

---

## Introduction

### *The Quiet Danger of Untested Assumptions*

---

#### **The Strategy That No One Has Questioned**

You have a strategy. You believe in it. Your team has heard it, debated parts of it, and aligned behind most of it. It is written into the operating plan, built into the budget, and reflected in the organizational structure you put in place eighteen months ago.

Now ask yourself a harder question: which assumptions inside that strategy have no one tested?

Not the assumptions you argued over in the planning retreat. Those are the visible ones, the ones that got challenged, refined, and either validated or discarded. The dangerous assumptions are the ones that never came up, not because they are unimportant, but because they feel so obviously true that no one thought to question them. They are embedded in how you define your market, how you assess your competition, how you interpret customer behavior, and how you measure success. They have been present so long that they have become invisible.

Every major strategic failure in this book traces back to that kind of assumption. Blockbuster assumed the physical store was the fundamental unit of the home video business. Kodak assumed that the film revenue model would give management time to manage the transition to digital. Intel, before Andy Grove named what was happening, assumed that the DRAM memory business was still the business worth defending. None of those assumptions was stupid. Each of them was reasonable given the information available at the time. Each of them was wrong in a way that became obvious only after the damage was done.

The difference between a firm that catches its untested assumptions early and one that discovers them in a bankruptcy filing is not intelligence. It is architecture. The firms that catch them have built cognitive structures, frameworks, that force the right questions before the wrong answers compound into irreversible decisions. The firms that do not are flying on instruments that were calibrated for a different sky.

That is what this book is about.

---

---

## What a Framework Actually Does

The word “framework” gets used loosely. Consultants apply it to slide decks. Academics apply it to theoretical models. Executives apply it to anything that has boxes and arrows. We use it precisely.

A framework is a cognitive structure that makes visible what is otherwise invisible: the forces shaping a market, the distortions warping a leadership team’s judgment, the characteristics separating a firm that dominates its ecosystem from one that merely competes inside it. A well-built framework does not describe a situation. It demands that you act on what it reveals.

The science behind that demand is real. The human eye constructs a structural map of a framework before language engages. Geometry communicates logic before the viewer reads a label. A circle implies cyclicity. A triangle implies hierarchy. A well-chosen word activates prior knowledge and accelerates comprehension in ways that paragraphs of explanation cannot match. Bruce Henderson understood this when he named four quadrants: Stars, Cash Cows, Question Marks, and Dogs. Four words. Fifty years of competitive advantage for the firms that applied them.

We have spent four decades building frameworks for Fortune 500 leadership teams across six continents. The pattern that holds across every engagement: firms that win do not have better information than firms that lose. They have better structures for converting information into committed action. The framework is the structure. Strategy without one is intuition dressed as analysis.

### **A note on the word “better”**

*Throughout this book, we refer to better practices rather than best practices. We say “better” because no practice is ever truly best, and the assumption that it is closes the door on the improvement that would make it better still. The firms in these chapters did not find the best approach. They found a better one than their competitors had, and then found a better one than that.*

---

## The Journey Ahead

This book delivers twelve frameworks for strategy formulation. Each chapter hands you a tool, shows it working in the field, and gives you a diagnostic to apply to your own firm before you reach the closing questions. The chapters build on each other, but each stands alone. If you face an immediate ecosystem question, start with Chapter 3. If your leadership team is making decisions that do not match the quality of your information, start with Chapter 4.

---

---

Here is the arc:

