rhythm does each function naturally operate in?
- What rhythm does their work actually require?
- Where do you see mismatches?

#### 2. Integration Assessment (20 min)

- Where do functions need to collaborate?
- What rhythm clashes are causing friction?
- What translation protocols currently exist?

#### 3. Multi-Rhythm Opportunity (25 min)

- Which functions could benefit from rhythm diversification?
- What new capabilities might emerge from better orchestration?
- Where might AI help bridge rhythm gaps?

#### 4. Orchestra Design (25 min)

- If you were the conductor, how would you orchestrate these rhythms?
- What would change if you embraced rather than eliminated rhythm differences?
- What's one experiment you could run to test multi-rhythm coordination?

#### Reflection Questions

- Does your organisation try to force rhythmic uniformity where diversity might be more effective?
- What would it feel like if different functions were consciously designed for their optimal rhythms?
- How might you develop “rhythm translation” capabilities between functions?
- Where in your organisation is the conductor role missing?

The future belongs to leaders who can sense the rhythm each situation requires—and orchestrate harmony across difference.

Multi-rhythm organisations don't eliminate tension.

They turn it into music.

## CHAPTER 27

# The EEE Layer - A New Design Dimension for the AI Age

*Ethics, Emotion, Emergence as Strategic Navigation*

**Rhythm Mode:** ~ Vibes

**Reader Objective:** Learn to design with the full spectrum of human values in an AI-enhanced world.

### The Missing Layer

Most design and strategy frameworks operate on two levels:

**Logic Layer:** Analysis, data, frameworks, rational decision-making

**Action Layer:** Implementation, execution, measurement, optimisation

But there's a third layer that we often skip—especially in business contexts.

**The EEE Layer:** Ethics, Emotion, Emergence

This isn't "soft skills" thinking. This is **hard systems thinking**—recognising that sustainable value creation requires attention to values, human experience, and adaptive capacity.

In the AI age, this layer becomes essential. When machines can handle logic and action at superhuman speed, human wisdom lives in the ~ **EEE Layer**.

## Ethics as Strategic Navigation

Ethics isn't compliance. It's ~ **design intuition**.

When you're building products, services, or systems that will shape human behaviour, ethics becomes your design compass.

### Traditional Approach

"Is this legal? Does it meet compliance requirements?"

### EEE Approach

"What kind of world are we creating with this design choice?"

**Example:** Social media algorithms

- **Legal/Compliant:** Platform recommendations increase engagement
- ~ **EEE Lens:** What kind of attention patterns are we rewarding? What kind of society emerges from these incentives?

This isn't about being morally superior. It's about **long-term strategic thinking**.

**Ethical design** often creates more resilient, trusted, and valuable systems.

## Emotion as Information

In business culture, emotion often gets dismissed as "irrational."

But ~ **emotional response** carries strategic information:

**Gut instincts** often signal pattern recognition faster than rational analysis

**Team energy** indicates whether a direction feels sustainable

**User delight** predicts long-term engagement better than features alone

**Cultural resonance** determines whether innovation gets adopted or rejected

## Design Practice: ~ Emotional Prototyping

Before building the feature, prototype the feeling.

- How do you want users to feel when they encounter this?
- What emotional journey are you designing?
- If this succeeds, what emotional capacity does it build or diminish?

**Example:** Slack vs. email

- Both accomplish communication
- Slack designed for ~ **collaboration feeling**, not just information transfer
- The emotional experience became their strategic differentiation

## Emergence as Adaptive Capacity

Most strategic planning assumes you can predict and control outcomes.

~ **Emergence recognises:** The most valuable possibilities often can't be planned—they have to be **designed for**.

## ~ Emergence Design Principles

### Enable, Don't Control

Create conditions where valuable outcomes can emerge, rather than trying to specify exact results.

### Build for Evolution

Design systems that can adapt and grow, not just execute predefined functions.

## **Amplify Positive Patterns**

Recognise what's working and create conditions for it to scale naturally.

**Example:** Wikipedia

- Didn't plan specific article content
- Designed conditions for knowledge sharing to emerge
- Built systems that could evolve with the community

## **EEE Integration Framework**

Use this as a design checkpoint:

### **E1: Ethical Check**

- What values does this design choice embody?
- Who benefits? Who might be harmed?
- What precedent does this set?
- Does this increase or decrease human agency?

### **E2: Emotional Check**

- What does this feel like to experience?
- What emotional capacity does this build?
- Does this create connection or isolation?
- How does this affect relationships?

### **E3: Emergence Check**

- What possibilities does this enable?
- How can this evolve and adapt?
- What learning capacity does this build?
- What might emerge that we haven't imagined?

## EEE in the AI Age

AI amplifies the importance of the ~ EEE Layer:

### Ethics + AI

- AI systems encode values into algorithmic behaviour
- Decisions that feel technical are actually deeply ethical
- Human judgement becomes critical for value alignment

### Emotion + AI

- AI can process sentiment, but humans design ~ emotional architecture
- The feeling of human-AI interaction shapes adoption and trust
- Emotional intelligence becomes a human differentiator

### Emergence + AI

- AI can accelerate change in unpredictable directions
- Designing for adaptability becomes essential
- Human wisdom guides which emergent patterns to amplify

## Organisational EEE

This applies beyond product design to organisational design:

### Ethical Organisations

- Values embedded in decision processes, not just stated on walls
- Power structures that support human flourishing
- Business models aligned with societal value creation

## ~ Emotional Organisations

- Psychological safety and authentic communication
- Work designed for human thriving, not just productivity
- Leadership that attends to team energy and cultural health

## Emergent Organisations

- Structures that can evolve with changing contexts
- Learning systems that generate new capabilities
- Space for creativity and unexpected innovation

## Case Study: Patagonia's EEE Integration

### Ethical Design:

- “Don’t Buy This Jacket” campaign—designing for conscious consumption
- Supply chain transparency and environmental responsibility
- Business model aligned with environmental values

### ~ Emotional Design:

- Brand story that connects with customer identity and values
- Community building around outdoor culture and environmentalism
- Employee experience aligned with personal meaning

### Emergent Design:

- 1% for the Planet initiative spawned an industry movement
- Customer activism platform grew organically
- Business model evolution from retail to environmental advocacy

**Result:** Premium pricing, customer loyalty, sustained growth, cultural influence

## AI Collaboration Through EEE

Use AI to enhance, not replace,  $\sim$  EEE thinking:

### AI as Ethical Adviser

- “Analyse this design choice for potential ethical implications”
- “What stakeholder perspectives should we consider?”
- “What are the second and third-order effects of this decision?”

### AI as $\sim$ Emotion Sensor

- “What emotional patterns do you detect in user feedback?”
- “How might different user groups experience this differently?”
- “What’s the emotional journey this feature creates?”

### AI as Emergence Partner

- “What unexpected possibilities might emerge from this approach?”
- “How could this evolve in ways we haven’t considered?”
- “What patterns from other domains might apply here?”

## Practice: EEE Design Review

### Objective:

Apply  $\sim$  EEE lens to a current project or decision.

### Process:

#### 1. Current State (15 min)

- What project/decision are you working on?
- What’s your current approach?

**2. Ethical Lens** (20 min)

- What values does your current approach embody?
- Who benefits/who might be harmed?
- What kind of world does this help create?

**3. ~ Emotional Lens** (20 min)

- What does this feel like to experience?
- What emotional experience are you designing?
- How does this affect relationships and human connection?

**4. Emergence Lens** (20 min)

- What possibilities does this enable beyond your immediate goals?
- How might this evolve unexpectedly?
- What learning and adaptation capacity does this build?

**5. Integration** (15 min)

- What insights emerged from the ~ **EEE analysis**?
- How might you modify your approach based on these insights?
- What would it look like to optimise for all three dimensions?

**Reflection Questions**

- Where in your work do you currently apply ethical, emotional, and emergence thinking?
- What would change if you treated the ~ **EEE Layer** as essential rather than optional?
- How might AI help you design more thoughtfully across all three dimensions?
- What's one ~ **EEE insight** that could shift your current approach?

