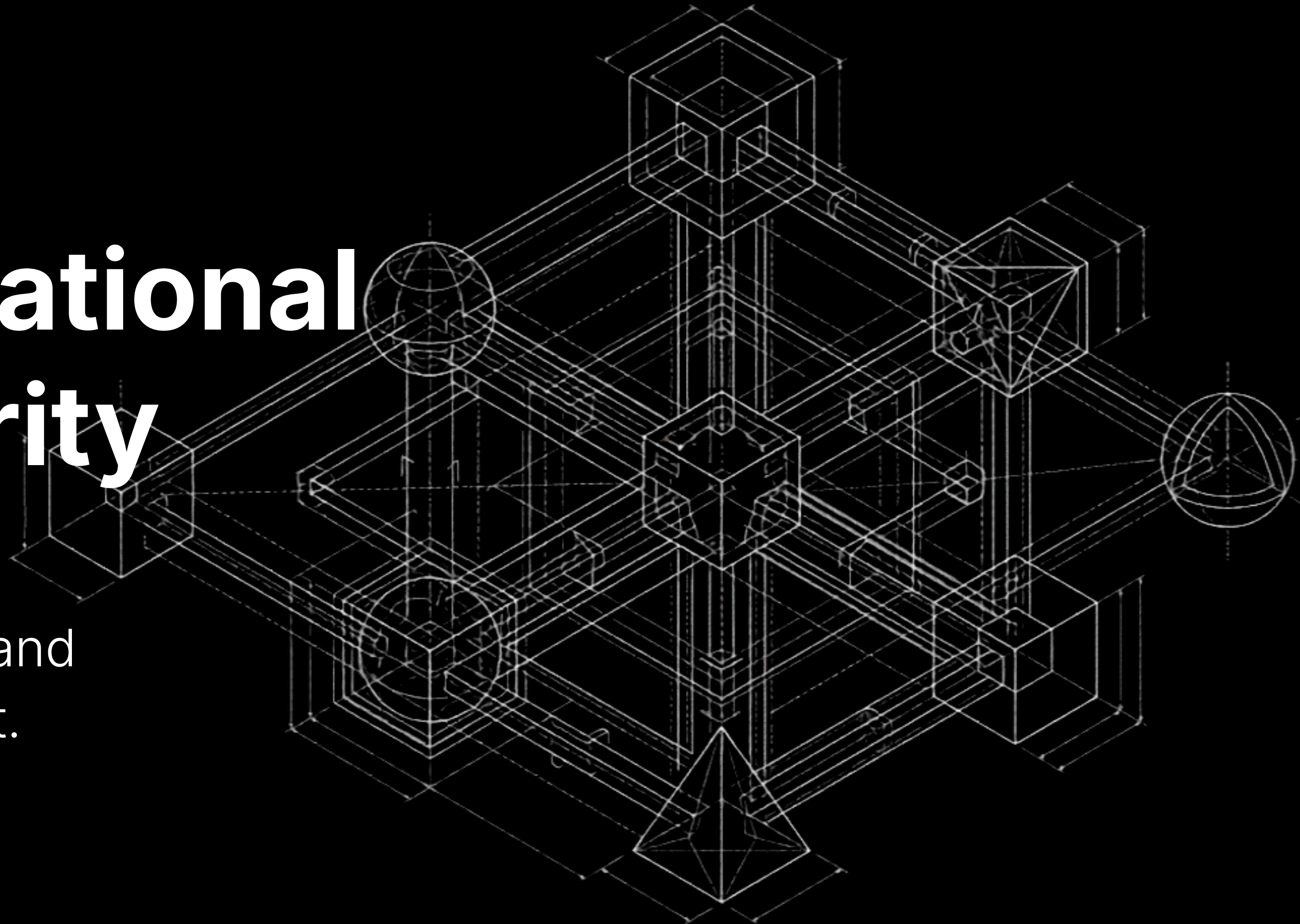
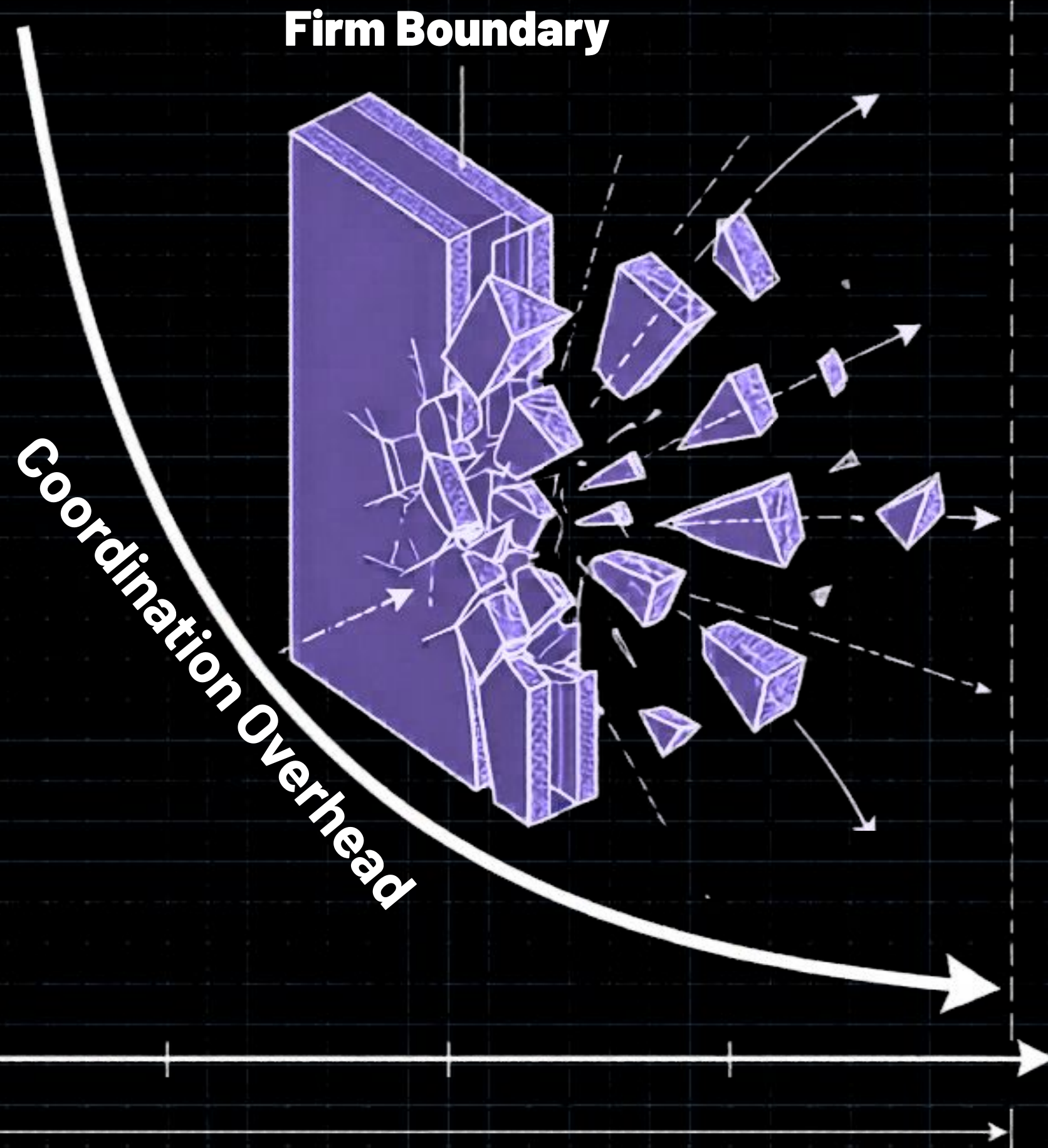


# The Organizational Singularity

How agentic AI  
rewrites the firm and  
what to build next.







# The Collapse of Coasean Transaction Costs

**The coordination overhead that justified large hierarchical firms is evaporating.**

Organizations that once needed 200 people to manage information flow can now route decisions through a mix of human judgment and synthetic intelligence at a fraction of the cost—and at dramatically higher speed.

# The Fiduciary Wedge.

The persistent gap between what AI can do and what it can be held accountable for.

**“A named human always stands behind consequential decision.”**

## **HIGH-SIGMA → HUMANS**

Ambiguous, high-stakes,  
value-laden decisions stay  
with named humans.