Chapter	What It Gives You
<b>Chapter 1: Assumptions and Decisions</b>	Every strategic initiative rests on assumptions that no one has tested against each other. This framework decomposes any initiative into seven components, surfaces the hidden divergences before execution begins, and converts alignment from a feeling into a fact.
<b>Chapter 2: Ecosystem Dominators</b>	Twelve characteristics define whether a firm rules its market or merely competes within it. A self-assessment shows you exactly where your gaps are and where a competitor is most likely to attack.
<b>Chapter 3: Strategic Distortions</b>	Nine cognitive traps cause leadership teams to misread their competitive situation. You will recognize several of them in decisions your firm made in the past three years. That recognition is the beginning of the antidote.
<b>Chapter 4: Valuation Roadmapping</b>	Valuation is not a financial outcome. It is a strategic variable. This framework shows how the choices you make in the next eighteen months compound into the valuation your firm will carry into its next transaction or capital raise.
<b>Chapter 5: Strategic Change</b>	Twelve dimensions determine whether a change initiative succeeds or stalls. Most change programs underinvest in nine of them and overinvest in three. This chapter shows you which are which.
<b>Chapter 6: Transformation Success</b>	The difference between a transformation and a reorganization is whether the firm's performance curve bends permanently upward. This framework identifies the conditions that bend it.
<b>Chapter 7: 10-Variable Organization</b>	Organizational design is not an HR function. It is a strategic weapon. Ten variables determine whether a structure amplifies a strategy or absorbs it. Most firms have misconfigured at least three.
<b>Chapter 8: AI Maturity Model</b>	Artificial intelligence is not a technology investment. It is a competitive repositioning. This framework maps the maturity curve and shows where most firms actually stand versus where they believe they stand.
<b>Chapter 9: Trade Policy Resilience</b>	Trade policy is now a first-order strategic variable, not a regulatory compliance matter. This framework builds resilience into supply chains, market strategies, and operational structures before the next policy shift arrives.

---

Chapter	What It Gives You
<b>Chapter 10: Supply Chain Continuity</b>	Ten recovery capabilities determine whether a supply chain disruption becomes a competitive setback or a competitive advantage. Most firms have built fewer than four of them deliberately.
<b>Chapter 11: To Pivot or Not to Pivot</b>	The pivot decision is among the most consequential a CEO faces. This framework distinguishes a genuine strategic inflection point from a bad quarter dressed up as one.
<b>Conclusion: Pulling It All Together</b>	The twelve frameworks operate as a system, not a library. The conclusion shows how they interlock and how a leadership team can sequence them for maximum compounding effect.

**How to Read This Book**

Every chapter follows the same architecture. An opening scene puts a named executive inside a real decision with real stakes. A bridge names the framework and states the argument. The framework is defined in full before the evidence appears. Cases show it working and show what happens when it is absent. A diagnostic tool gives you a structure to apply to your own firm immediately. CEO implications frame the Monday-morning question. Closing questions invite you to push on your own untested assumptions before the next chapter does it for you.

Read it the way you would run a strategic planning session: with a pen, a skeptical eye toward your own organization, and a willingness to name the assumption in the room that no one else has named yet.

The frameworks in this book will not make your decisions for you. No framework does that. What they will do is make the right questions unavoidable. In our experience, that is most of the work.

**A note on who this book is for**

*We wrote this book for CEOs, board directors, and the senior leaders who advise them. The frameworks apply equally to publicly traded firms and private ones, to large enterprises and growth-stage businesses, to established categories and emerging ones. The cases span industries deliberately: a dominator in audio editing software sits alongside a dominator in semiconductor lithography because the twelve characteristics of dominance operate with equal force in both. Scale changes the numbers. The logic does not change.*

---

## **The Assumption in Your Strategy Right Now**

Return to the question that opened this introduction: which assumptions inside your strategy have no one tested?

You may have named one or two as you read. That is the right instinct. The ones that come to mind first are the ones closest to the surface, and they are worth examining. But the ones that matter most are still invisible to you. They are not hiding because they are secret. They are invisible because they feel like facts.

A market definition is an assumption. A competitor map is an assumption. A theory of customer behavior is an assumption. A belief about which organizational capability is the source of competitive advantage is an assumption. Every one of them was chosen, at some point, from among alternatives that were not chosen. The alternatives did not disappear. They are still out there, available to a competitor who chose differently, or who will choose differently now that the market has moved.

The frameworks in this book are built to find those assumptions before a competitor does. Each one applies pressure to a different part of your strategy: your market position, your leadership team's cognition, your organizational architecture, your supply chain, your response to technology and policy shifts. Together, they constitute a systematic stress test of the strategy you walked in with.

Some of what you find will be solid. Good. Know that it is solid, and know why. Some of what you find will require a hard conversation with your leadership team or your board. Better to have that conversation now, with this book in your hand, than later, with a competitor already moving.

The firms that win do not have fewer untested assumptions than the firms that lose. They test theirs faster.

Start here.

---