**The ~ EEE Layer isn't separate from business strategy.  
It's how strategy becomes wise.**

In a world where AI can handle logic and execution, human contribution increasingly lives in the space where ethics, emotion, and emergence intersect.

That's where sustainable value comes from.

That's where meaning lives.

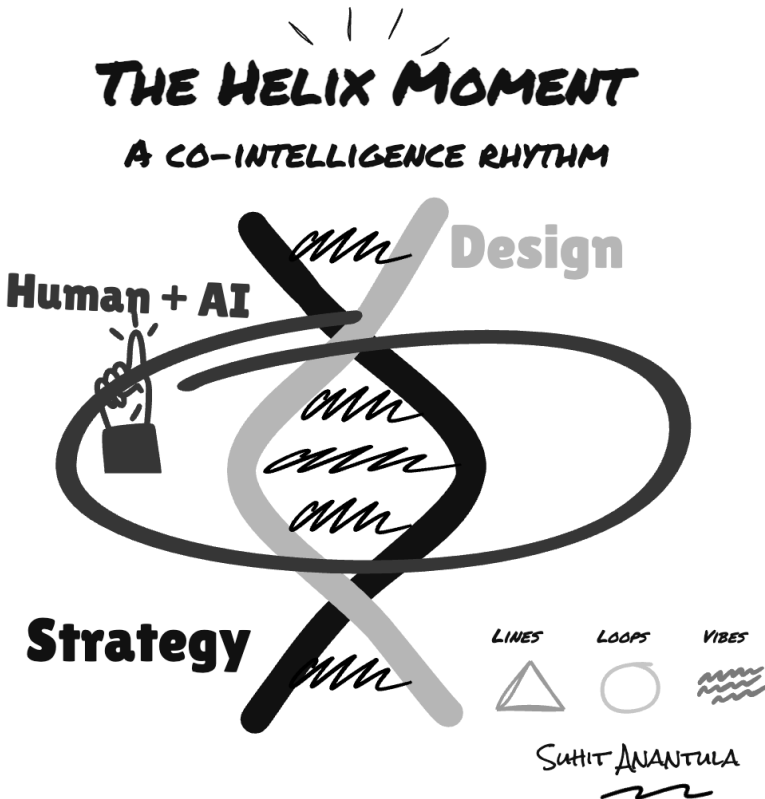
That's where the future wants to emerge.

# CHAPTER 28

## AI in the Loop ~

Rhythm Mode: ~ Vibes

**Reader Objective:** Develop intuitive intelligence for human-AI collaboration.



## When AI Stops Being a Tool

Most people experience AI as a **productivity tool**.

“It helps me write faster.”

“It generates ideas when I’m stuck.”

“It automates routine tasks.”

But something shifts when you start using AI regularly.

It stops feeling like a tool and starts feeling like a **thinking partner**.

You begin to sense what it’s good at, what it misses, when to trust it, when to redirect it.

You develop a **~ collaboration intuition**.

This isn’t about understanding how AI works technically.

It’s about understanding how **human-AI collaboration works naturally**.

## The Dance of Co-Intelligence

After thousands of hours working with AI, patterns emerge:

### AI as Rapid Ideator

- Generates volume and variety faster than human cognition
- Best with clear prompts and specific parameters
- Excels at combining existing ideas in new ways

### AI as Pattern Connector

- Links insights across domains that humans might not notice
- Surfaces connections from massive information sets
- Identifies analogies and frameworks from other fields

## AI as Relentless Collaborator

- Never gets tired, distracted, or offended
- Maintains enthusiasm for iteration and refinement
- Processes feedback without emotional resistance

## Humans as ~ Meaning-Makers

- Provide context that AI lacks
- Apply judgement about quality, relevance, wisdom
- Navigate emotional and ethical nuances
- Decide what matters and why

## Developing “~ AI Intuition”

Working with AI effectively requires a kind of **sensing ability**:

~ **Quality Sensing**: Rapidly distinguishing valuable AI output from noise

- What feels authentic vs. formulaic
- What integrates well with human insight
- What serves the actual purpose vs. looking impressive

~ **Energy Matching**: Different AI interactions require different human energy states

- For creative brainstorming: Open, experimental, playful energy
- For analytical work: Focused, systematic, testing energy
- For strategic thinking: Reflective, questioning, integrative energy

~ **Prompt Intuition**: Learning to communicate with AI in ways that produce valuable responses

- Specific enough to get useful output
- Open enough to get surprising insights
- Structured enough to get actionable results

~ **Context Intuition:** What kind of context is needed to get this job done?

- Background information that ensures the AI knows what it needs to understand and for the prompt to be useful
- Using project spaces in AI tools to enhance context
- Understanding when to add documents, when to prompt, and when to explore fresh chats with no context.

~ **Rhythm Intuition:** As we have explored Lines, Loops and Vibes, does AI have different rhythms?

- These are early days, but I am starting to see rhythm changes where different AI models have more lines, loops or vibes.
- Interestingly, we can actually activate a different approach in the chat (and match it to our challenge) by using the lines, loops and vibes language in your prompting.
- What if AI, like humans, understands and connects with cognitive rhythms?

## The Human-AI Spiral

The most effective human-AI collaboration doesn't follow a linear process.

It spirals:

**Human** → poses question, provides context

**AI** → generates options, identifies patterns

**Human** → selects, refines, adds judgement

**AI** → expands, iterates, connects further

**Human** → integrates, decides, applies wisdom

Each loop adds value.

Each interaction becomes more sophisticated.

The output emerges from the ~ **relationship**, not from either intelligence alone.

## Four Modes of Human-AI Collaboration

Based on real-world use, I'm sensing four distinct collaboration patterns:

### Mode 1: AI as Amplifier

*Human leads, AI accelerates*

**Use case:** Content creation, research, analysis

**Human role:** Set direction, provide judgement, ensure quality

**AI role:** Generate volume, find information, process data

**Rhythm:** Human intention → AI acceleration → Human curation

### Mode 2: AI as Mirror

*AI reflects human thinking back for refinement*

**Use case:** Problem-solving, strategic thinking, creative development

**Human role:** Think out loud, test ideas, explore possibilities

**AI role:** Ask questions, offer perspectives, surface assumptions

**Rhythm:** Human exploration → AI reflection → Deeper human insight

### Mode 3: AI as Partner

*True co-creation with shared cognitive load*

**Use case:** Complex problem-solving, innovation, strategic design

**Human role:** Provide context, wisdom, ethical judgement

**AI role:** Generate options, identify patterns, connect domains

**Rhythm:** Shared ownership → Iterative building → Emergent solutions

## Mode 4: AI as Capability

*AI handles entire workflows while human guides high-level direction*

**Use case:** Data analysis, process automation, research synthesis

**Human role:** Define objectives, interpret results, apply insights

**AI role:** Execute complex workflows, manage information flow

**Rhythm:** Human strategy → AI execution → Human integration

## Sensing the Right Mode

Different challenges call for different collaboration approaches:

**When you're stuck:** Use AI as **Mirror** to reflect your thinking

**When you're overwhelmed:** Use AI as **Amplifier** to increase capacity

**When you're exploring:** Use AI as **Partner** for true co-creation

**When you're executing:** Use AI as **Capability** for workflow automation

**The key is sensing which mode serves the moment.**

## The Emergence Layer

The most interesting human-AI collaboration happens in **~ emergence space**:

Neither human nor AI could produce the result alone.

The value emerges from the **quality of the interaction**.