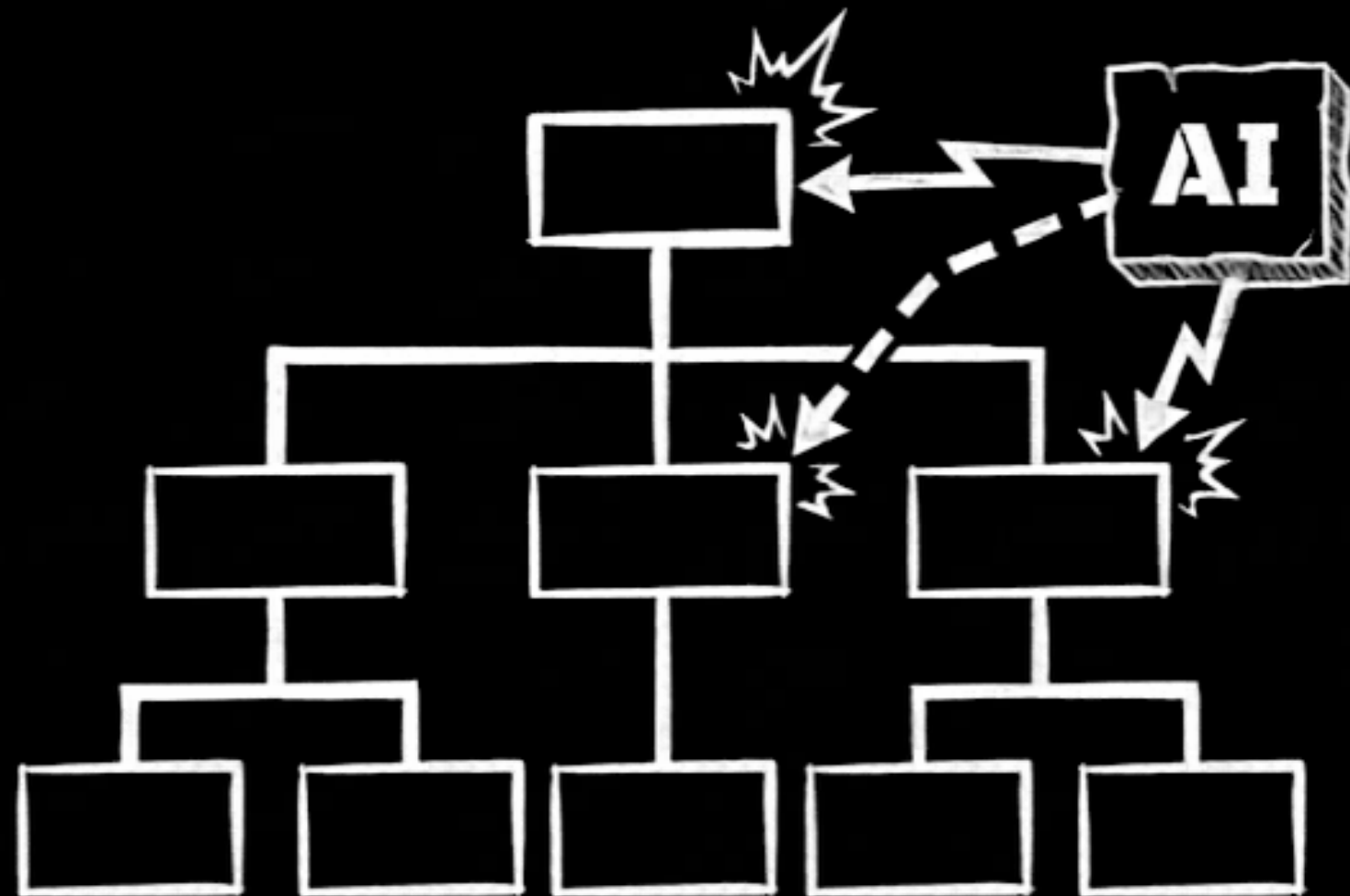
## **LOW-SIGMA → AGENTS**

Routine, reversible,  
well-bounded decisions  
route to agents under audit.



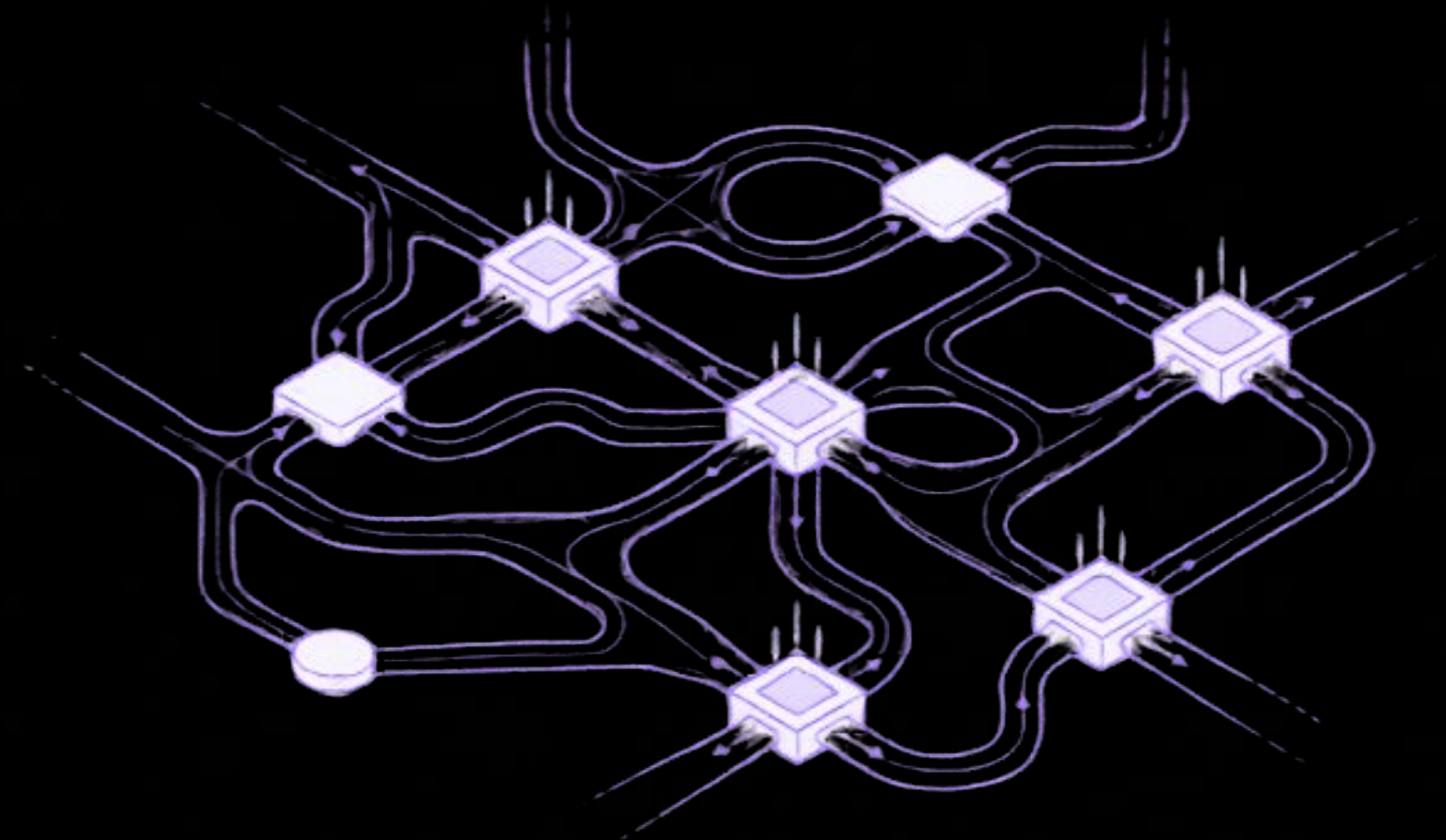


# The Fatal Error: Bolting Intelligence onto Legacy Architecture



**Bolted-On**

Automating the wrong things.  
Leaving the deepest friction untouched.



**Designed-In**

Seamless integration of synthetic  
nodes into the structural intersections.

You cannot achieve an intelligence-led transformation without an honest accounting of the legacy architecture you are building upon.



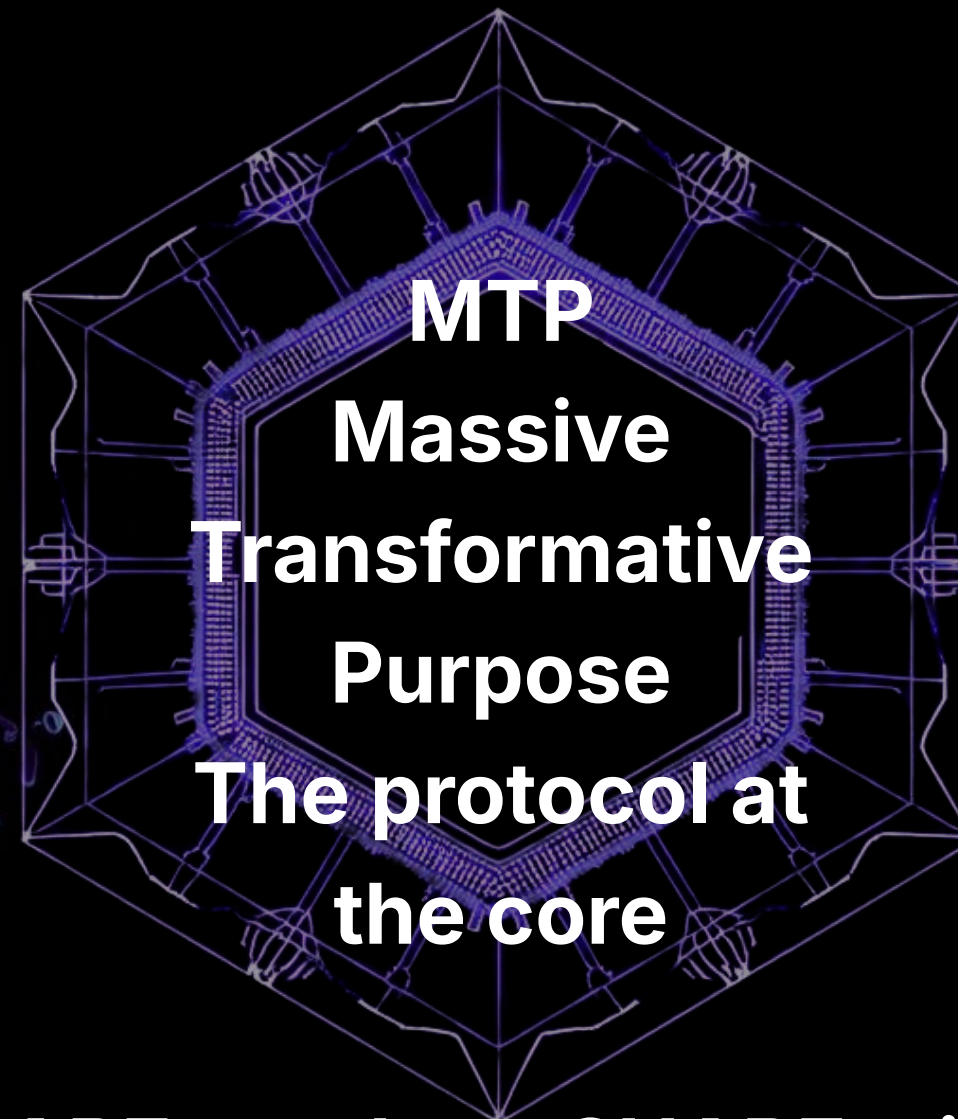
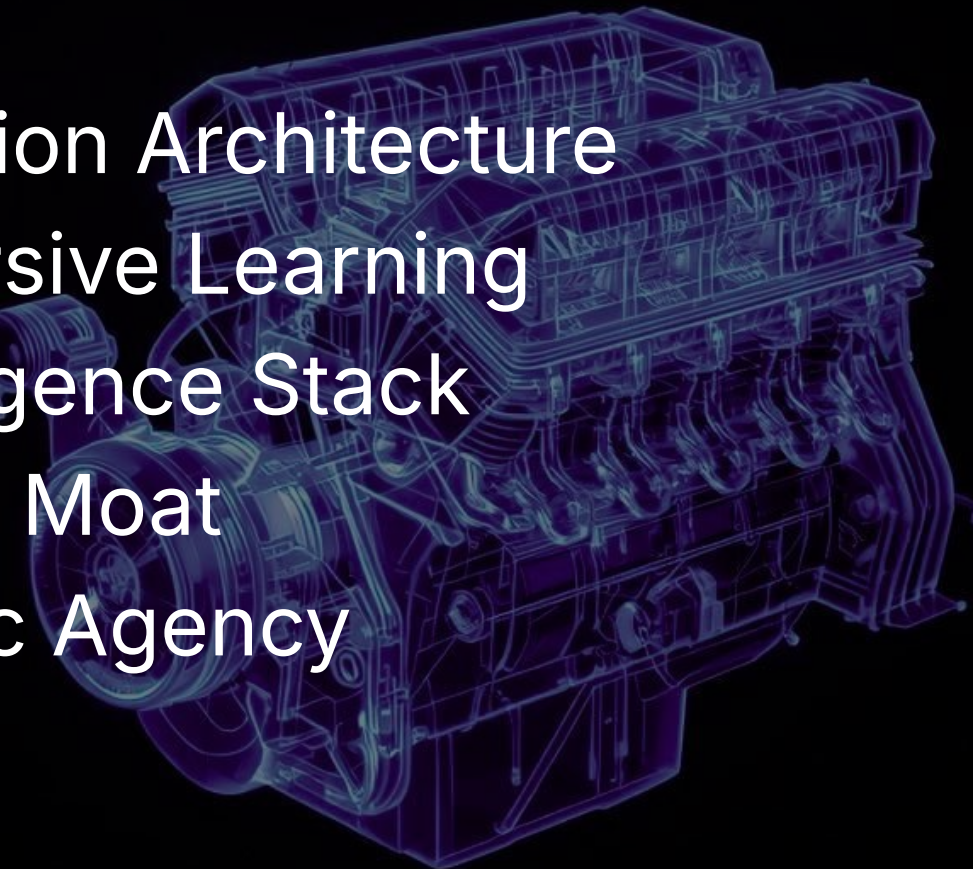
# ExO 3.0: the destination architecture.

