

SCHOOL OF  
STOLEN  
GENIUS

DRUMS  
SHZFSHD

***STRATEGY***

***IN AN AGE***

***OF UNCERTAINTY***

**GENIUS  
STEALS**

**A NOMADIC  
CREATIVE  
CONSULTANCY**



***@FARIS***

***@ROSIEYAKOB***

# GENIUS/STEALS IS A NOMADIC CREATIVE CONSULTANCY HELPING CLIENTS LIKE THESE SOLVE BUSINESS PROBLEMS USING CREATIVITY





SORRY :(

***NO ONE KNOWS EXACTLY  
WHAT'S GOING TO HAPPEN.***



***OR HOW THAT WILL AFFECT YOU,  
YOUR BUSINESS, OR THE  
CONTEXT IT EXISTS IN.***



***WE CAN'T TELL YOU WHAT TO DO***



***BUT WE CAN HELP YOU RE-FRAME  
HOW TO THINK ABOUT IT.***

GIF: ÉTIENNE JACOB





HERE'S HOW THIS IS GOING TO GO...

- 1. Strategy & Uncertainty**
- 2. The Opportunity**
- 3. Uncertainty Mindset**





PART ONE

# STRATEGY & UNCERTAINTY





# APRIL 2020: EVERYONE'S TALKING ABOUT UNCERTAINTY

**“We do not know how this crisis will ultimately end, including how long it will last, how much economic damage it will do, or how fast or slow the recovery will be.”**

**“We don't know exactly what the future will hold – but at a minimum, we assume that it will include a bad recession combined with some kind of financial stress similar to the global financial crisis of 2008. “**

SOURCE: JP MORGAN CHASE





**STRATEGY is:**

***MAKING INFORMED DECISIONS***

ABOUT

***HOW TO ALLOCATE RESOURCES***

TO

***ACHIEVE OBJECTIVES***

IN

***COMPETITIVE SITUATIONS***

OF

**UNCERTAINTY**



# LET'S TALK ABOUT RISK AND HOW IT RELATES TO UNCERTAINTY.

## **RISKS**

RISKS ARE KNOWN  
UNKNOWNNS: YOU KNOW  
WHAT MIGHT HAPPEN.

## **UNCERTAINTY**

UNCERTAINTIES ARE UNKNOWN  
UNKNOWNNS, THERE'S NO WAY  
TO EXPECT THAT THAT COULD  
HAPPEN.



# UNCERTAINTY CREATES DISCOUNTING

DISCOUNTING FUTURE REVENUES AND COSTS IS THE MAIN TOOL USED TO ASSESS INVESTMENTS.



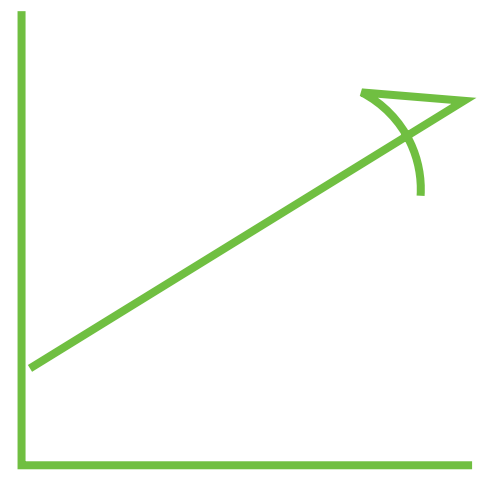
CASH FLOW TOMORROW IS NOT WORTH AS MUCH AS IT IS TODAY. (THINK ABOUT INFLATION)



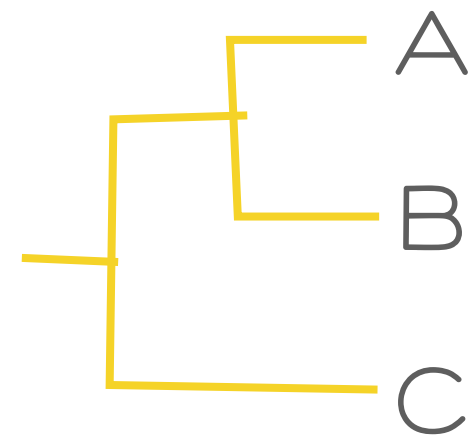
MEANING, CASH FLOW IN THE FUTURE CARRIES A RISK THAT'S NOT PRESENT TODAY.