**Example:** Strategic scenario planning

- Human provides business context, stakeholder perspectives, cultural nuance

- AI generates multiple scenarios, identifies interdependencies, models outcomes
- Conversation produces insights neither could reach independently
- Strategy emerges that's more adaptive and innovative than traditional planning

## Rhythmic Intelligence in AI Collaboration

Different rhythms call for different AI collaboration approaches:

### ▲ Lines Mode + AI

*Structured, systematic collaboration*

- Use AI for process acceleration and quality control
- Apply clear frameworks and evaluation criteria
- Focus on efficiency and reliability gains
- **Human maintains:** Strategic direction and quality standards

### ● Loops Mode + AI

*Iterative, experimental collaboration*

- Use AI to accelerate experimentation cycles
- Generate multiple options for rapid testing
- Build learning into each interaction
- **Human maintains:** Learning orientation and adaptation direction

### ~ Vibes Mode + AI

*Intuitive, emergent collaboration*

- Use AI for pattern sensing and weak signal detection
- Allow unexpected connections to emerge from conversation
- Trust the collaborative process over predetermined outcomes
- **Human maintains:** Wisdom, judgement, and meaning-making

## Practical AI Collaboration Protocols

### Starting Protocols

- Define the collaboration mode before engaging
- Set context clearly but remain open to surprise
- Establish quality criteria that matter to you

### During Protocols

- **Pay attention to what feels generative vs. mechanical**
- Trust your **~ intuition** about AI output quality
- Use the “Yes, and...” approach to build on AI ideas

### Integration Protocols

- Always apply human judgement to AI output
- Look for insights that surprise you
- Adapt your approach based on what emerges

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## Practice: AI Collaboration Experiment

### Objective:

Develop your **~ intuitive intelligence** for AI collaboration.

### Experiment:

#### 1. Mode Selection (5 min)

- Choose a current challenge you’re working on
- Which collaboration mode feels most appropriate?
- What outcome are you hoping for?

**2. Collaboration Session (25 min)**

- Engage AI in your chosen mode
- Pay attention to the quality of interaction
- Notice when you feel most/least aligned with AI output

**3. Integration Reflection (10 min)**

- What emerged that you couldn't have produced alone?
- What did you learn about AI's strengths/limitations?
- What did you learn about your own collaboration style?

**4. Mode Experimentation (20 min)**

- Try the same challenge in a different collaboration mode
- How does the process and output change?
- Which approach feels most generative for you?

**Reflection Questions**

- What does effective human-AI collaboration feel like for you?
- How has your relationship with AI evolved as you've used it more?
- Where do you sense the most value emerging from AI collaboration?
- What uniquely human capabilities do you bring to the partnership?

**AI in the loop isn't about AI doing human work.**

**It's about human and artificial intelligence creating value that neither could achieve alone.**

The future belongs to humans who can sense this ~ **collaboration space** intuitively.

Who know when to lead, when to follow, when to redirect, when to integrate.

Who can dance with intelligence in all its forms.

That's not a technical skill.

That's  $\sim$  **rhythmic intelligence**.

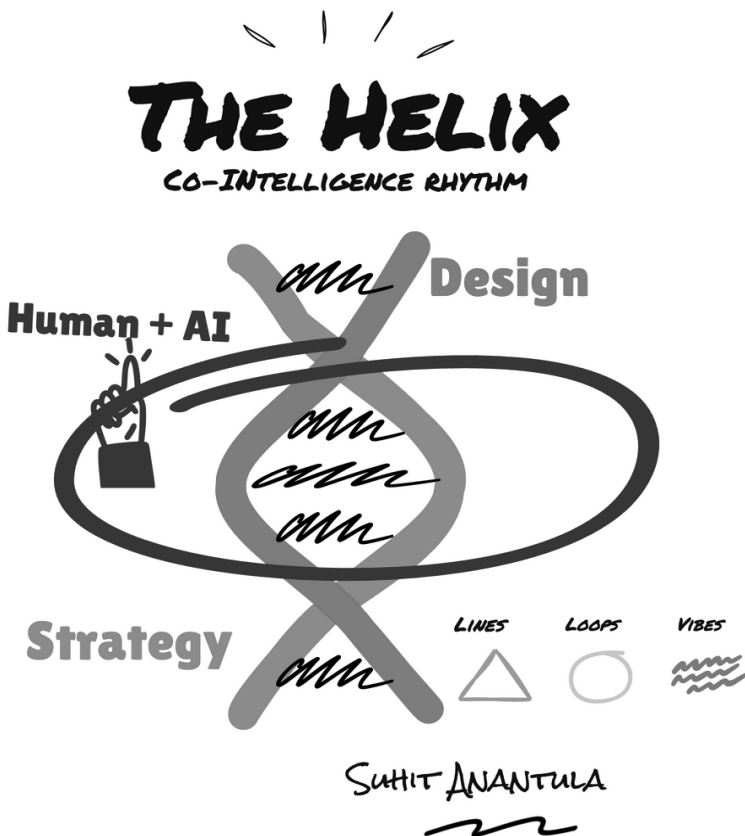
## CHAPTER 29

# The Co-Intelligent Organisation

*How teams think together in the age of AI*

**Rhythm Mode:** ~ Vibes

**Reader Objective:** Design organisations where human and artificial intelligence amplify each other naturally.



## Beyond Individual Productivity

Most conversations about AI focus on individual productivity gains:

“I use AI to write emails faster.”

“It helps me generate ideas when I’m stuck.”

“It automates my routine tasks.”

But the real transformation happens at the **organisational level**.

When teams start thinking **with** AI rather than just **using** AI.

When human collective intelligence and artificial intelligence begin to enhance each other systematically.

This is what we call **~ co-intelligence at scale**.

## What Co-Intelligence Looks Like

In co-intelligent organisations, AI isn’t just a productivity tool. It becomes part of how the organisation **senses, thinks, and learns**.

### ~ Collective Sensing

- AI monitors weak signals across vast information landscapes
- Humans interpret cultural context and emotional nuance
- Together, they detect opportunities and threats earlier than competitors

## Distributed Decision-Making

- AI processes options and models consequences at scale
- Humans apply wisdom, ethics, and contextual judgement
- Decision quality improves while decision speed increases

## Continuous Learning

- AI identifies patterns from organisational data and external trends
- Humans translate insights into cultural change and strategic adaptation
- The organisation develops adaptive capacity, not just operational efficiency

## The Four Archetypes of Co-Intelligent Organisations

Based on research and consulting work, we're seeing four distinct patterns:

### 1. The Amplified Specialist

*Human expertise + AI acceleration*

**Pattern:** Domain experts use AI to enhance their specialised capabilities

**Example:** Doctors using AI for diagnostic pattern recognition while maintaining clinical judgement

**Strength:** Deep expertise becomes super-powered

**Risk:** May miss interdisciplinary insights

### 2. The Hybrid Collaborator

*Human-AI teams for complex problem-solving*

**Pattern:** Cross-functional teams integrate AI as a thinking partner

**Example:** Product development teams using AI for user insight analysis, market research, and rapid prototyping

**Strength:** Combines human creativity with AI processing power

**Risk:** Requires significant coordination and new collaboration skills

### 3. The Sensing Network

*AI as organisational nervous system*

**Pattern:** AI continuously monitors the environment while humans interpret and respond

**Example:** Supply chain management where AI tracks global disruptions while humans make strategic adjustments

**Strength:** Superior environmental awareness and response speed

**Risk:** Over-reliance on AI sensing may diminish human intuition

### 4. The Learning Ecosystem

*Human and AI intelligence evolve together*

**Pattern:** Organisational design explicitly optimises for human-AI learning loops

**Example:** Netflix's content strategy, where AI analyses viewing patterns, humans create cultural insights, and both inform content decisions

**Strength:** Continuous capability development and strategic adaptation

**Risk:** Complexity requires sophisticated organisational design

## The Co-Intelligence Design Framework

Building co-intelligent organisations requires intentional design across four dimensions:

### Technical Integration

*Making AI accessible and effective*

- **Tool Selection:** Choose AI capabilities that complement human strengths

- **Interface Design:** Create human-AI interaction patterns that feel natural
- **Data Architecture:** Structure information flow to support collaboration
- **Performance Monitoring:** Track both AI accuracy and human-AI effectiveness

## ~~ Cultural Integration

### *Developing collaborative mindsets*

- **Psychological Safety:** Create space for experimenting with AI without fear of replacement
- **Learning Orientation:** Build curiosity about human-AI collaboration possibilities
- **Shared Language:** Develop vocabulary for describing effective collaboration patterns
- **Success Stories:** Share examples of valuable human-AI partnership outcomes

## Process Integration

### *Embedding AI into workflows naturally*

- **Decision Protocols:** Design processes that leverage both human judgement and AI analysis
- **Communication Patterns:** Create rhythm for human-AI information exchange
- **Quality Control:** Establish standards for AI output that humans can evaluate
- **Feedback Loops:** Build learning from collaboration experience back into process design

## Strategic Integration

### *Aligning AI with organisational purpose*

- **Capability Development:** Use AI to build organisational capacities that matter strategically
- **Competitive Advantage:** Design unique human-AI combinations that competitors can't easily replicate
- **Value Creation:** Focus AI on activities that genuinely serve customers and stakeholders
- **Future Readiness:** Build adaptive capacity for evolving AI capabilities

## Case Study: How Walmart Built Co-Intelligence at Scale

**The Challenge:** Managing inventory, customer experience, and operations across 10,500+ global stores while competing with digital-native retailers like Amazon and maintaining cost leadership in a \$648 billion revenue business.