*MTP at the core. DRIVE makes you fast and smart. SHAPE keeps you right and resilient.*

## DRIVE

**The intelligence engine**

Decision Architecture  
Recursive Learning  
Intelligence Stack  
Value Moat  
Elastic Agency



## SHAPE

**The organizational form**

Safe Autonomy  
Human Architecture  
Adaptive Architecture  
Purpose Control  
Ecosystem Trust



**DRIVE without SHAPE crashes. SHAPE without DRIVE stalls.**



# THE INTELLIGENCE STACK

Boyd's OODA loop, operationalized as enterprise architecture running continuously, at machine speed.



# GOVERN / ASSURE.

*Not an abstract control plane. Four operational primitives. Never off.*

01

## Trusted Evals

Catch silent drift before customers do.

02

## Searchable Logs

Audit any decision from the trail alone.

03

## Granular Rollback

Recover mistakes without taking the Stack down.

04

## Human Review Queue

Anchor accountability where the law demands one.

***GOVERN / ASSURE = Trusted Evals + Searchable Logs + Granular Rollback + Human Review Queue***

# When your agents talk to their agents.

*Cross-firm operation needs architecture, not goodwill. Three requirements.*

## 1 A policy-controlled API surface

External agents get brokered, scoped access. Treat them like API consumers: credentials, rate limits, action whitelists, kill-switch authority.

## 2 Data-object metadata that travels with the data

What it is, who issued it, how it may be used, what happens if it's wrong. The Six Questions, expressed as machine-readable terms.

## 3 A liability framework codesigned in advance

Error budgets, mitigation paths, arbitration mechanisms — agreed before any agent transacts. Not in court.

***Accountability, not capability, becomes the scarce resource.  
The most trusted accountability stack is the new Value Moat.***



# The Self-Disruption Probe.

*A permanent question, running 24/7 at the SENSE layer of your Stack.*

***“Could a 3-person team with agents rebuild our highest-margin business in 90 days?”***

## HOW IT WORKS

Environmental Intelligence Agents continuously run shadow simulations of AI-native competitors against your highest-margin functions — modeling staffing, cost structure, execution speed.

## WHAT TRIGGERS THE ALERT

If a shadow model can replicate a function at 30%+ lower cost with 50%+ fewer humans, the alert fires. The flagged function becomes the next Edge Twin candidate.

# The Middle 60% problem.

*This is the architectural decision that determines whether transformation lands or backfires.*

## **TOP 20%**

### **Thrive**

---

High-judgment operators. Promoted, paid more, given larger scope. The new "AI elite" (WRITER 2026: 92% of execs say they're cultivating this tier).

## **MIDDLE 60%**

### **The honest crisis**

---

Excellent coordinators and process managers exactly the work AI compresses. Telling them they're now "exception handlers" is a category error dressed as opportunity. The architectural question of the decade.

## **BOTTOM 20%**

### **Displaced first**

---

Routine task executors. Already moving. The political math says: their displacement is the precedent for what happens to the Middle 60% next.

*Dignity is a design parameter, not an afterthought. Engineer the bridge before announcing transformation publicly.*



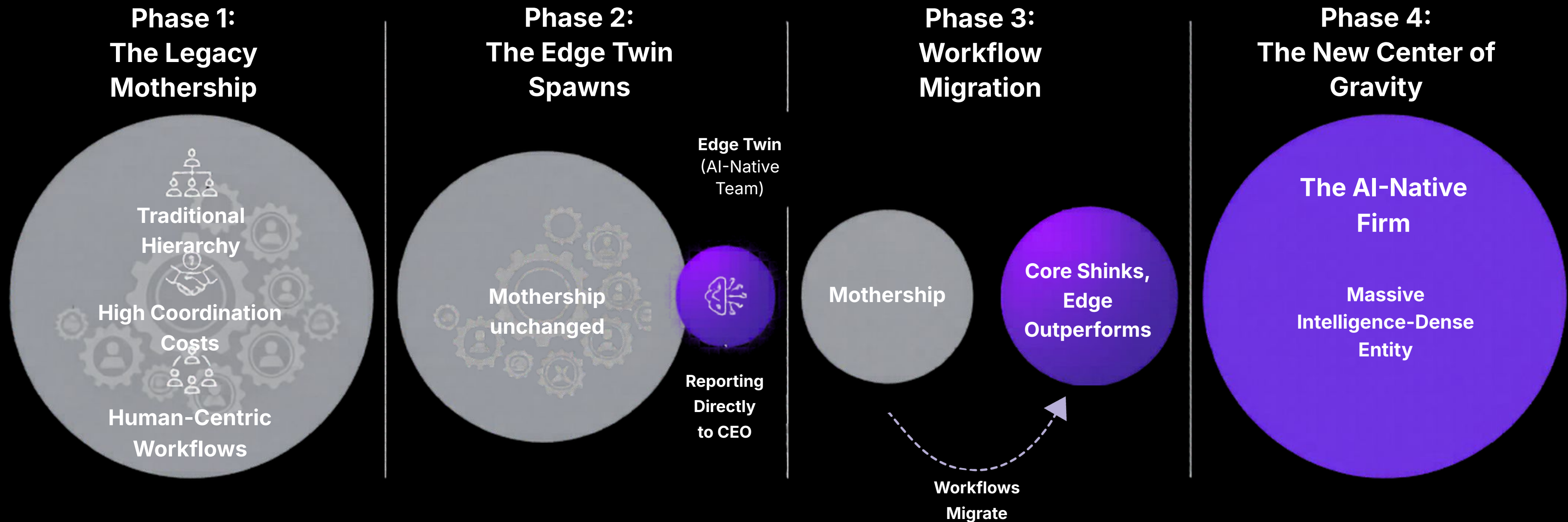
# Don't transform the core.

## *Outcompete it.*

The mothership is optimized for predictability and efficiency, antithetical to disruptive innovation. Every "transform the core" attempt runs into the immune system. Build at the edge.

# Edge deployment, in four phases.

*Mothership shrinks. Edge grows. The edge becomes the firm.*





# Two sectors already lived this.

*Same arc, different industries. The pattern is structural.*

## CONTACT CENTERS

### Phase 1: Human BPO

~10M agents globally. Convergys, Teleperformance, Concentrix. \$5–15 per contact.

### Phase 2: Chatbot assist

20–40% deflection. Where most “AI strategy” still lives.

### Phase 3: AI-native

Klarna: 700 FTE replaced, \$40M margin. Decagon · Sierra · Cresta · BAC Erica (1B+ interactions). 10–100× cheaper per contact.

## MARKETING & CREATIVE PRODUCTION

### Phase 1: Agency-heavy

WPP · Omnicom · Publicis · IPG. ~500K people, \$50B+ in fees. Assets \$1K–\$100K each.

### Phase 2: AI-assisted

Adobe Firefly, Canva, early Jasper. 20–40% faster inside agency workflows.

### Phase 3: AI-native

Midjourney · Runway · Synthesia · ElevenLabs. Klarna: ~\$10M/yr saved cutting agencies. 100–1000× cheaper per asset.