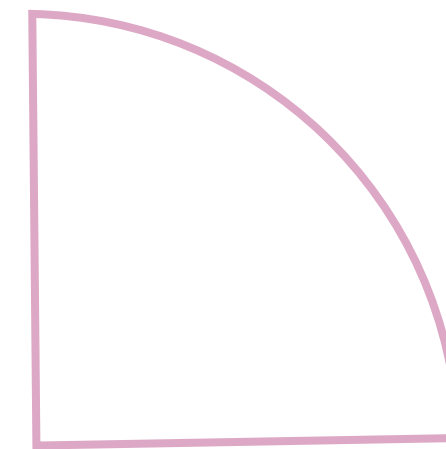
# WE HAVE TO UPDATE STRATEGIES BASED ON RESIDUAL LEVEL OF UNCERTAINTY



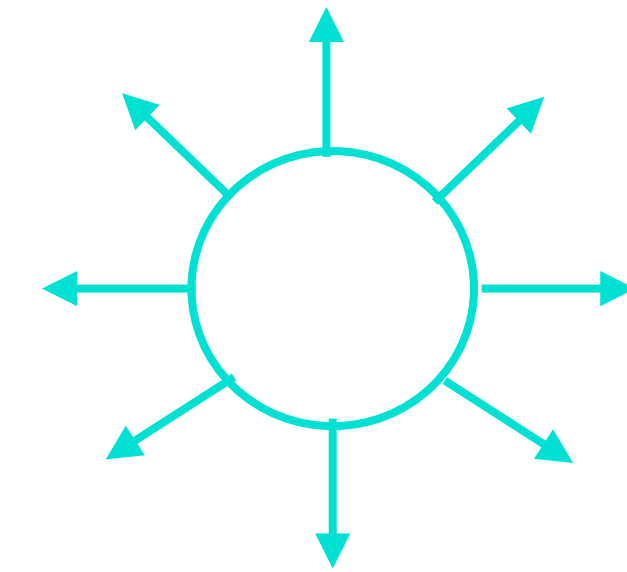
“A CLEAR ENOUGH FUTURE”



“ALTERNATIVE FUTURES”



“A RANGE OF FUTURES”



“TRUE AMBIGUITY”