### The Co-Intelligence Solution:

#### AI Layer:

- Generative AI search engine that understands contextual customer queries and provides personalised responses
- Automated inventory management with “vis pick” QR code systems for precise backroom tracking
- Predictive analytics for demand forecasting and supply chain optimisation
- AI-powered benefits help desk processing employee queries against 300-page policy documents

- Computer vision robots working alongside store associates for shelf monitoring

### **Human Layer:**

- Store associates freed from routine inventory tasks to focus on customer assistance and relationship building
- Managers using AI insights for strategic merchandising decisions and staff optimisation
- Executives setting “people-led” strategy where technology augments rather than replaces human judgment
- Specialised teams collaborating with AI for complex case management and supplier negotiations

### **Integration:**

Each customer interaction and operational decision generates data that improves AI accuracy while associates develop intuition about when to trust or override AI recommendations. The system creates alerts prioritising tasks for human attention while automating routine processes.

### **Results:**

- \$1 billion in incremental revenue from 10-15% increase in online sales driven by AI search
- 22% e-commerce growth across all segments in Q1 2025
- 67% reduction in employee benefits query handling time (from hours to minutes)
- 90% automation of routine tasks, enabling associates to spend more time with customers
- 96% time reduction for inventory scheduling processes (from weeks to minutes)
- 1.5% cost savings achieved through AI-powered supplier negotiations with 68% of approached vendors
- Revenue of \$161.5B in Q1 2024, representing 6.05% year-over-year growth

**Key Insight:** Success came from CEO Doug McMillon’s vision that “every associate should use AI every day” combined with a “people-led” philosophy that starts with human needs and designs AI to augment capabilities, not replace workers.

## Implementation Framework:

### *Phase 1 - Foundation Building:*

- Established an AI Center of Excellence with cross-functional collaboration
- Secured executive sponsorship from the CEO level down
- Invested in associate training and change management
- Implemented robust data governance and ethics frameworks

### *Phase 2 - Pilot Deployments:*

- Launched generative AI search on iOS, Android, and web platforms
- Deployed inventory management robots in partnership with technology providers
- Implemented an AI benefits help desk for employee services
- Tested supplier negotiation AI with select vendor relationships

### *Phase 3 - Scale and Integration:*

- Expanded successful pilots across 10,500+ global locations
- Integrated AI capabilities with existing operational systems
- Developed advanced analytics for merchandising and demand forecasting
- Created competitive advantages through proprietary human-AI collaboration workflows

## Competitive Advantage:

Walmart’s systematic approach to human-AI collaboration has enabled it to compete effectively with Amazon while maintaining its cost leadership position. The company has achieved what Accenture research shows:

companies with the greatest AI maturity grow 3 percentage points more (4.7x faster) year-over-year than companies with the least AI maturity.

*Organisational Culture Transformation:*

Rather than fearing job displacement, Walmart associates report higher job satisfaction as AI handles mundane tasks and enables them to focus on customer service and problem-solving. The “people-led” approach has created buy-in at all organisational levels, with technology seen as an enabler rather than a threat.

*Measurable Business Impact:*

- Customer Experience: Faster, more personalised shopping experiences leading to increased sales conversion
- Operational Efficiency: Dramatic time savings in inventory management, scheduling, and administrative tasks
- Cost Management: Significant reductions in labour costs for routine tasks while maintaining employment levels
- Revenue Growth: Sustained growth in both physical and digital channels through enhanced capabilities

**Strategic Positioning:**

Walmart’s co-intelligence model has created sustainable competitive advantages that are difficult for competitors to replicate, combining massive scale with personalised service through systematic human-AI collaboration.

Sources & Validation:

- Walmart Corporate Communications (Q1 2025 Earnings Results)
- McKinsey & Company Digital Transformation Research
- Accenture AI Maturity Analysis
- CTO Magazine Retail Innovation Coverage

- RedDress Compliance AI Implementation Case Study
- CDO Times AI Center of Excellence Best Practices

## Rhythmic Co-Intelligence

Different organisational rhythms enable different forms of co-intelligence:

### ▲ Lines Mode Co-Intelligence

*Systematic human-AI collaboration*

- **Structure:** Clear protocols for when humans lead vs. when AI leads
- **Quality:** Defined standards for evaluating AI output
- **Efficiency:** Optimised workflows that leverage both capabilities
- **Best for:** Operations, compliance, systematic improvement

### ● Loops Mode Co-Intelligence

*Iterative human-AI learning*

- **Experimentation:** Rapid testing of different collaboration approaches
- **Adaptation:** Evolving interaction patterns based on results
- **Learning:** Building organisational capability through iteration
- **Bestfor:** Innovation, product development, strategic experimentation

### ~ Vibes Mode Co-Intelligence

*Intuitive human-AI sensing*

- **Pattern Recognition:** AI identifies trends while humans sense cultural meaning
- **Emergence:** Allowing unexpected insights to emerge from collaboration

- **Timing:** Sensing when to act on insights vs. when to continue observing
- **Best for:** Cultural intelligence, strategic sensing, creative development

## **Building Co-Intelligence: Practical Steps**

### **Start Small and Learn**

- Choose one team or process for initial co-intelligence experimentation
- Focus on areas where human and AI capabilities clearly complement each other
- Build learning loops to understand what works in your specific context

### **Design for Human Agency**

- Ensure humans maintain meaningful control over important decisions
- Create opportunities for humans to override AI when their judgement differs
- Build AI transparency so humans can understand and evaluate AI reasoning

### **Develop New Metrics**

- Track collaboration effectiveness, not just individual productivity
- Measure learning velocity and adaptation capacity
- Monitor both quantitative performance and qualitative experience

### **Invest in Human Development**

- Train teams in effective AI collaboration techniques
- Develop new roles that bridge human and AI capabilities
- Create career paths that value human-AI collaboration skills

## Practice: Co-Intelligence Assessment

### Objective:

Evaluate your organisation's readiness for co-intelligence and identify development opportunities.

### Assessment Process:

#### 1. Current State Mapping (20 min)

- Where does your organisation currently use AI?
- How do humans and AI interact in those contexts?
- What collaboration patterns are already emerging?

#### 2. Capability Analysis (25 min)

- What human capabilities are core to your organisation's value creation?
- What AI capabilities could complement those human strengths?
- Where might co-intelligence create competitive advantage?

#### 3. Integration Readiness (20 min)

- Technical: Do you have infrastructure for effective human-AI collaboration?
- Cultural: Are teams open to collaborative AI relationships?
- Process: Could your workflows accommodate co-intelligence patterns?
- Strategic: Does leadership understand co-intelligence potential?

#### 4. Development Priorities (15 min)

- What's one area where co-intelligence could create significant value?
- What capabilities would you need to develop to realise that value?
- What's a small experiment you could run to start building co-intelligence?

