

NEXT

How to design and organize work in an era of
Artificial Intelligence

Jack Calhoun, Mark Withington, Jennifer Ai

Copyright 2025 by Accelare, Inc.

All rights reserved. Published by Accelare, Inc., Suite 210, 15 Pacella Park Drive, Great Pond Commerce Center, Randolph, MA 02368

ISBN: 979-8-9928258-2-4

First Edition No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher, except for brief quotations embodied in critical reviews and certain other noncommercial uses permitted by copyright law. For permission requests, write to the publisher, addressed “Attention: Permissions Coordinator,” at the address above.

augmented-age.ai

Library of Congress Control Number: Applied For

Printing History: Release 1.0 2025

Accelare, Inc., Suite 210, 15 Pacella Park Drive, Great Pond Commerce Center, Randolph, MA 02368

Acknowledgements

This book would not have been possible without the input and support of many people. We are deeply grateful to Brendan McLaughlin, Mark McCormick, Gary Blank, Justin Lee, and all our brilliant colleagues at Accelare for your contributions, insightful feedback, unwavering belief and fieldwork with our clients. We would like to thank our Advisors Jim Champy, Don Laurie and Jim McCauley. Special thanks to our many clients who were early adopters and advocates of these methods – you proved these concepts in the real world. Finally, our families for putting up with the long evenings and weekend hours that made this possible.

Table of Contents

Preface.....	8
Chapter 1: Why Next – Why Now?	13
Chapter 2: Getting to Next – Generate vs Automate.....	35
Chapter 3: Navigating The Era of Digital Disruption	68
Chapter 4: Principle 1 – Reengineer the Strategy-to-Execution Process	89
Chapter 5: Principle 2 – Create a Hi-Definition Operating Model.....	109
Chapter 6: Principle 3 – Build a Customer-Obsessed Culture	127
Chapter 7: Principle 4 – Move to Prescriptive Design	161
Chapter 8: Envision, Create, Operate	182
Chapter 9: The Governance to Make It Happen	207
Chapter 10: Unpacking Culture and Change Management	222
Chapter 11: Corporate Services – Enabler or Impediment?	243
Chapter 12: The Missing 37% – Transformation in The Public Sector.....	253
Epilogue: Your Next Move.....	274

Preface

We are at the dawn of a new age of work – the augmented-age – where the current frenzy of tactical AI-enablement will give way to new strategic models of augmented work. We will no longer talk about the “digital disruption” of AI with the same level of anxiety and uncertainty; instead, we will navigate a world where the lines between humans and AI and work will become increasingly integrated. This will not be the dystopian future of sentient machines and human obsolescence that science fiction once warned us about. Instead, it will be a world of augmentation and trained AI agents where human ingenuity, judgement, ethics and work processes are supported and amplified by the tireless learning and processing power of AI.

Unfortunately, today, every CEO, CIO, and CFO is getting bombarded with requests for AI projects to automate legacy work – we suggest, “hit the pause button”. The context for these proposed projects is wrong. They are tactical, not strategic. You will waste a lot of money and resources only to find your competitors – who have a more strategic approach to AI and transformation – have taken your market share.

AI is too capable of a technology to use it simply to automate legacy work, rather AI should be used to design new models of work. To do so, your highest priority should be leveraging AI to transform your strategy and operating model design process itself – not fixing, or worse, automating legacy, siloed business processes.

But our “pause button” request doesn’t mean slow down, it means, get the context right and then speed-up; way up! This book will describe an approach to develop that context. It will provide the nexus between today’s tactical AI frenzy and tomorrow’s augmented age.

Next will explain why the very nature of how we design, organize and govern work must change and how organizations can leverage AI to make that change. Why the traditional functional org chart model itself will become part of a new Hi-Def, AI-powered Operating Model of augmented work. *Next* will layout the argument of why the role of AI needs to extend beyond the tactical tasks of automation; and instead focus on accelerating the organization's ability to create new value propositions, new business models, new operating models, and new customer experiences.

Next will outline how AI can accelerate

- Designing new, innovative products and services
- Building the internal capacity to deliver those products and services at scale
- Deliver those new products and services through a delightful customer experience

Most importantly, *Next* will describe how AI augmented work will allow an organization to do this over and over again using a new capital budgeting process delivered through release management - a process of overseeing the planning, scheduling, and deploying new updates to the operating model in a controlled and well-defined manor.

Today we are at the starting line of generative AI, we are using the most rudimentary *release* of these tools, and this environment is quickly evolving. For example, we used release 1.5 of Gemini-Advanced Pro (Google's generative AI offering) to help write this book; no doubt, future Gemini releases will add groundbreaking new capabilities. In fact, Gemini-1.5-Pro-002, Gemini-1.5-Flash-002 and Gemini 2.0 Flash Experimental are already available. You might have noticed a *release number* on the cover of this book. We too will be adding new, groundbreaking approaches to the age of augmented work. We will be routinely releasing new versions of *Next*, and because our printing and fulfilment processes are just-in-time, our new experiences and insights will be included in our regular new releases.