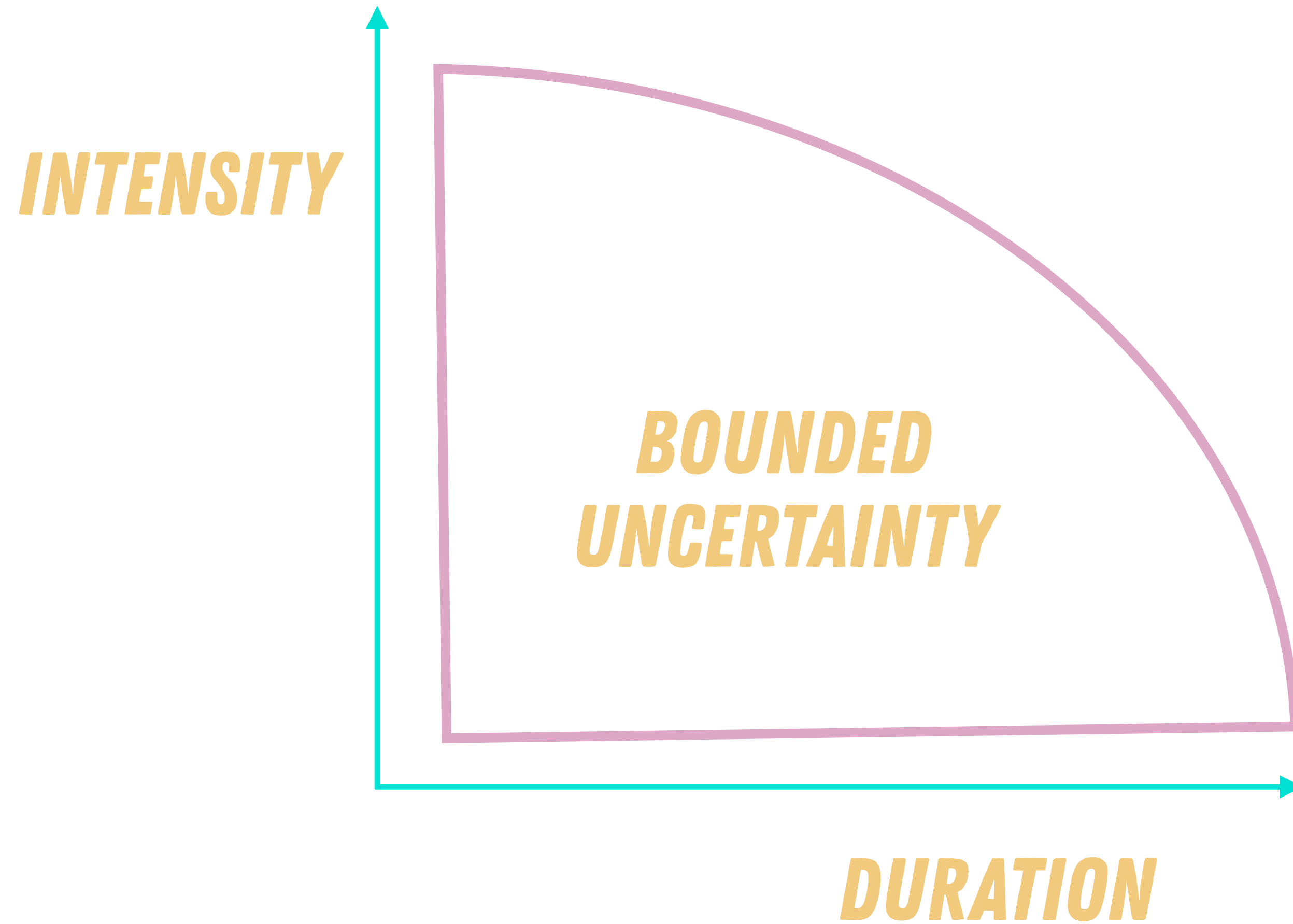


A black and white photograph of a man in a suit holding a barbell. He is looking towards a target on the left. The target has concentric circles. The man is in profile, holding the barbell with both hands. The background is a textured wall.

***STRATEGY HELPS TURN  
UNCERTAINTY INTO RISK***



WE CAN HELP WITH UNCERTAINTY BY APPLYING OUR OWN BOUNDARIES.



THIS IS WHAT WE CALL 'SCENARIO PLANNING'



# COVID STRATEGY SCENARIO PLANNING WORKSHEET

TRIAGE	DIAGNOSIS	SCENARIOS	considerations & analysis									
<p><i>What emergency actions must we take to care for our employees &amp; customers?</i></p>	<p><i>Business: supply and demand volatility, short and medium term, operations</i></p>	<p><i>Remember: Boundarize uncertainty by using available resources to weight each scenario with the likelihood you think it will happen</i></p>			___ months							
			<p><i>What brand actions could usefully contribute?</i></p>	<p><i>Brand: what role should it play now and soon?</i></p>	<p><b>PERCENTAGE LIKELIHOOD</b></p> <p>_____</p> <p><b>3 MO      6 MO      18 MO</b></p>	<p>survival</p> <p><i>How long can we survive with the current resources available to us? How long can we go without making money?</i></p>	<p>___ months</p>					
								<p><i>How will cash flow be managed?</i></p>	<p><i>Bottom Line: What is the cash runway?</i></p>	<p><b>LOCKDOWN DISRUPTION</b></p> <p><i>Move forward with analyzing your two most likely scenarios</i></p>	<p>competitive positioning</p> <p><i>What's our position compared to competitors?</i></p> <p><i>How might our competitors act? (Are there any clues from how they've acted before?)</i></p>	<p>___ months</p>
COMMITMENTS		actions for approval										
FIRM	FLEXIBLE	PULL	PAUSE	PIVOT	PUSH							