## Reflection Questions

- Where in your organisation do human and AI capabilities complement each other naturally?
- What would change if you designed for human-AI collaboration rather than AI automation?
- How might co-intelligence become a source of competitive advantage for your organisation?
- What uniquely human capabilities do you want to preserve and amplify through AI partnership?

**The organisations that thrive in the AI age won't be those that replace humans with machines.**

**They'll be those that design new forms of intelligence—where human and artificial capabilities enhance each other in ways neither could achieve alone.**

That's not about technology adoption.

That's about consciousness evolution.

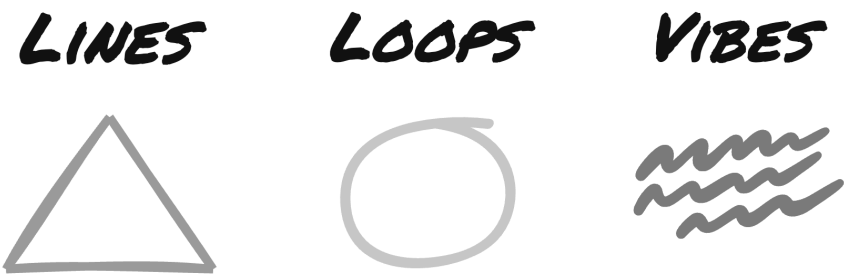
That's about learning to think together in entirely new ways.

# CHAPTER 30

## Sensing Rhythm in Practice

*Global case studies: structured like Loops, toned like Vibes, integrating before full resonance*

### Rhythmic Signature Key



| Symbol | Rhythm Type | Meaning                                      |
|--------|-------------|----------------------------------------------|
| ▲      | Lines       | Structured, sequential, stable movement      |
| ●      | Loops       | Iterative, adaptive, learning-based movement |
| ~      | Vibes       | Intuitive, emotional, emergent movement      |

### Feeling the Pattern

This chapter isn’t about proving a point. It’s about noticing one.

When you start to see ▲ **Lines**, ● **Loops**, and ~ **Vibes** in the wild—in companies, teams, movements, cultures—something shifts.

You stop asking:

“What framework should I use?”

You start asking:

“What rhythm is here? And is it helping or hurting?”

These aren’t success stories.

They’re signatures.

Patterns you can feel—and maybe hear—in your own work.

Let’s sense them.

## **Rhythm Diagnostics**

Use these ~ **sensing questions** to read organisational rhythm:

### **Energy Diagnostics**

- Where do you feel aliveness and where do you feel deadness?
- What conversations generate momentum vs. drain energy?
- When does the organisation feel most/least like itself?

### **Flow Diagnostics**

- **How easily do ideas move through the system?**
- Where do things get stuck repeatedly?
- What enables rapid collaboration vs. what creates friction?

### **Timing Diagnostics**

- Does the organisation sense when to speed up vs. slow down?
- How well does collective timing match environmental demands?
- Where is the organisation moving too fast or too slow?

## Coherence Diagnostics

- Do different parts of the organisation feel connected or fragmented?
- Is there a shared sense of direction and meaning?
- How well do formal structures align with informal energy patterns?

## Global Rhythms in Practice

### Spotify – Designing for Feel and Flow

**Rhythmic Signature:** ~~~~ ●●● ▲

**Primary Rhythm:** ~ Loops + Vibes

**Focus:** Product and emotional resonance

**Insight:** Spotify succeeds by matching its organisational rhythm to the musical rhythms of its users—both continuous, adaptive, and emotionally resonant.

### IDEO – Rhythm as Project Lifecycle

**Rhythmic Signature:** ~~ ●●● ▲▲

**Primary Rhythm:** ~ Vibes → ● Loops → ▲ Lines

**Focus:** Human-centred design across phases

**Insight:** Design excellence comes not from mastering one rhythm but from knowing when to shift between them.

### Toyota – Rhythmic Maturity Over Time

**Early Signature:** ▲▲▲ ●● ~

**Current Signature:** ▲▲ ●●● ~~~

**Primary Rhythm:** ▲ Lines + ● Loops → ~ Vibes

**Focus:** Manufacturing and learning systems

**Insight:** Rhythmic mastery isn't static—Toyota's evolution shows that deeply ingrained **▲ Lines** can evolve into organic **~ Vibes**.

## Pixar – Creative Orchestration

**Rhythmic Signature:** ~~~~ ●●● ▲▲

**Primary Rhythm:** ~ Vibes + ● Loops

**Focus:** Creativity, story, technical execution

**Insight:** Pixar's genius lies in creating systems where technical **▲ Lines** support emotional **~ Vibes** without constraining them.

## Eastern & Southern Hemisphere Perspectives

### Haier (China) – Rhythm as Platform Logic

**Rhythmic Signature:** ●●● ▲▲ ~~~

**Primary Rhythm:** Micro-enterprises in ● **Loops**, harmonised by **▲ Lines**, rooted in **~ Vibes**

**Insight:** Eastern philosophical approaches naturally embrace paradox, enabling multi-rhythm systems to thrive without contradiction.

### Narayana Health (India) – Rhythm for Scale + Compassion

**Rhythmic Signature:** ▲▲▲ ●● ~~~

**Primary Rhythm:** **▲ Lines** for efficiency, ● **Loops** for iteration, **~ Vibes** for care

**Insight:** Efficiency and empathy aren't opposing forces—they're complementary rhythms that amplify each other.

## M-PESA (Kenya) – Inclusive Rhythmic Innovation

**Rhythmic Signature:** ~~~~ ▲ ▲

**Primary Rhythm:** ~ Vibes → ▲ Lines

**Insight:** M-PESA demonstrates that starting with cultural ~ Vibes creates more inclusive innovation than imposing technical ▲ Lines.

## Nordic + Latin Perspectives

### Supercell (Finland) – Rhythm at a Team Level

**Rhythmic Signature:** ~ ~ ● ● ● ● ▲

**Primary Rhythm:** ~ Vibes + ● Loops (Autonomy and Testing)

**Insight:** Small teams with rhythmic fluency can outperform massive organisations with rhythmic rigidity.

### Novo Nordisk (Denmark) – Healthcare with Feeling

**Rhythmic Signature:** ~~~~ ● ● ● ▲ ▲

**Primary Rhythm:** ● Loops + ~ Vibes

**Insight:** Empathy isn't a layer added to healthcare—it's the foundation from which scientific excellence emerges.

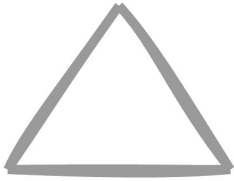
### Mercado Libre (LatAm) – Rhythm by Region

**Rhythmic Signature:** ~ ~ ● ● ● ▲ ▲

**Primary Rhythm:** Regional adaptation with ~ Vibes + ● Loops

**Insight:** Global platforms succeed not by enforcing uniformity but by orchestrating rhythmic diversity.

## Capstone Case: Tata Group – Rhythmic Governance at Scale



**Group Signature:** ▲ ▲ ~~~~~ ● ●

**Business Unit Signatures:** Multiple varied rhythms across sectors

**Rhythmic Complexity:**

- ▲ **Lines:** Governance, ethics, brand coherence
- ● **Loops:** Innovation, learning, experimentation
- ~ **Vibes:** Purpose, identity, Indian-ness woven throughout

**Signature Insight:** Values provide the harmonic structure that allows multiple rhythms to play together without dissonance.

### Feel, Don't Think: Sensing Your Own Rhythm

Take a moment.

Notice your breathing.

Is it ▲ **Lines** (steady, controlled)?

● **Loops** (cyclical, adaptive)?

~ **Vibes** (responsive to your emotional state)?

Now sense your organisation's rhythm.

Don't analyse it.

Feel it.

- What's the tempo? Fast, medium, slow?
- What's the pattern? Steady, cyclical, fluid?
- What's the emotional tone? Controlled, experimental, intuitive?

Close your eyes.

Imagine your organisation as music.

What does it sound like?

- A military march (▲ **Lines**)?
- Jazz improvisation (● **Loops**)?
- Ambient composition (≈ **Vibes**)?