*The question is no longer whether your sector goes through this arc. It is when, and whether you lead it from the edge or get displaced from the core.*

# REWRITE: six sequenced steps.

*The sequence is non-negotiable. Governance lives across every step.*

| 01                                                                                | 02                                                           | 03                                                             | 04                                                 | 05                                                           | 06                                                          |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------|
| <b>Backcast</b>                                                                   | <b>Assess</b>                                                | <b>Extract</b>                                                 | <b>Strip</b>                                       | <b>Build</b>                                                 | <b>Rewire</b>                                               |
| Define the destination architecture. Validate against the Five Design Conditions. | REWRITE Readiness Score. Intelligence audit. Capability gap. | Map workflows. Identify the highest-value Edge Twin candidate. | Cut organizational drag. Compress approval chains. | Stand up the Edge Twin. Migrate one workflow. Prove. Repeat. | Pod-based intelligence networks. The edge becomes the firm. |

*ONE PRINCIPLE · GOVERN / ASSURE operates from Day 1 across every step. Never turned off.*

# The Turbulent Transition.

*2026–2031. Most firms inhabit a structural no-man's land. The P&L gets worse before it gets better.*

## DUAL COSTS, J-CURVE

Pay for both the legacy org AND the AI-native edge. Cost crossover: typically Month 18–30. Boards that don't understand this kill the initiative at the trough.

## LABOR DYNAMICS

Bifurcation risk becomes class structure. Without deliberate architecture, you get a caste system that kills the rollout politically before it can prove itself economically.

## UNEVEN SECTOR TIMELINES

Information-centric: months. Hybrid (manufacturing, retail, logistics): 1–3 years. Regulated (financial services, healthcare, gov): 3–7 years. Pace against your own sector, not your peers.

## GEOPOLITICAL FRAGMENTATION

Cognitive blocs: US, China, EU, India each developing distinct stacks. Firms operating cross-bloc need translation layers, parallel auth, degraded-mode protocols.

*Pre-fund the J-curve at the board on Day 1. Prove fast on a small workflow. Govern from Day 1.*



# The 2036 firm. 100x more Performant

*Small human cores, massive intelligence layers, firms that act more like protocols than institutions.*

50

*humans where 2024 had 500*

Not because it does less. Because it does 10x more.

1:20+

*manager-to-IC ratio*

Coordination collapses. Middle management disappears as a layer.

73x

*Cognition Labs' ARR growth*

Sub-\$20M burn. The new revenue-per-employee curve.

*"Every company can now be a mini-AGI." — Jack Dorsey, March 2026*

# What survives.

*In every phase transition, the winning traits change. The dinosaurs were optimized for a world that disappeared in an afternoon.*

## SURVIVES

The MTP, encoded as protocol.

The accountability shell: legal entity, fiduciary holder.

The proprietary intelligence in LEARN, the data your competitors can't have.

The coordination protocols, Buterin's mechanism designs, scaled by LLM-relieved attention.

Curatorial judgment when execution is nearly free, taste becomes the moat.

Proprietary Data !!

## DOES NOT

The org chart as we built it.

The five-year plan.

Middle management as a coordination layer.

Quarterly strategy reviews as the unit of decision-making.

Inertia moats, "customers don't switch because switching is annoying."

Wasting assets in the agent economy.

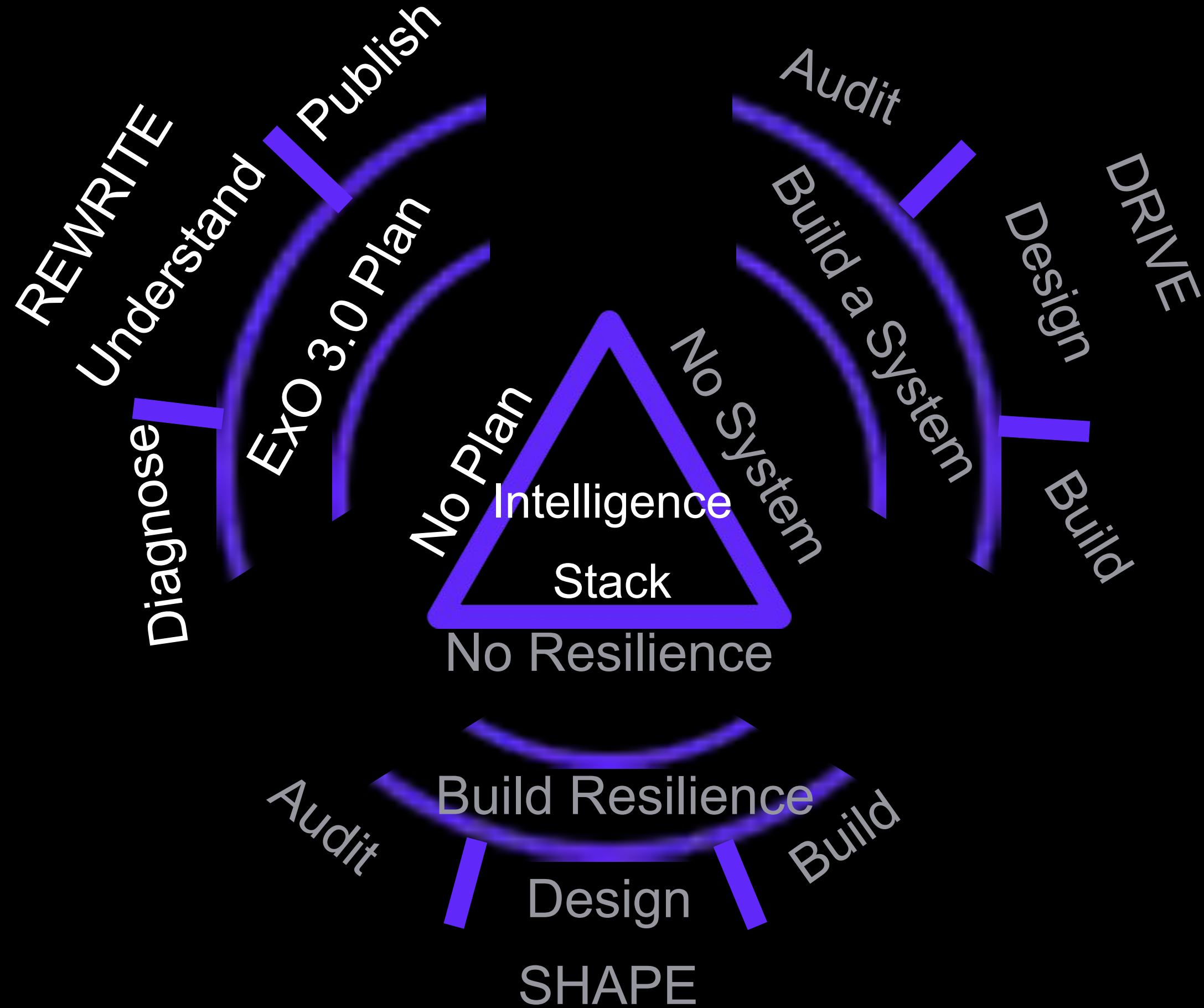
# Build the Stack first.

*The dabbling era is over.*

Diagnose the one weakest characteristic that is choking your bottleneck. Rebuild around it. Then the next. The architecture compounds.



# FOCUS TODAY



# Four takeaways today:

A Backcasting

REWRITE Score /70

Workflow mapping

Build plan with governance  
layer

Please use the  
Workbook

# THE DIAGNOSTIC IMPERATIVE

THE ORGANIZATIONAL SINGULARITY

THE FIRM OF THE FUTURE WILL NOT  
BE MEASURED BY THE SIZE OF ITS  
WORKFORCE. IT WILL BE MEASURED BY  
THE **DENSITY** OF ITS **INTELLIGENCE** AND  
THE **SPEED** OF ITS **DECISION LOOPS.**

THE ORGANIZATIONAL SINGULARITY



# DIRECT MODE

**50** OR FEWER  
EMPLOYEES.

You score and design for the whole company. There is no immune system strong enough to block transformation. REWRITE applies in place.

# EDGE MODE

MORE THAN **50**  
EMPLOYEES.

You score the mothership, but design for an edge venture. Transformation cannot happen in the core. Build an AI-native parallel operation.

IF THE CEO CAN NAME EVERY EMPLOYEE AND DESCRIBE THEIR WORKFLOW, YOU ARE DIRECT. OTHERWISE, EDGE.