Unlike traditional book publishing cadence where new editions of a book are published years down the road, our release process will be fluid and dynamic. We also invite you to contribute to subsequent releases by joining our

community and contributing your insights and stories to the *Next Release* at <https://augmented-age.ai>

Next will illustrate how AI is a transformational force – in other words unlike the technologies we have known and used to automate the business model, AI has the potential to transform the fundamental design of the business model, the design of work and our governance of the new business model and then repeat the cycle of run, improve and transformation - routinely.

We will show how AI-enabled platforms must be used to envision, create and operate your *Next* generation business model and the next one after that - in an ongoing, much more dynamic cycle than the traditional strategy, planning and management practices we grew up on.

You will see in your industry those companies whose Next generation AI-enabled businesses will leave little room and market share for traditionally managed “good” companies – your customers will simply shift their business away from you to the increasingly dominant, Next generation company. As popular cyber-punk novelist William Gibson said, “the future is already here – it’s just not evenly distributed”. The organizations who harness the power of AI will have far greater capabilities and corresponding market share than those who are followers. In the US e-commerce market Amazon has 38% market share, the next nearest is Walmart at 6.3%, Apple at 3.9% and e-bay at 3.5.

Over the last 35 years we have been on the frontlines of strategy, operations, technology management and business turnarounds and transformations in many industries and government agencies and on numerous continents. We have been designers and engineers in the invention and commercialization of new technologies and founders, investors and advisors to new start-up companies. We have seen the technology hype-cycles from all vantage points – but this AI tech-cycle is different.

Some think AI is new - it is not new, as we will examine in the following chapters, AI has been building-up as a field of computer science and a business process and industry since 1976 but now at least the Narrow AI tools are reaching the breakthrough phase in their life-cycle and Narrow AI can be applied in commercial settings and deliver not incremental impact but transformational impact - provided you know where and how to apply it.

In fact, the third Author of this book, Jennifer Ai (Jenn AI) who did lots of the foundational research and much of the editing is an AI generated virtual agent. She was created and trained on the subjects we cover using a large language model and generative AI – in particular a private instance of GEMS on Google Gemini-Advanced 1.5 Pro. Even the image you see on our website, augmented-age.ai, was generated by AI.

In *Next* we will examine four new principles we discovered through our research and client work that guide organizations to their next generation, digital business model(s) through the application of AI in these areas:

- The Strategy Process must be reengineered – The first place to apply generative AI is in the strategy process. The As-Is strategy process in most organizations is more of a budgeting and planning process, than a strategic process, it also fails to deliver on the goals set forth 60+% of the time. It also ends too soon and needs to be reengineered to include the oversight of critical execution tasks. For all the great reengineering work we have seen in operational processes like; concept-to-market, awareness-to-customer, order-to-cash where an end-to-end redesign of the process has led to dramatic results, the Strategy-to-Execution process is fraught with bad hand-offs, siloed inward thinking and simply wasn't designed to address the challenges organizations face today.
- Operating Model Design is the centerpiece of modern strategy – we need to shift from functional hierarchy-based, traditional operating models to new end-to-end process-based, Hi-Def operating models and jobs which are new and AI-enabled over narrow, functionally, siloed jobs.
- Customer obsession, value innovation and customer experience must be the bedrock of cultural transformation and the driving design objective of your Next operating model. For far too long, organizations have treated their customer experience as an optional, nice to have. Customer Experience is the delivery mechanism of an organization's value proposition. It's time for organizations to start treating it that way.
- Technology and AI must be used for Prescriptive Design of the business model and workflows – not simply an enabler or automation tool.

Reading vs. Studying

A number of friends and colleagues who have previewed the manuscript for Next have said “this is not a book you read - it is a book you study. This book compelled me to a deeper level of engagement with the material, a hard introspection about my strategy, my business model, my leadership. I set a goal of mastering this subject matter to prepare to apply what I have learned in my organization.”

Let’s Begin...

This is a time for optimism and action not complacency. Master these four new principles and the future of your Next great business model is bright. We challenge you to reimagine your strategy process, embrace the power of a Hi-Def Operating Model, cultivate a customer-obsessed culture and harness technology as a transformational force. *Next* will encourage you to look at augmented work through the prism of the customer journey, end-to-end process with an abundance of empathy and kindness. If taking apart your business model and redesigning it to thrill your customers, to take advantage of the power of AI, to reach unprecedented levels of personal and team productivity is not your #1 priority – I would like to know what is? If you’re ready to lead, the journey to “Next” starts now.

~ Jack, Mark, and Jenn