Where there's dissonance—tension between different rhythms—there's also opportunity.

Not to force harmony, but to orchestrate it.

This is how you transform from strategy operator to ≈ **rhythm conductor**.

## Reader Reflection

- What is your organisation's rhythmic signature? Draw it using ▲  
● ≈
- Where are you forcing the wrong rhythm?
- Who are your rhythm translators?
- What rhythm would you need to shift into for what's next?

Strategy isn't just chosen.

It's felt.

Rhythm isn't just structured.

It's sensed.

Let's move now into the space beyond pattern —

into resonance.

# CHAPTER 31

## Discovering Rhythm Intelligence: Kodak vs. Fujifilm

*How two photography giants faced the same disruption with radically different rhythmic responses.*

**Rhythm Mode:** ~ Vibes

**Reader Objective:** Learn to recognise rhythm intelligence in action and understand how organisational rhythm determines survival during disruption.

### The Setup: Two Giants, One Disruption

In 1975, both Kodak and Fujifilm were photography powerhouses.

Both companies:

- Dominated their respective markets (US and Japan)
- Made massive profits from film chemistry
- Employed thousands of chemical engineers and researchers
- Had built business models around consumable film products

Both companies faced the **exact same disruption**: digital photography.

Both companies had **early access** to digital technology.

But their ~ **rhythmic responses** were completely different.

**One company died. One company thrived.**

The difference wasn't technology, strategy, or resources.

Our conjecture is that it was  $\approx$  **rhythm intelligence**—the ability to sense when to change pace, when to hold steady, and when to completely transform.

## Kodak: Stuck in ▲ Lines Mode

### KODAK – RHYTHM RIGIDITY

#### Phase 1 – The Defender (1888–1993)



(L:90 / Lo:5 / V:5)

#### Phase 2 – The Prospector (2000–2007)



(L:30 / Lo:60 / V:10)

#### Phase 3 – The Defensive Collapse (2007–2012)



(L:70 / Lo:20 / V:10)

LINES LOOPS VIBES

A RHYTHM FRAMEWORK BY SUHIT ANANTULA

## The ▲ Lines Trap

Kodak approached digital disruption with **▲ Lines Mode** thinking:

- **Plan-Based Response:** Extensive market analysis to determine “when” digital would become profitable
- **Linear Protection:** Focused on protecting the existing film business as long as possible

- **Systematic Resistance:** Used patents and legal strategies to slow digital adoption
- **Structural Thinking:** Treated digital as a separate business unit rather than organisational transformation

## Fatal Rhythm Patterns

**Over-Analysis:** Kodak spent years studying digital trends instead of experimenting with digital business models.

**Protection Mode:** Every strategic decision prioritised preserving film profits over building digital capabilities.

**Sequential Thinking:** Planned to transition from film to digital “when the time was right” rather than developing both simultaneously.

**Cultural Rigidity:** Maintained chemical engineering culture instead of developing software and digital capabilities.

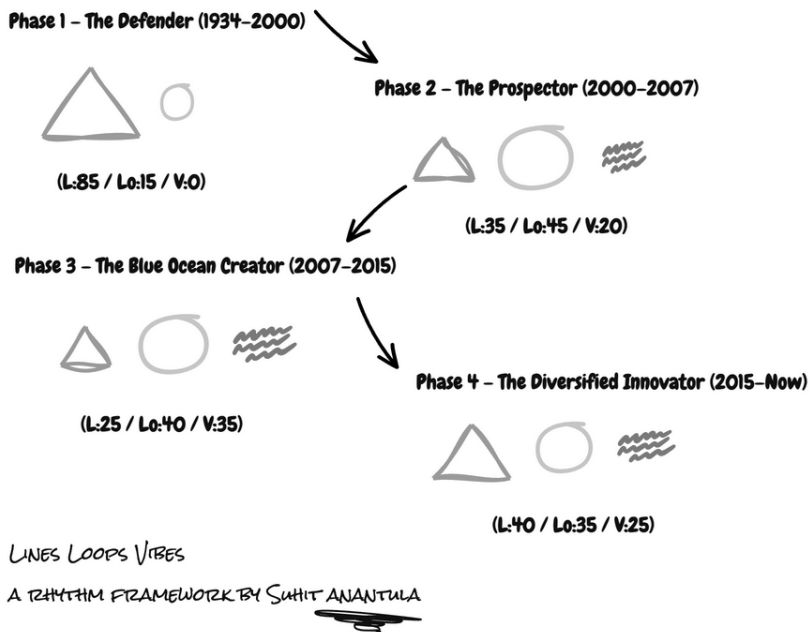
## The Result: Rhythm Paralysis

- Filed for bankruptcy in 2012 after 90% market share loss
- Lost \$10+ billion in value during digital transition
- Laid off 90% of workforce (from 145,000 to 13,000 employees)
- Became business school case study of disruption failure

**Kodak couldn't shift rhythms when the environment demanded it.**

## Fujifilm: ● ~ ▲ Multi-Rhythm Intelligence

### FUJI FILM – THE RHYTHM EVOLUTION



### The ~ Sensing Shift

Fujifilm approached the same disruption with ~ **rhythm intelligence**:

- ~ **Early Sensing**: Recognised in the 1980s that digital would eventually disrupt film
- ● **Portfolio Rhythm**: Maintained film business while building new capabilities
- ● **Experimental Culture**: Ran multiple digital experiments without betting everything on one path
- ~ **Adaptive Leadership**: Changed organisational culture while preserving valuable core capabilities

## ●~▲ Multi-Rhythm Strategy

~ **Vibes Mode Sensing:** Used intuition and cultural intelligence to sense the timing of digital adoption across different markets.

● **Loops Mode Innovation:** Rapid experimentation with digital products, healthcare applications, and new business models.

▲ **Lines Mode Execution:** Systematic diversification into chemicals, healthcare, and digital imaging with operational excellence.

## The Portfolio Transformation

Instead of just defending film, Fujifilm leveraged its core chemical expertise across new industries:

- **Healthcare:** Used chemical knowledge for pharmaceutical development
- **Digital Imaging:** Applied colour science to digital cameras and medical imaging
- **Cosmetics:** Leveraged chemical research for skincare products
- **Document Solutions:** Combined imaging with business process automation

## The Result: Rhythmic Renaissance

- Maintained profitability throughout digital transition
- Diversified revenue streams across multiple growing industries
- Preserved employment while retraining workforce for new capabilities
- Built sustainable competitive advantages in healthcare and business solutions

Fujifilm developed ●~▲ multi-rhythm organisational intelligence.

## The Rhythm Intelligence Analysis

### What Kodak Missed

~ **Sensing Failure:** Couldn't read environmental signals that demanded rhythm change

- Over-indexed on financial analysis, under-indexed on cultural and technological momentum
- Misread digital photography as “inferior quality” rather than “evolving capability”
- Failed to sense emotional shift in customer relationship with photography

**Adaptation Failure:** Stuck in single rhythm mode when multi-rhythm approach was needed

- Tried to plan through disruption instead of experimenting through it
- Protected assets instead of developing new capabilities
- Sequential thinking instead of portfolio thinking

**Identity Failure:** Defined themselves as “film company” rather than “imaging company”

- Couldn't expand organisational identity to include digital capabilities
- Cultural attachment to chemical engineering prevented software culture development

### What Fujifilm Got Right

●~▲ **Multi-Domain Sensing:** Read disruption across technical, cultural, and business dimensions

- Tracked digital technology development AND cultural adoption patterns
- Sensed geography-specific timing differences (digital adoption faster in the US than Japan)
- Understood disruption as system change, not just technology substitution

●~▲ **Rhythm Orchestration:** Operated multiple rhythms simultaneously

- ▲ **Lines:** Maintained film business excellence during transition period
- ● **Loops:** Experimented with digital products and new business models
- ~ **Vibes:** Sensed emerging opportunities in healthcare and cosmetics