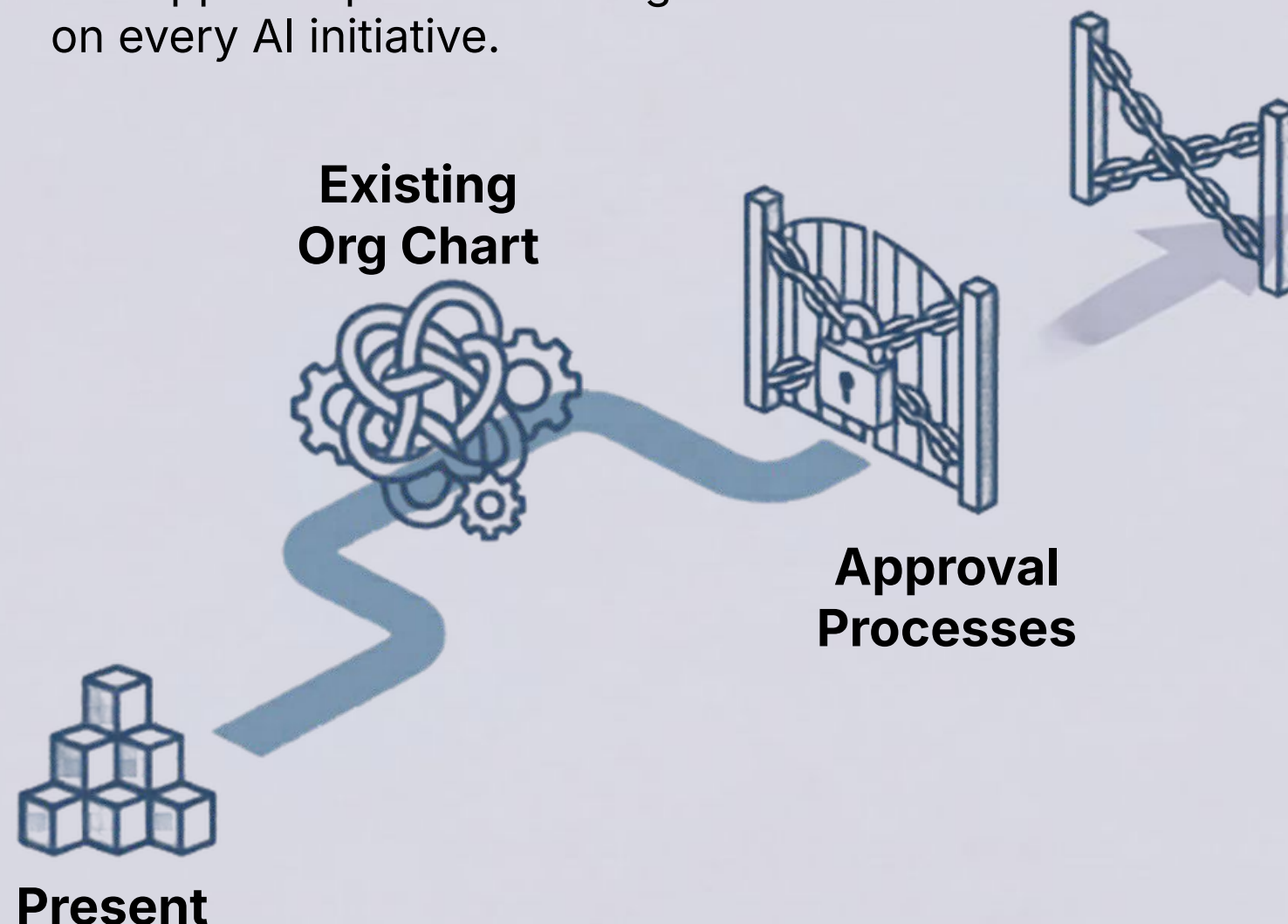
# Backcasting: Why Your AI Transformation Starts in the Future

## TODAY FORWARD PLANNING

(Legacy Constraints)

### Carries Legacy Constraints

Traditional planning uses the existing org chart and approval processes as gravitational limits on every AI initiative.



## BACKCASTING

(Principled Destination)

### Defines the Principled Destination First

Leaders define a vision of a future "Destination Architecture" and work backward to connect the present to that goal.



**FUTURE**  
"Destination Architecture"

**INSURANCE  
POLICY**

### Backcasting is the Non-Negotiable Step 1

Every observed REWRITE failure where the technology worked but the initiative stalled traces to a missing destination definition.

**BLUEPRINT &  
MANDATE**

### Execute the Backcasting Canvas Workshop

Conduct a 2–3 day facilitated session to secure a signed mandate and a detailed blueprint of the future firm.

# THE REWRITE FRAMEWORK

Measure organizational friction. Calibrate your AI readiness. Pick your first move.