# BUT... IT'S NOT APRIL ANYMORE; IT'S SEPTEMBER

FINANCE

## **Jamie Dimon's warning for the U.S. economy — nobody knows what comes next**

- "If you look at the **base case**, an **adverse case**, an **extremely adverse case**, they're all possible and we're just guessing at the probabilities of those things; that's all we're doing
- "We simply don't know and, by the way, we're wasting time guessing."  
- Jamie Dimon, CEO of Chase, biggest bank in USA



SOURCE: JP MORGAN CHASE





# 2021 PLANNING IS DUE TO BEGIN; SO WHAT DO WE DO??

2020 WAS AN UNCERTAIN YEAR, IN WHICH MOST PLANS HAD TO CHANGE — PROBABLY MORE THAN ONCE.



**Bill Gates thinks the COVID-19 pandemic won't be over until the end of 2021, even for the world's richest countries**

SPOILER ALERT: YOU CAN REASONABLY EXPECT THE SAME IN 2021.

***THINGS AREN'T ANY CLEARER...  
SO, WHAT NOW?***



PART TWO

# THE OPPORTUNITY





YOU MAY HAVE HEARD THAT THE CHINESE WORD FOR CRISIS HAS  
A HIDDEN MEANING INSIDE

危机

“danger”

“opportunity”

“THE CHINESE WORD FOR CRISIS CARRIES TWO  
ELEMENTS: DANGER AND OPPORTUNITY.”





# IT'S A WIDESPREAD PUBLIC MISPERCEPTION (IN THE ENGLISH-SPEAKING WORLD)

## 危机

The first character wēi (危) does indeed mean "dangerous" or "precarious", but the second, character jī (机; 機) does not mean "opportunity" in isolation, but something more like "**change point**".

The confusion likely arises from the fact that the character for jī is a component of the Chinese word for "opportunity", jīhuì.







"Chaos breeds geniuses.  
It offers something to be a genius about."