**Identity Evolution:** Redefined core capabilities rather than core products

- Realised expertise was “chemical science”, not “film manufacturing”
- Built learning capability to enter new industries using existing knowledge
- Maintained cultural strengths while developing new organisational capabilities

## **Rhythm Intelligence Principles**

### **Principle 1: ~ Sense Before You Plan**

- Environmental sensing comes before strategic planning
- Cultural and emotional signals matter as much as technical and financial data
- Weak signals often matter more than strong current trends

### **Principle 2: ● Portfolio Over Protection**

- **Build new capabilities while maintaining existing strengths**
- Diversify rhythm approaches across different business areas
- Create learning options rather than betting everything on single strategy

### Principle 3: Identity Through Capability

- Define organisational identity through capabilities rather than products
- Maintain cultural strengths while developing new competencies
- Evolution over revolution when possible

### Principle 4: ●~▲ Multi-Rhythm Orchestration

- Different parts of business can operate in different rhythms simultaneously
- Coordinate timing across different business units and functions
- Integration through shared culture and capabilities rather than a uniform approach

## Modern Applications: Rhythm Intelligence Today

### Netflix vs. Blockbuster

**Same Pattern:** Physical media to streaming disruption

**Blockbuster (▲ Lines Mode):** Protected store-based model, linear planning, sequential thinking

**Netflix (●~▲ Multi-Rhythm):** Experimented with streaming while maintaining DVD business, portfolio approach, adaptive culture

### Tesla vs. Traditional Auto

**Same Pattern:** Electric vehicle disruption

**Traditional Auto (▲ Lines Mode):** Protected internal combustion business, incremental electric initiatives, existing dealer networks

**Tesla (●~▲ Multi-Rhythm):** Software-first culture, direct sales experimentation, complete system rethinking

## Amazon vs. Traditional Retail

**Same Pattern:** E-commerce and cloud disruption

**Traditional Retail (▲ Lines Mode):** Protected physical stores, added online as separate channel, defensive thinking

**Amazon (●~▲ Multi-Rhythm):** Built platform capabilities, experimented across industries, infrastructure as competitive advantage

## Practice: Rhythm Intelligence Assessment

### Objective:

Develop your ability to recognise ~ rhythm intelligence patterns and apply them to current disruptions.

### Practice:

#### 1. Disruption Identification (15 min)

- What disruption is your industry or organisation currently facing?
- What are the “Kodak-like” and “Fujifilm-like” responses you see?

#### 2. Rhythm Pattern Analysis (25 min)

- Which organisations in your space are stuck in single-rhythm responses?
- Which organisations are demonstrating ●~▲ multi-rhythm intelligence?
- What ~ sensing capabilities seem to distinguish the adaptive organisations?

#### 3. Capability Translation (20 min)

- What are your organisation’s core capabilities (like Fujifilm’s chemical expertise)?
- How might those capabilities apply to adjacent or emerging industries?

- What new business models might leverage existing strengths?

#### 4. ●~▲ Multi-Rhythm Strategy (20 min)

- How might your organisation operate different rhythms simultaneously?
- What experiments could you run while maintaining the current business?
- What ~ **sensing capabilities** would help you read disruption signals better?

### Reflection Questions

- Where do you see your organisation demonstrating ~ **rhythm intelligence** vs. rhythm rigidity?
- What core capabilities might translate to new opportunities during current disruptions?
- How might you develop better ~ **sensing capacity** for environmental rhythm changes?
- What would it look like to embrace disruption as rhythm evolution rather than threat?

~ **Rhythm intelligence isn't about predicting the future. It's about developing the sensing and adaptation capacity to move skilfully with whatever emerges.**

The organisations that survive disruption aren't necessarily the ones with the best strategy.

They're the ones that can sense when the music is changing—and learn to dance to new rhythms while the old song is still playing.

That's not just business strategy.

That's evolutionary intelligence.

That's learning to thrive in a world where change is the only constant.

Rhythm Return

## CHAPTER 32

# The Future of Strategic Design ~

*Where strategy, design, and AI converge into new forms of organisational intelligence*

**Rhythm Mode:** ~ Vibes

**Reader Objective:** Sense the emerging future of how organisations will think, create, and adapt.

### Standing at the Threshold

We're living through a historical moment.

The convergence of strategic thinking, design capabilities, and artificial intelligence is creating entirely new possibilities for how organisations operate.

This isn't just technological change.

It's ~ **consciousness evolution.**

The way we think together, create together, and make sense of complexity—that's all shifting.

And we're just at the beginning.

## The Three Waves of Strategic Evolution

### Wave 1: Strategy as Planning (1960s-1990s)

#### *Industrial age strategy*

- **Core Logic:** Predict and control the future through analysis and planning
- **Tools:** Strategic planning frameworks, competitive analysis, financial modelling
- **Rhythm:** Annual planning cycles, long-term strategic plans, quarterly reviews
- **Success Pattern:** Superior analysis leads to competitive advantage

### Wave 2: Strategy as Learning (1990s-2010s)

#### *Information age strategy*

- **Core Logic:** Adapt and evolve through experimentation and iteration
- **Tools:** Lean startup, agile methodologies, design thinking, rapid prototyping
- **Rhythm:** Sprint cycles, continuous experimentation, iterative development
- **Success Pattern:** Superior learning speed leads to competitive advantage

### Wave 3: Strategy as ~ Sensing (2010s-Present)

#### *Consciousness age strategy*

- **Core Logic:** Attune and respond through ~ rhythm intelligence and co-creation
- **Tools:** Multi-rhythm orchestration, co-intelligence frameworks, sensing networks

- **Rhythm:** Real-time adaptation, continuous sensing, emergent coordination
- **Success Pattern:** Superior ~ sensing and rhythmic adaptation lead to competitive advantage

**We're transitioning from Wave 2 to Wave 3 right now.**

## **What's Emerging: Five Potential Future Patterns**

### **1. Real-Time Strategic Adaptation**

Organisations will develop nervous system-like sensitivity to environmental changes:

- **AI Sensing Networks:** Continuous monitoring of weak signals across vast information landscapes
- **Human Interpretation Systems:** Cultural and emotional intelligence to understand what signals mean
- **Rapid Response Protocols:** Ability to adapt strategy in days or weeks rather than months or years

**Example:** Supply chains that automatically reconfigure based on geopolitical tensions detected through AI analysis of news, social media, and economic indicators.

### **2. ●~▲ Co-Intelligent Strategy Development**

Strategy creation will become truly collaborative between human and artificial intelligence:

- **AI Pattern Recognition:** Identifying strategic patterns across industries, time periods, and cultural contexts
- **Human Wisdom Integration:** Applying ethical judgement, cultural insight, and long-term thinking
- **Emergent Strategy Generation:** New strategic possibilities emerging from human-AI collaboration that neither could create alone

**Example:** Strategic scenario planning where AI generates thousands of possible futures while humans provide wisdom about which scenarios matter most and why.

### 3. ●~▲ Multi-Rhythm Organisational Design

Organisations will consciously design different functions to operate in different rhythms:

- **~ Rhythm-Aware Structure:** Organisational design that optimises for multi-rhythm coordination
- **Translation Protocols:** Systems for communication and collaboration across different rhythmic modes
- **Dynamic Coordination:** Ability to orchestrate different rhythms based on environmental demands

**Example:** Companies where innovation teams operate in 2-week **● Loops mode**, operations teams work in monthly **▲ Lines mode**, and cultural sensing teams function in real-time **~ Vibes mode**—all coordinated through rhythm-aware management practices.

### 4. ~ Values-Driven Competitive Advantage

Purpose, ethics, and cultural resonance will become primary sources of differentiation:

- **Authentic Purpose Integration:** Organisational mission that creates genuine value for all stakeholders
- **Ethical AI Deployment:** Using artificial intelligence in ways that enhance rather than diminish human flourishing
- **~ Cultural Coherence:** Internal culture and external brand that resonate with deeper human values

**Example:** Companies that achieve competitive advantage through authentic commitment to sustainability, social justice, or human development—with AI systems designed to amplify those values.