# THE 7 REWRITE DIMENSIONS

THE ORGANIZATIONAL EQUALIZER





# Organizational Drag measures internal friction and decision latency.

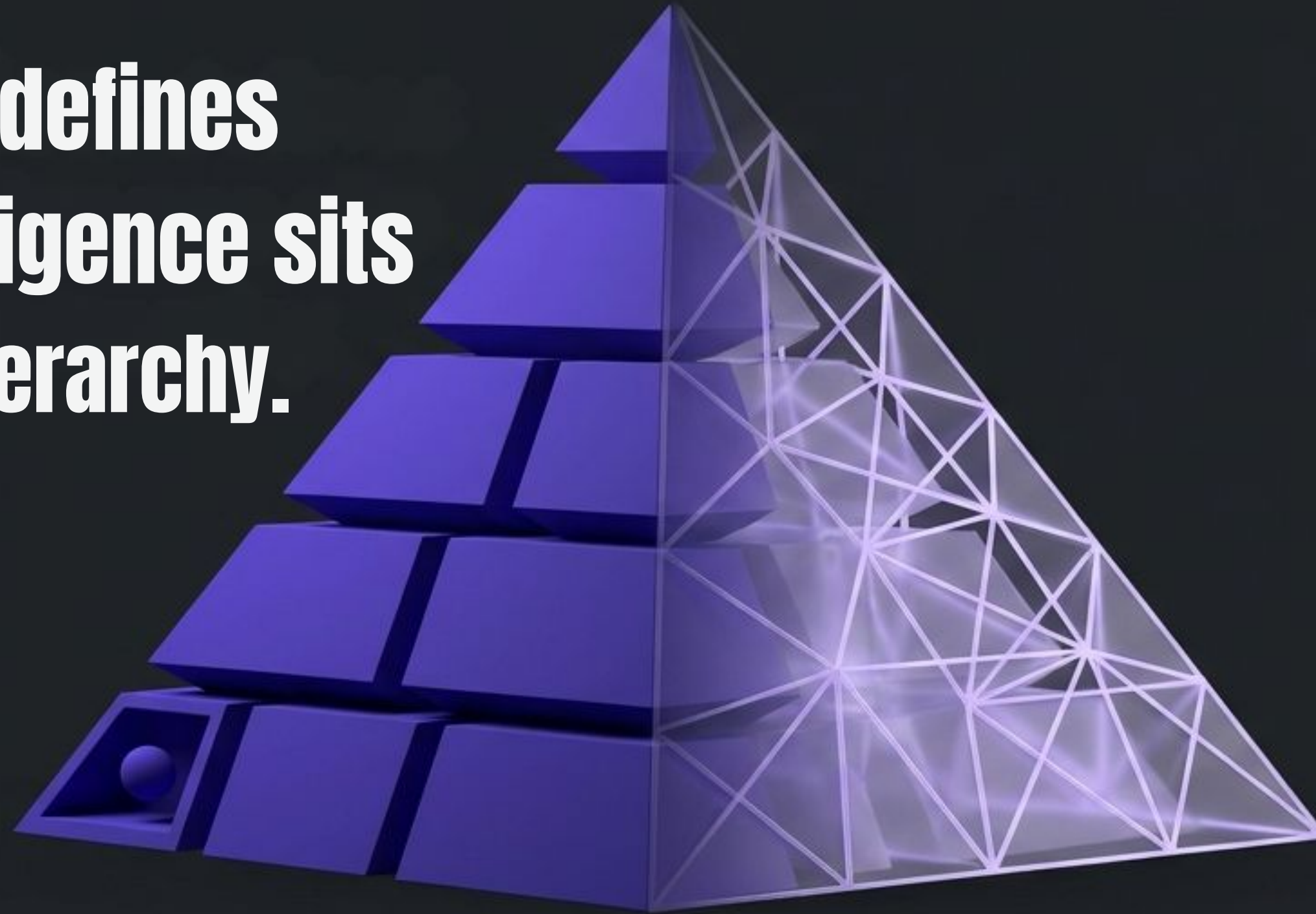


1 2 3 4 5 6 7 8 9 10

**Score 1 (Legacy): High drag.**  
Defined by approvals, committees,  
and review theater.

**Score 10 (AI-Native): Low drag.**  
Decisions are executed seamlessly  
at the lowest competent level.

**AI Elevation defines  
where intelligence sits  
within the hierarchy.**



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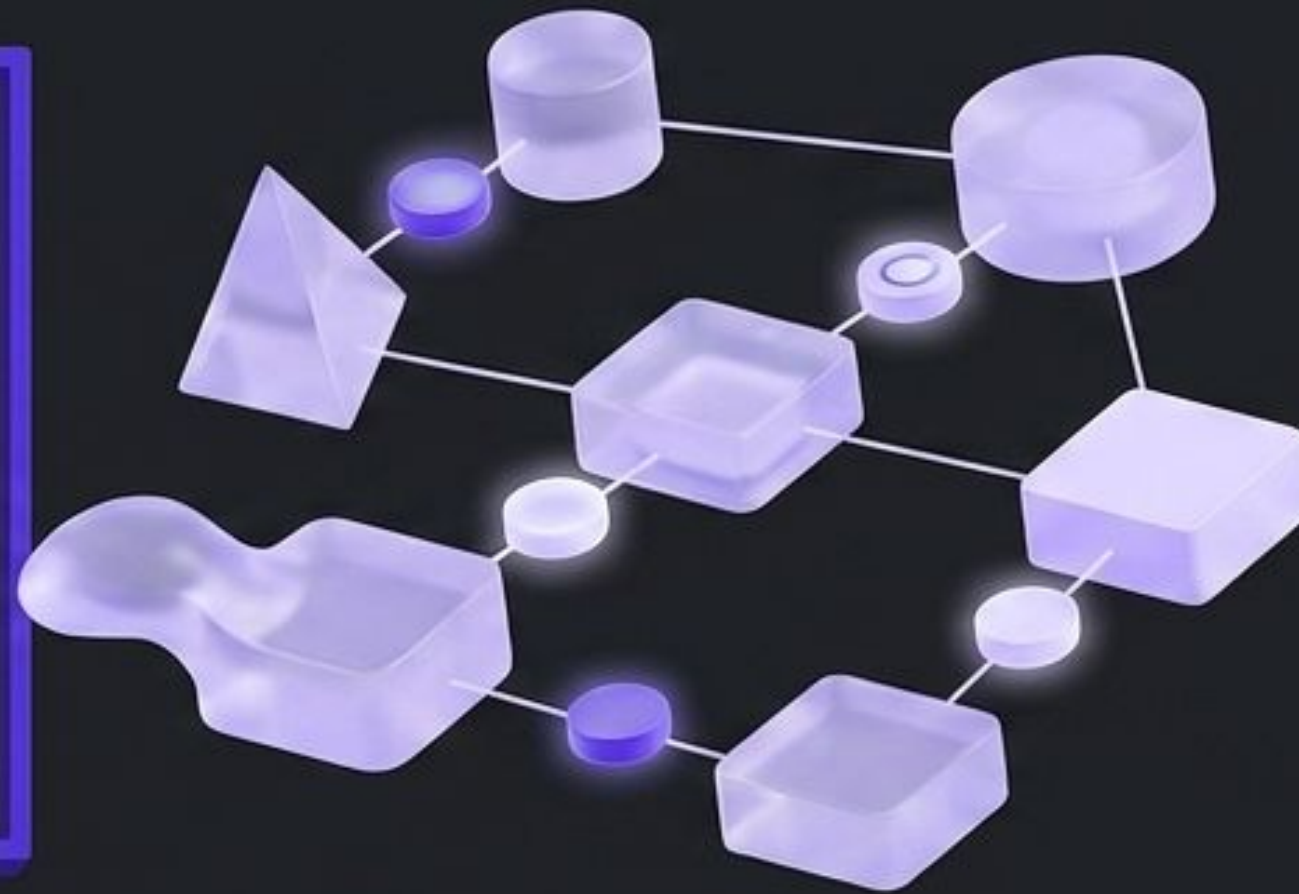
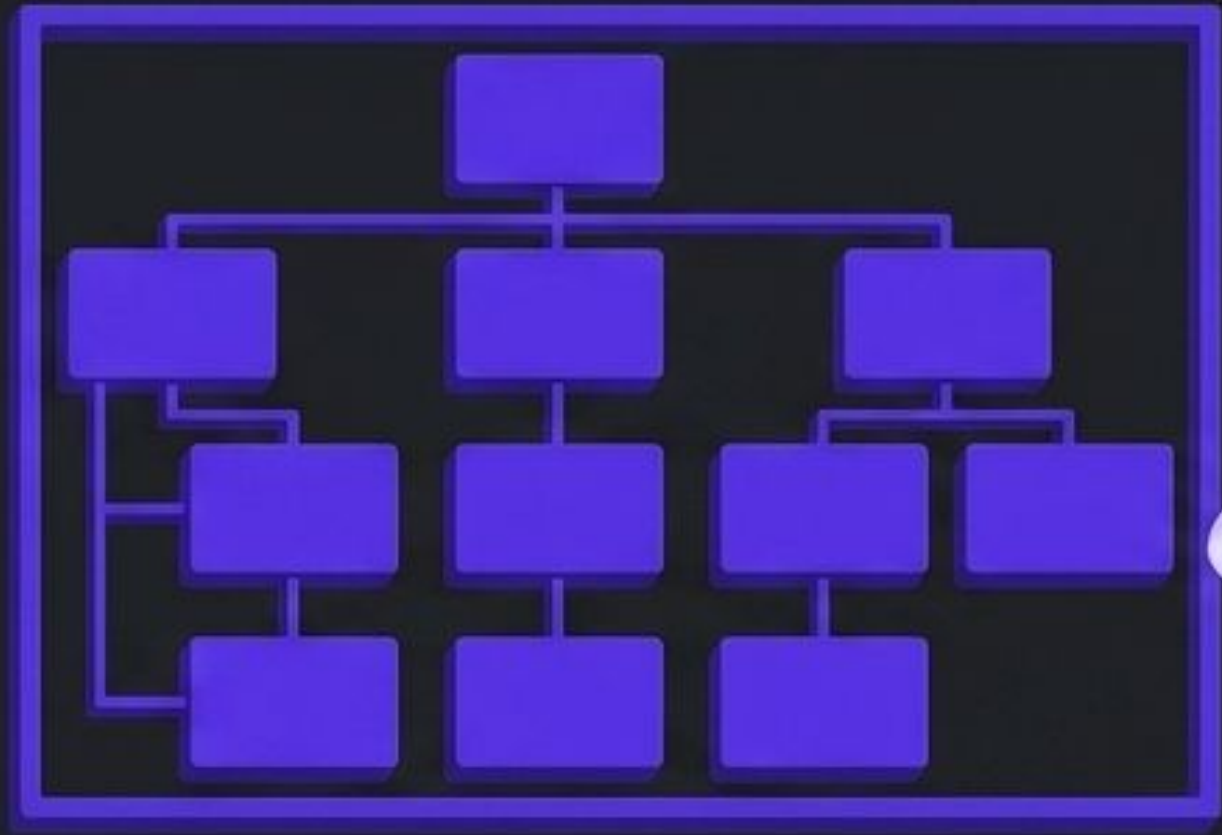
10

**Score 1 (Legacy): AI is an isolated tool  
relegated to IT or an innovation lab.**

**Score 10 (AI-Native): AI operates as  
the core organizational design  
principle across the executive layer.**



# Work Architecture shifts from static titles to fluid tasks



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**Score 1 (Legacy):**

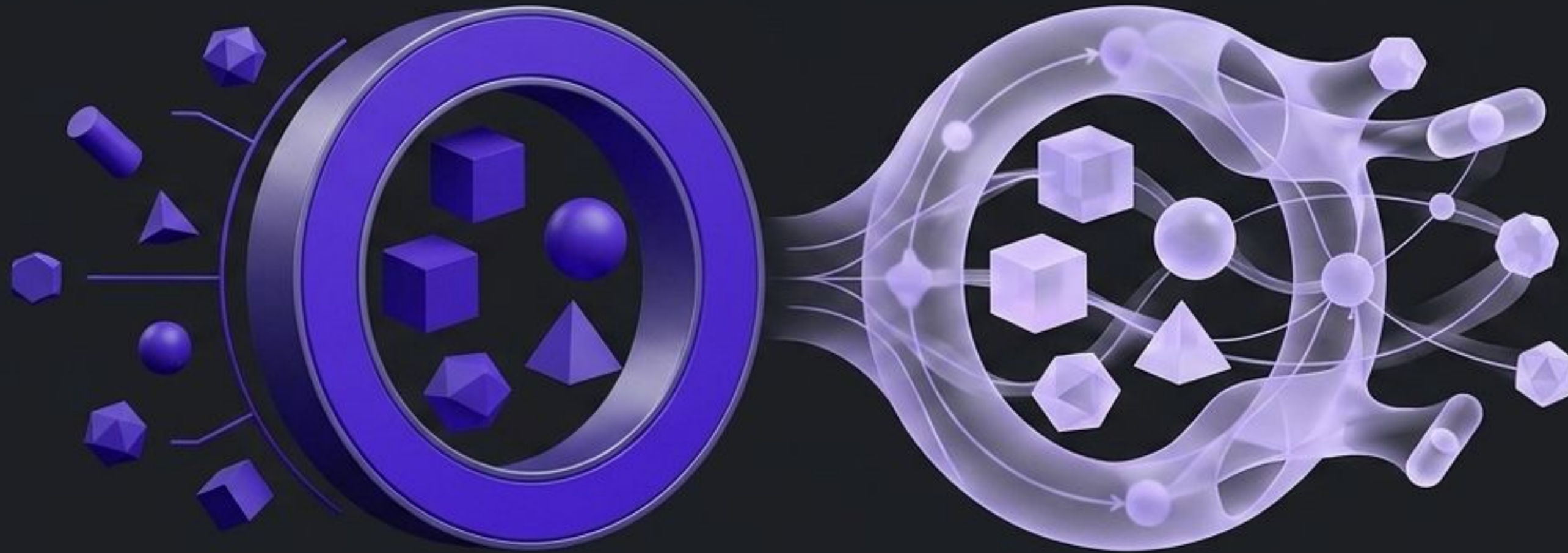
**Roles are title-based and rigidly fixed.**

**Score 10 (AI-Native):**

**Work is task-based, with fluid,  
dynamic assignment across  
humans and AI agents.**



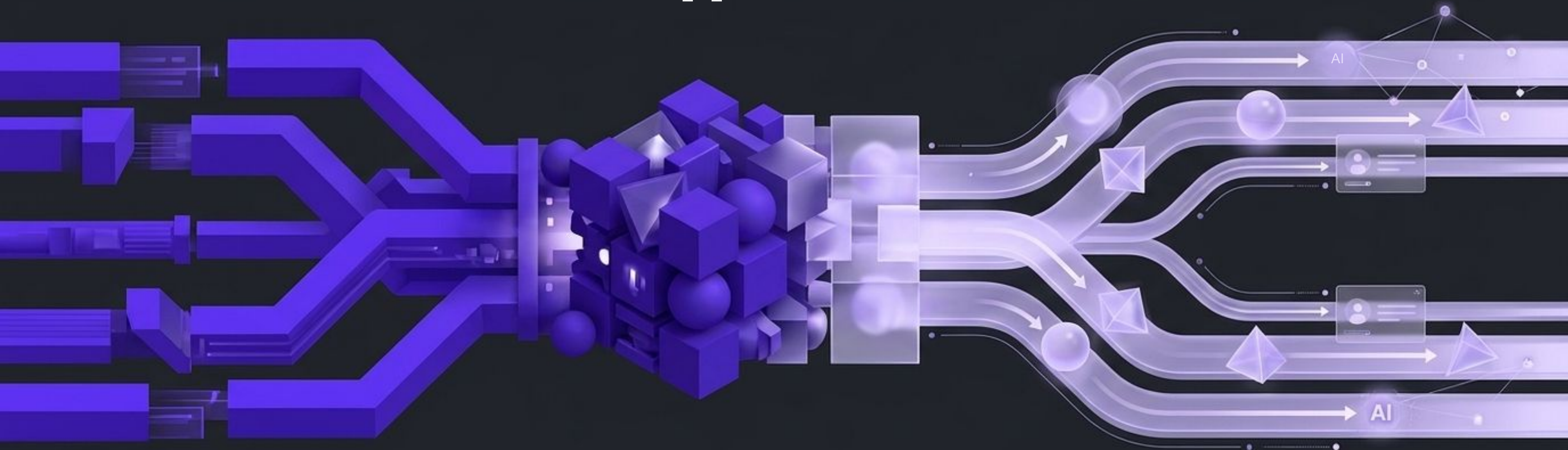
# Firm Boundary Design dictates the human-to-agent integration depth.