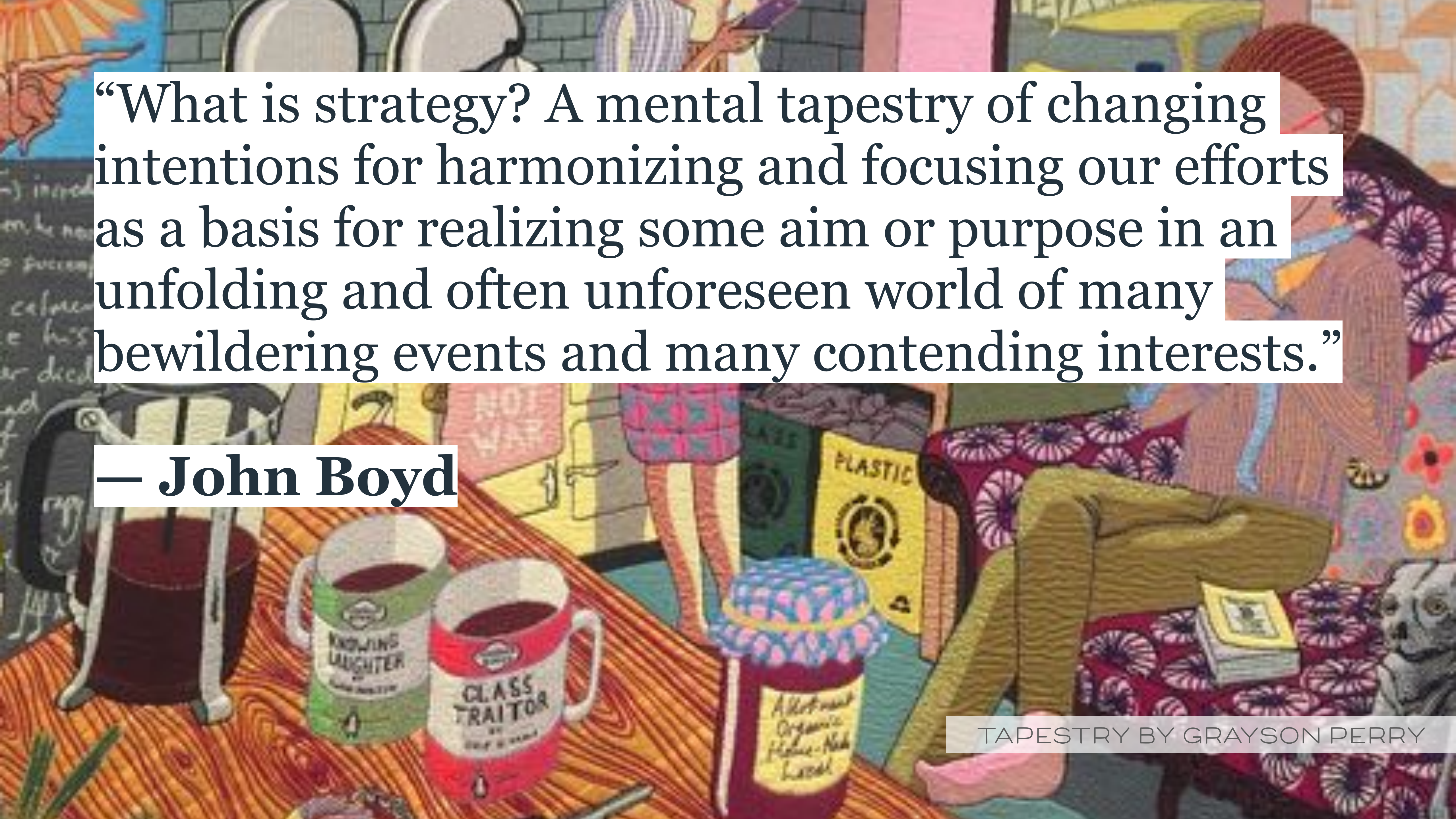
— **B. F. Skinner**



PART THREE

# STRATEGY FOR UNCERTAINTY



A vibrant, multi-colored tapestry by Grayson Perry. The central focus is a picnic scene on a wooden table with a striped tablecloth. Two mugs are present: a green one with the text 'KNOWING LAUGHTER' and a red one with 'GLASS TRAITOR'. Next to them is a purple jar with a floral lid and a yellow label that reads 'Allotment Organic Flowers - Herb Lunch'. In the background, a person's legs in a pink skirt and a dog are visible. To the right, a green sweater and a stack of money are on a patterned surface. The overall style is detailed and satirical.

“What is strategy? A mental tapestry of changing intentions for harmonizing and focusing our efforts as a basis for realizing some aim or purpose in an unfolding and often unforeseen world of many bewildering events and many contending interests.”

— **John Boyd**

TAPESTRY BY GRAYSON PERRY



# THERE ARE TWO WAYS TO MANAGE UNCERTAINTY

## ONE

by decreasing the amount  
of perceived risk

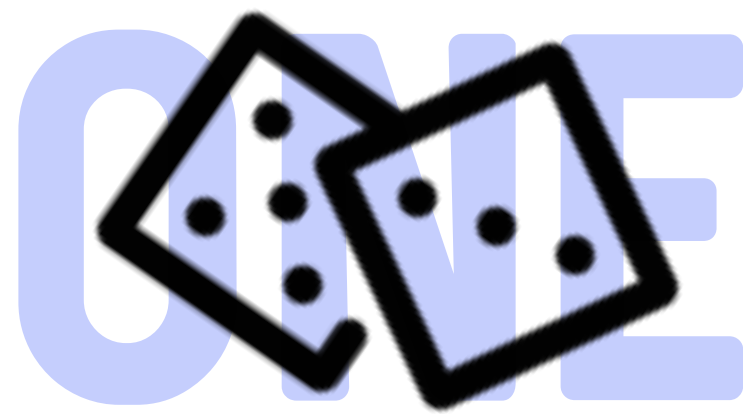
## TWO

by increasing our tolerance for  
and resilience to uncertainty.