## 5. Adaptive Learning Ecosystems

Organisations will become conscious learning systems:

- **Continuous Capability Development:** Organisational design for continuous skill and knowledge evolution
- **Network Intelligence:** Learning that happens across organisational boundaries through partnerships and collaboration
- **~ Wisdom Cultivation:** Development of collective judgement and decision-making capabilities

**Example:** Industry ecosystems where multiple organisations share learning about AI deployment, sustainability practices, and cultural evolution while maintaining competitive differentiation.

### The Integration Challenge

The future won't be about choosing between strategy, design, or AI. It will be about **integrating them intelligently**.

### Strategy + Design Integration

- Strategic thinking that includes emotional intelligence and cultural sensitivity
- Design processes that create business value and competitive advantage
- Decision-making that balances analytical rigour with creative possibility

### Strategy + AI Integration

- **AI systems that enhance rather than replace strategic judgement**
- Strategic frameworks that account for AI's capabilities and limitations
- Human-AI collaboration that creates novel strategic possibilities

## Design + AI Integration

- Design processes that leverage AI for creativity amplification
- AI systems designed with human experience and cultural values in mind
- Co-creative partnerships between human designers and artificial intelligence

### ●~▲ Triple Integration: Strategy × Design × AI

- Organisational capabilities that fluidly combine all three domains
- Leadership that can orchestrate across analytical, creative, and technological capabilities
- Cultural intelligence that knows when to emphasise which capabilities

## What This Means for Leaders

### Develop Multi-Domain Fluency

Future leaders will need comfort and capability across strategy, design, and AI:

- **Strategic Thinking:** Ability to analyse complex systems and make decisions under uncertainty
- **Design Sensibility:** Empathy, creativity, and user-centred problem-solving
- **AI Collaboration:** ~ Intuitive intelligence for human-AI partnership

### Cultivate ~ Rhythm Intelligence

The ability to sense and orchestrate different modes of working:

- ~ **Sensing Capacity:** Reading environmental signals and organisational energy

- **Adaptation Agility:** Shifting approaches based on what the situation requires
- **Orchestration Skills:** Coordinating different rhythms across teams and functions

## Build Values-Based Systems

Creating organisations that generate value for all stakeholders:

- **Purpose Clarity:** Deep understanding of why the organisation exists
- **Ethical Framework:** Clear principles for decision-making under complexity
- **Stakeholder Integration:** Systems thinking that accounts for all affected parties

## Emerging Practices to Watch

### Real-Time Strategy Sessions

Monthly or weekly strategy conversations that adapt direction based on emerging signals rather than annual planning marathons.

### ●~▲ Multi-Rhythm Team Design

Explicitly designing teams with different rhythmic strengths and creating protocols for collaboration across rhythms.

### AI Strategy Partners

AI systems specifically designed for strategic conversation—not just analysis, but creative strategy development collaboration.

## ~ Values-Driven Innovation Labs

Innovation processes that explicitly optimise for ethical impact and cultural resonance alongside business value.

## ~ Organisational Sensing Networks

Structured systems for environmental monitoring that combine AI pattern detection with human cultural intelligence.

### Practice: ~ Future Sensing

#### Objective:

Develop your ~ **sensing capacity** for emerging strategic design patterns and their implications for your context.

#### Practice:

#### 1. Pattern Recognition (20 min)

- Which of the five future patterns do you see emerging in your industry?
- What early signals suggest these patterns might be developing?
- Which patterns feel most relevant to your organisation's context?

#### 2. ● ~ ▲ Integration Assessment (25 min)

- How well does your organisation currently integrate strategy, design, and AI?
- Where do you see the biggest opportunities for better integration?
- What capabilities would you need to develop for triple integration?

#### 3. ~ Rhythm Evolution (20 min)

- How is the rhythmic environment around your organisation changing?
- What new rhythm capabilities might become competitively important?

- How might you develop ●~▲ **multi-rhythm organisational intelligence?**

#### 4. Future Experimentation (15 min)

- What's one emerging practice you could experiment with in your organisation?
- How might you test whether future-oriented approaches create value?
- What support would you need to lead experimentation in this direction?

### Final Reflection

- What excites you most about the future of strategic design?
- Where do you sense the greatest opportunities for positive impact?
- How might you contribute to the evolution of how organisations think and create together?
- What would it feel like to work in an organisation that embodied these future patterns?

**The future of strategic design isn't predetermined.**

**It's emerging through the choices we make right now.**

Every experiment with human-AI collaboration.

Every attempt to integrate strategy and design.

Every effort to build values-driven organisations.

These aren't just business innovations.

They're contributions to how human systems evolve.

**We're not just adapting to the future.**

**We're creating it.**

Through consciousness.

Through collaboration.

Through the wisdom to dance with intelligence in all its forms.

The music is just beginning.

And the dance floor is infinite.

# Source Code

## Thinkers, Doers, and Framework Builders Who Shaped This Work

As is obvious, this book wouldn't exist without standing on the shoulders of giants.

Some I've quoted. Others I've simply absorbed. And many—no doubt—I've missed. This section isn't exhaustive. It's a **~ rhythm map** of the thinkers, teachers, collaborators, and field-makers who shaped how I see.

As Steve Jobs said:

“Good artists copy. Great artists steal.”

I've tried to **borrow with integrity, remix with care.**

## Strategic Groundbreakers

- **Peter Drucker**—For his *Theory of the Business*, and for always putting purpose before performance.
- **Roger Martin**—For *Playing to Win* and *The Design of Business*, and for showing that strategy is a choice, not a checklist.
- **Henry Mintzberg**—For naming emergent strategy and giving permission to learn by doing.
- **John Hagel III & Marc Singer**—For *Unbundling the Corporation*, which framed early strategic tension between scale, speed, and scope. Their work laid the groundwork for this book's shift from **structural separation** to **~ rhythmic orchestration** in the AI era.
- **John Boyd**—For the OODA Loop, and for treating decision-making as a rhythm, not a reaction.
- **Richard Rumelt**—For clarity, coherence, and calling out strategy that isn't.

## Strategy × Design Integrators

- **Alex Osterwalder and the Strategyzer team**—For *Business Model Generation* and the Value Proposition Canvas, which made systems and value visual.
- **Patrick Van der Pijl and Business Models Inc.**—For *Design a Better Business*, and for embedding visuals, tools, and loops into real-world strategy.
- **Tim Brown & IDEO**—For *Change by Design*, and for giving design a seat at the strategy table.

## Practice-Based Influence

- My time as a **Partner at Business Models Inc.** was formative—working across public and private systems, I learned what it really takes to embed design into strategic practice and create momentum across organisations.
- My work at **The Australian Centre for Social Innovation (TACSI)** taught me not just how to co-design, but how to *hold complexity with care*.
- Across systems, sectors, and sessions, I've learned to bring **design, strategy, and emergence** into the same room—and to let *~ rhythm*, not rigidity, shape the path forward.

## Generative AI Pioneers & Practice Shapers

- **Ethan Mollick**—For his *Co-Intelligence* approach that frames the human-AI partnership as augmentation, not automation.
- **Prompt Engineering Community**—For developing a new language of instruction and proving that *how* we ask is as powerful as *what* we ask.
- **The AI Product Leaders**—From OpenAI, Anthropic, Midjourney and beyond—for shaping tools that make generative capability accessible, and creative fluency imaginable.

- **System Thinkers at the Frontier**—Those rethinking workflows, knowledge work, and creative practice in a world where generation is abundant, but discernment remains rare.

This book doesn't pretend to be a GenAI manual.

It's a **human-AI rhythm system**—one that recognises these technologies not just as tools we use, but as

**environments we co-inhabit**

## Ongoing Signals

- This book echoes conversations I've had with founders, leaders, policy thinkers, designers, data people, and facilitators—some named, many unnamed.
- I've stolen phrases, remixed diagrams, absorbed methods, and redesigned rituals.

If you see something of your work in this book and I haven't named it here—thank you.

The moment loops forward because of what you helped build before me.