**Score 1 (Legacy):**  
The workforce is 100% human. AI is treated merely as external software.

**Score 10 (AI-Native):**  
Agents operate as formal team members holding specific roles, authorities, and accountability.

# Decision Autonomy relies on intelligent routing rather than bottlenecked approvals.



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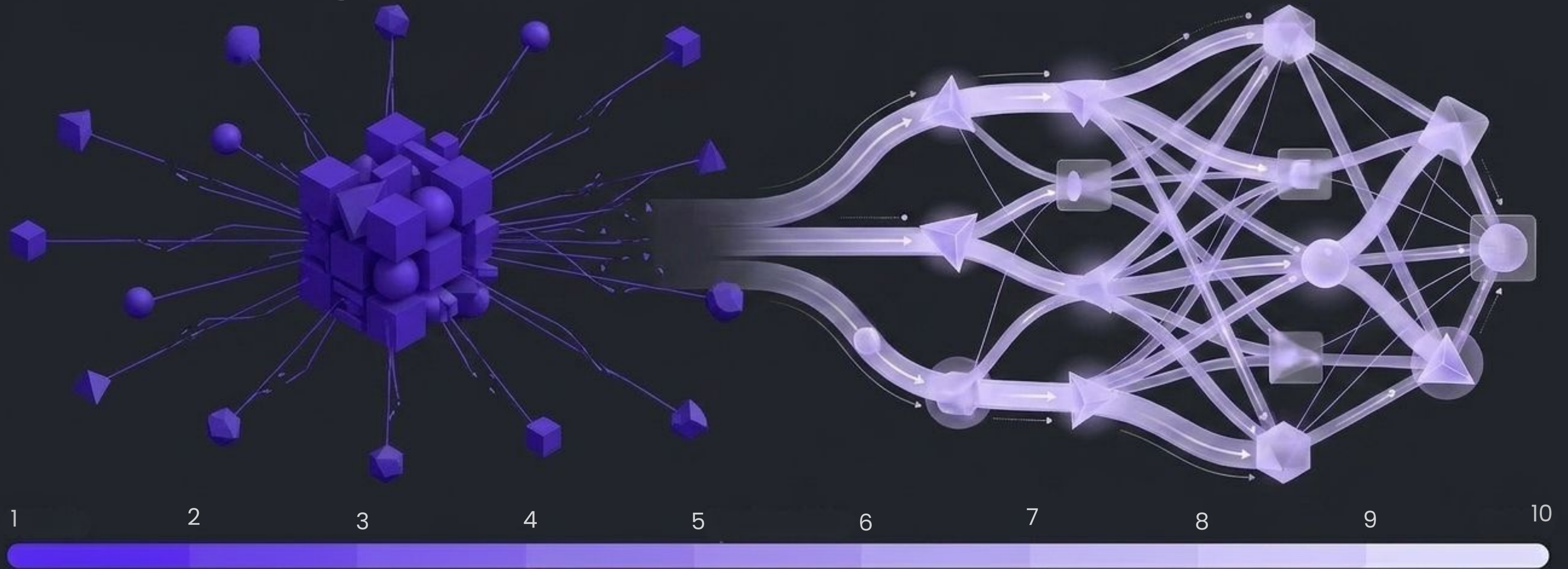
10

**Score 1 (Legacy):**  
Every decision requires explicit human approval.

**Score 10 (AI-Native):**  
Clear, autonomous routing systems perfectly differentiate between agent-decided and human-decided actions.



# Network Structure must evolve from centralized control to edge execution.

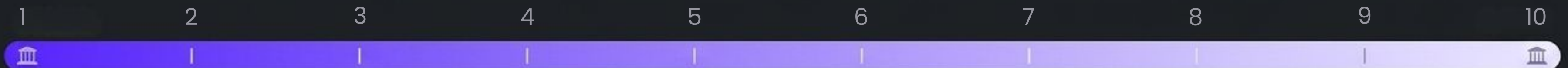


**Score 1 (Legacy):**  
Rigid hierarchy relying on a slow,  
centralized hub-and-spoke model.

**Score 10 (AI-Native):**  
Distributed authority where critical decisions happen  
instantly at the edges of the intelligence network.



# Reinvention Cadence measures the frequency of fundamental redesign.



**Score 1 (Legacy): Calcified.**

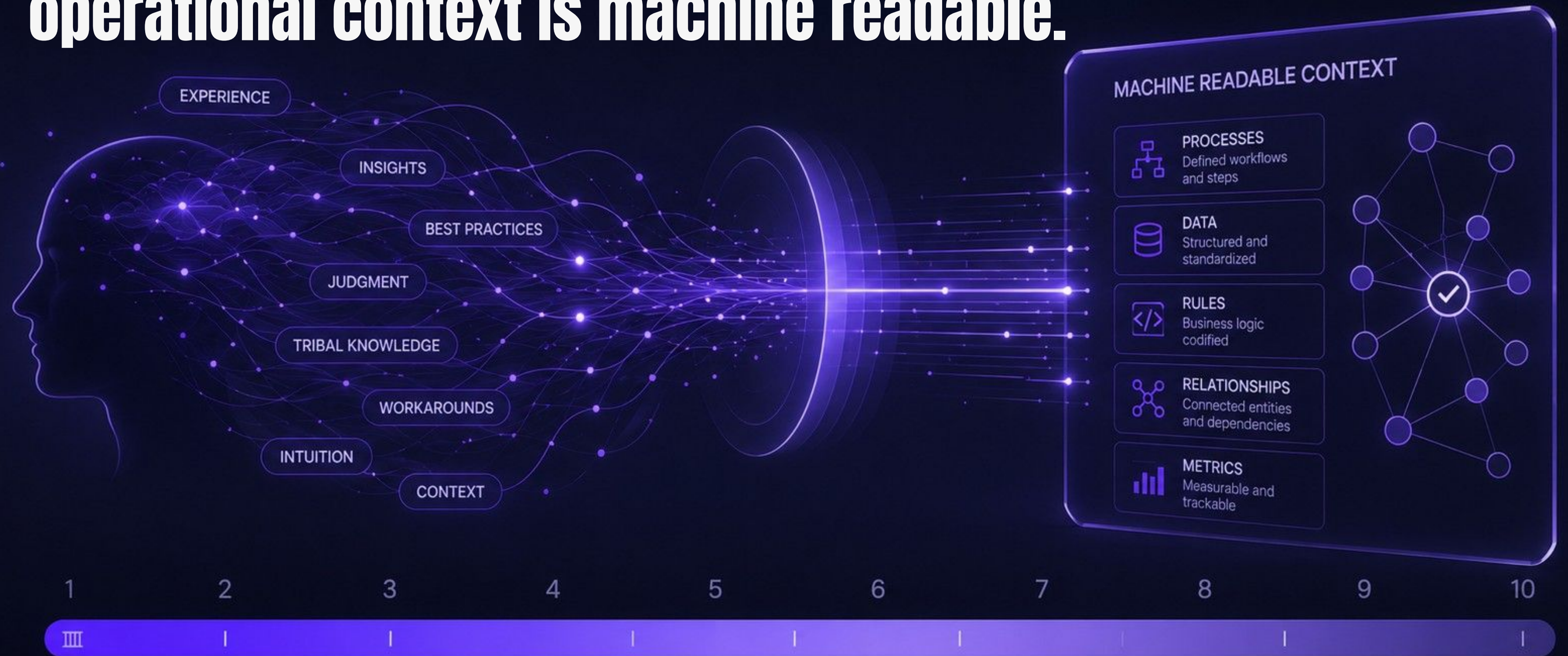
The organization is frozen and never fundamentally redesigns itself.

**Score 10 (AI-Native): Continuous.**

The organization exists in a state of perpetual corporate rebirth.



# Tacit Knowledge Accessibility measures whether your operational context is machine readable.



**Score 1 (Legacy):** Knowledge is trapped inside individuals heads and email threads

**Score 10 (AI-Native):** Systematically codified and updated via continuous elicitation agents.



# Calculate your total diagnostic band.

(Out of 80 possible points)

## 57 – 80: REWRITE Ready

The systemic foundation is intact. Proceed to full organizational transformation.

## 35 – 56: Foundational Work Needed

Critical imbalances exist. Focus entirely on resolving your two lowest dimensions before attempting to scale AI operations.

## Below 35: Pre-Foundation

Immediate survival risk. Standard operations will soon be outpaced. Start exclusively with small, isolated pilots and core education.



# IDENTIFYING YOUR BINDING CONSTRAINTS

Look strictly at your two lowest dimensions. These are your binding constraints. Every other initiative in your organization is gated by them. You cannot scale intelligence until these structural bottlenecks are broken.



# SELECTING THE TARGET WORKFLOW

Rule: Do not pick a function. Pick a single workflow. (e.g., invoice approval, customer onboarding, inbound support triage).

**WORKFLOW  
CHOICE**



## **DIRECT MODE PATH**

Select a workflow where coordination dominates judgment. Deploy agents here first.