# THERE ARE DIFFERENT KINDS OF UNCERTAINTY

**Expected  
Uncertainty**



**Stable Model**

**Unexpected  
Uncertainty**



**Model Changes**

**Volatility**



**Erratically**





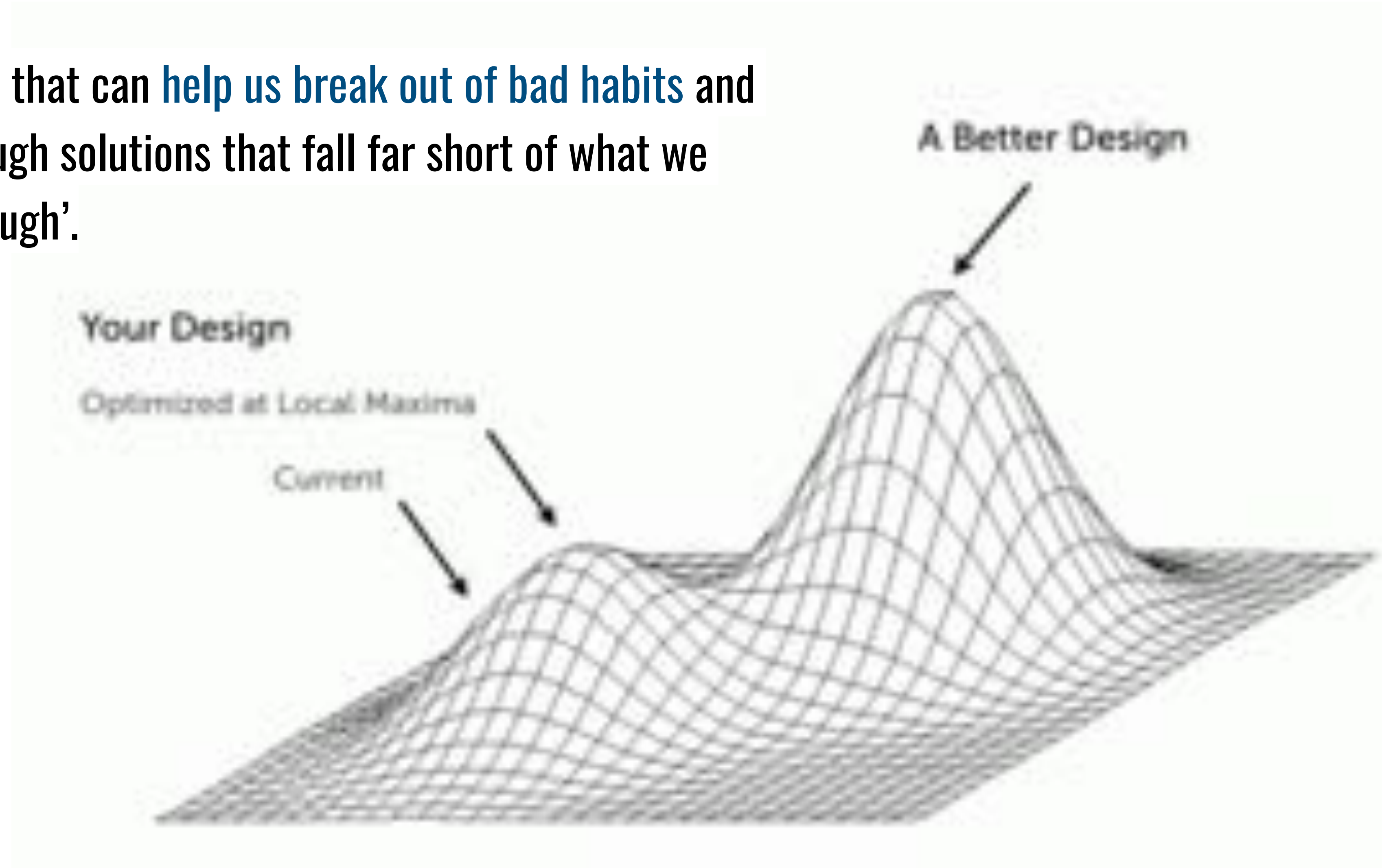
Our brain deals with unexpected uncertainty by increasing its learning rate. (Yes, really.)