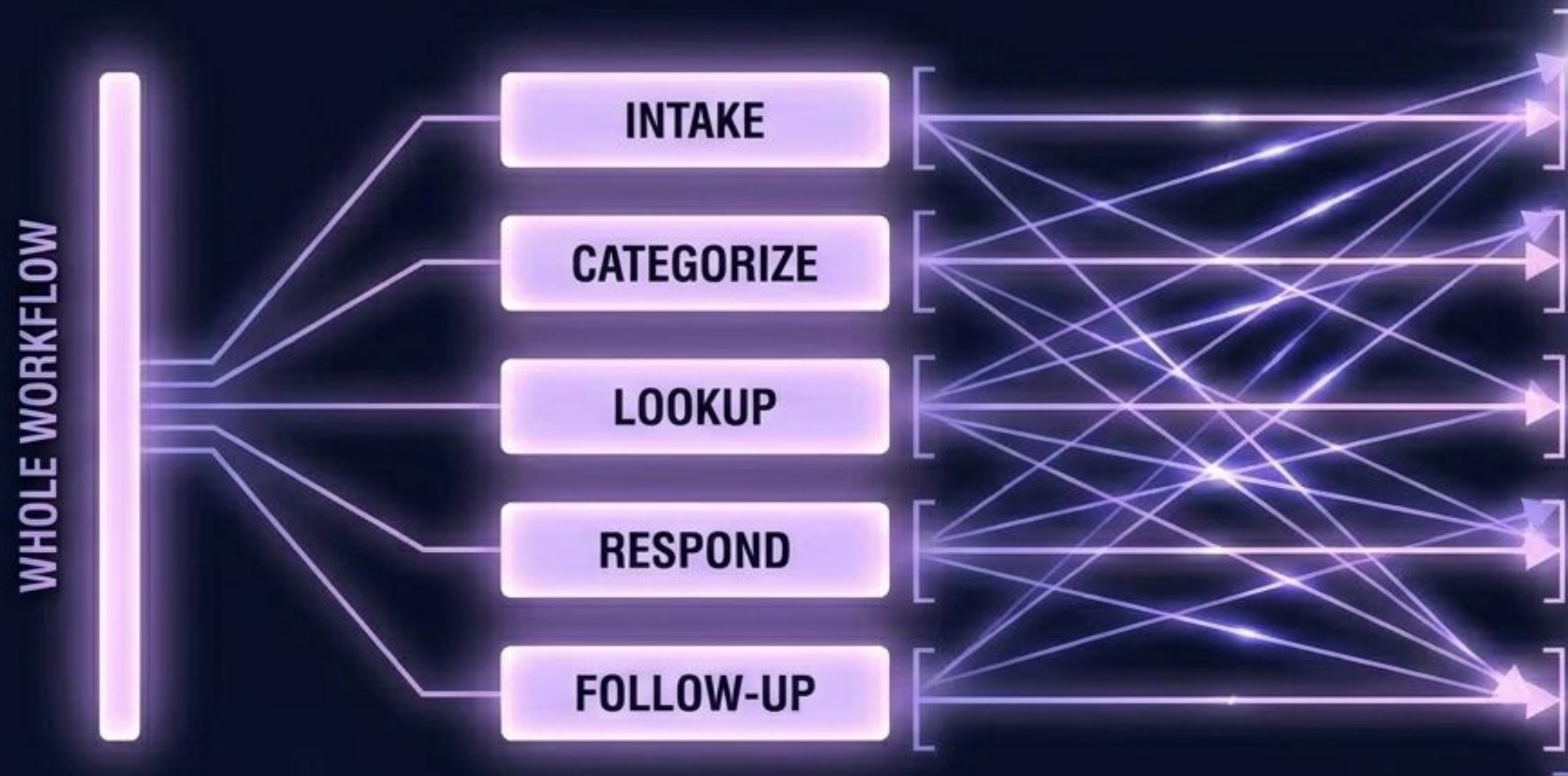
## **EDGE MODE PATH**

Select the prime candidate for edge migration. Build an AI-native parallel that will outperform the mothership by 3x.



# WORKFLOW TASK EXTRACTION

Break the workflow into 5-8 granular tasks (e.g., intake, categorize, lookup, respond, follow-up).



## AGENT READINESS

- 5:** Agent handles today's work with no oversight
- 4:** Agent handles with light human review
- 3:** Agent assists, human leads
- 2:** Human leads, agent supports marginal
- 1:** Fully human (judgment, ethics, relationship)



# GOVERN / ASSURE





# Pillar 1: Trusted Evals

Continuous testing against known, synthetic test sets to catch silent degradation before customers experience it.

Safe Zone



An agent without an eval suite is not a production agent, it is a demo.

## KEY CAPABILITY:

If performance drifts below the baseline threshold, the system automatically triggers retraining or rollback.

# Pillar 2: Searchable Logs



## The Transparency Mandate

Immutable, hashed, and cryptographically signed audit trails. Every output must be perfectly reconstructable.

Humans can debug, trace, and explain any agent decision to an auditor down to the byte level based solely on the log data.

## Data Spec Requirement

The evidence underneath every decision must definitively answer:

- What is it?
- Who says so?
- What are the legal terms?



# Pillar 3: Granular Rollback



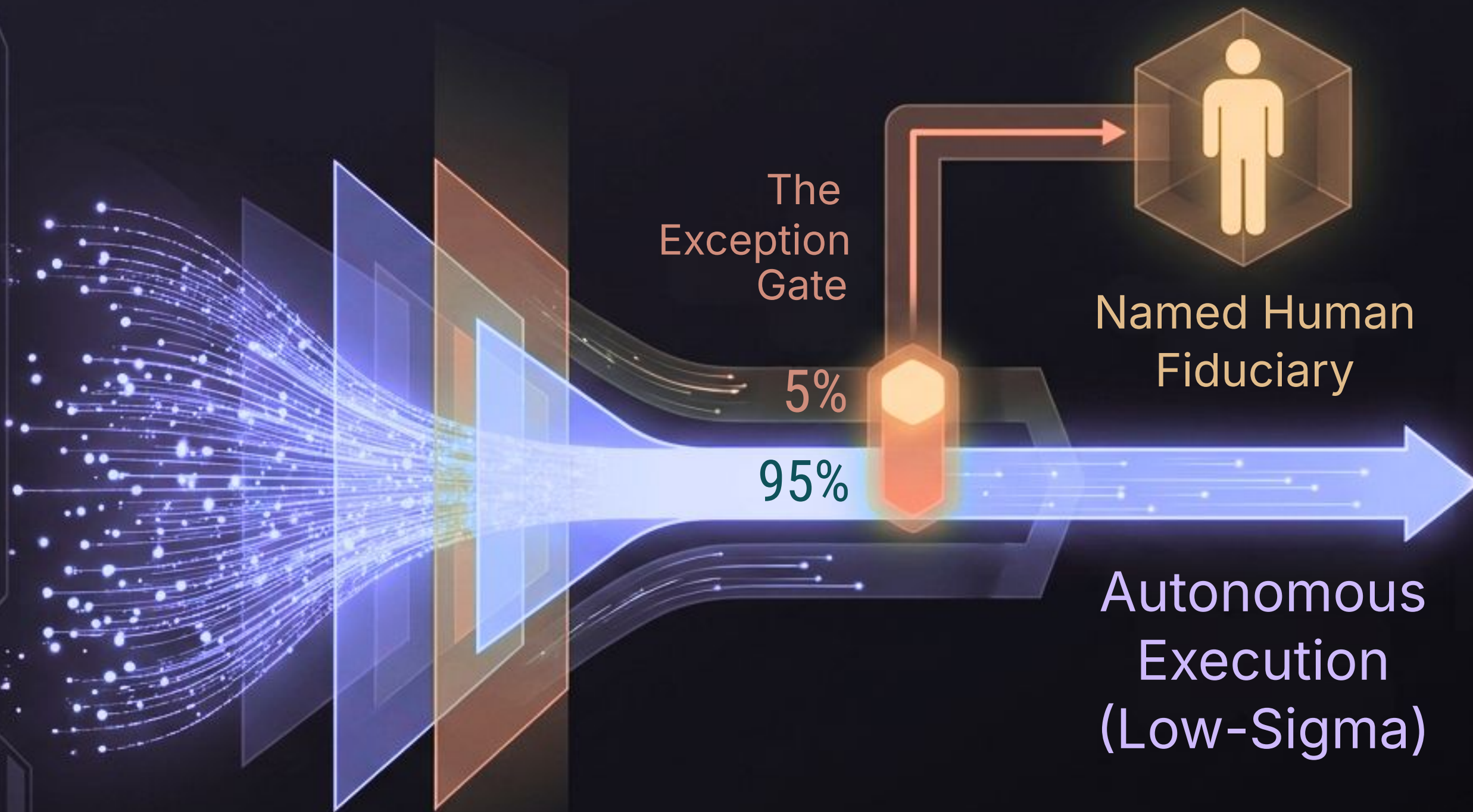
**CORE MECHANISM:** The surgical undo. Treat agent versions like disciplined software versions: traceable, diffable, recoverable.

**Operational Capability:** Revert an agent to last week's prompt, last month's model, or last quarter's policy version without taking the rest of the organizational stack offline.

**Prevention Tactic:** Kill-switch thresholds prevent 9-second production deletions by requiring soft-delete windows on all destructive endpoints.



# Pillar 4: The Human Review Queue



## CORE MECHANISM:

High-volume, routine decisions flow automatically. "High-Sigma" anomalies are routed to SLA-driven human queues.

## THE EXCEPTION GATE:

Any decision touching money, legal text, or customers-of-record automatically escalates to a named human.

## THE NEW HUMAN ROLE:

Automation handles the expected. Humans handle the ambiguous.



# The Readiness Matrix:

## Are You Building or Dabbling?

|             | The Legacy Firm (Score 1)                      | The ExO 3.0 Firm (Score 5)                              |
|-------------|------------------------------------------------|---------------------------------------------------------|
| Evals       | Manual QA before launch, blind in production.  | Continuous synthetic evaluation; auto-halt on drift.    |
| Logs        | Scattered Slack threads and isolated app logs. | Immutable correlation IDs spanning the entire loop.     |
| Rollback    | Shut down the entire server to fix the agent.  | Surgical prompt/policy reversion with zero downtime.    |
| Human Queue | Human in every loop, crushing speed.           | Humans above the loop, SLA-driven exception management. |

**DIAGNOSTIC MANDATE:** Do not deploy a new agent class until you score a 3 across all four rows.



# SELECTING YOUR DEPLOYMENT ON-RAMP





# THE 90-DAY TRANSFORMATION BLUEPRINT

A precision plan for immediate organizational impact and transformation.

## 1 TARGET THE BINDING CONSTRAINT

Your lowest dimension.



## 2 EXECUTE THE DEPLOY-NOW LIST

Your 4 and 5 tasks.



## 3 RUN THE PROPER ON-RAMP

MVIS, Sprint, or Full REWRITE.



Run this inside your edge venture or across your direct company.  
Re-score in 6 months to measure transformation progress.