Even though people rarely like change —  
except babies ;)

# Unexpected uncertainty can be very beneficial for organisms like us.

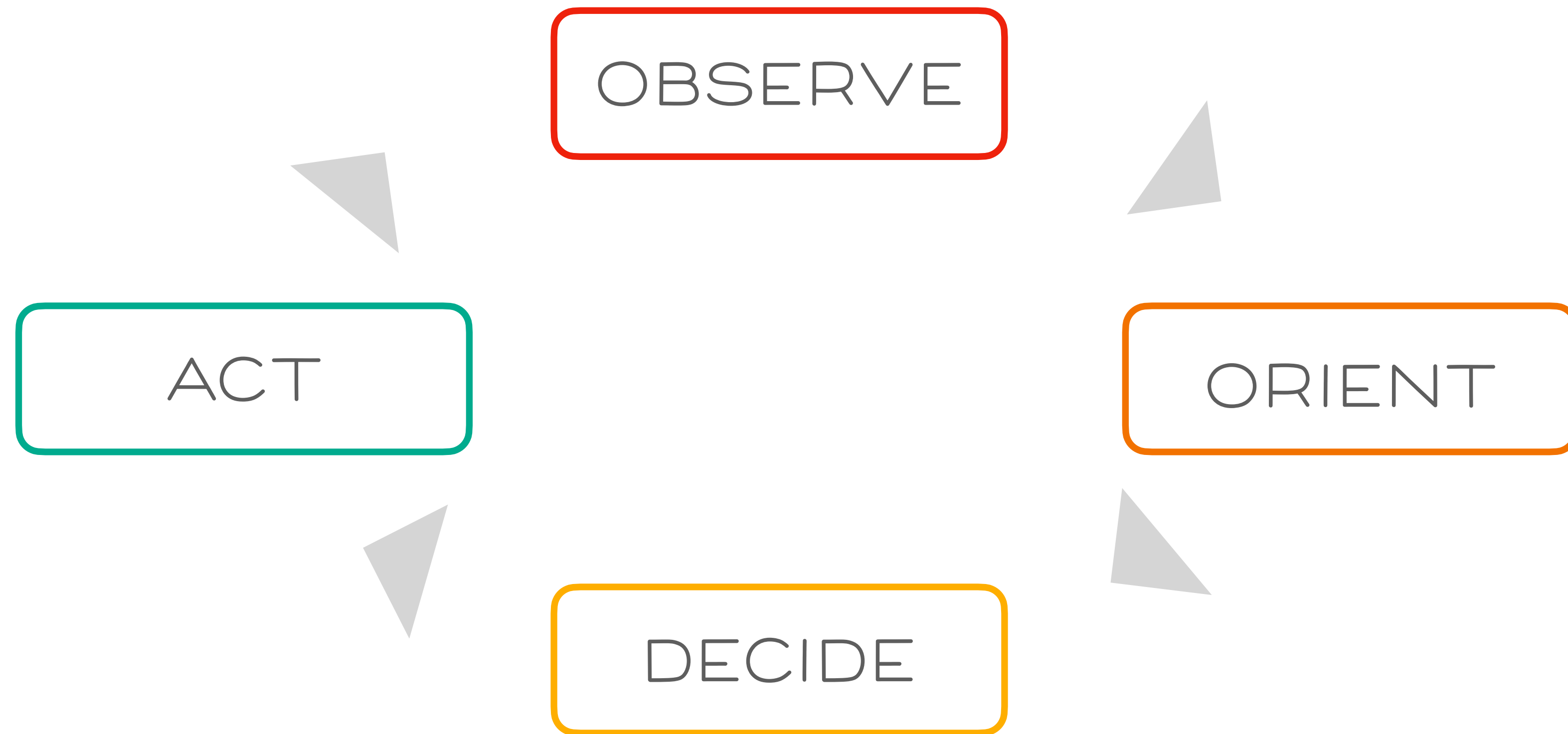
This is just the sort of uncertainty that can **help us break out of bad habits** and **escape 'local minima'** – good enough solutions that fall far short of what we might achieve by 'pushing on through'.







# THE OODA LOOP IS MILITARY STRATEGY FOR RAPID DECISIONS





THERE ARE TWO KINDS OF ACTIONS

**EPISTEMIC**

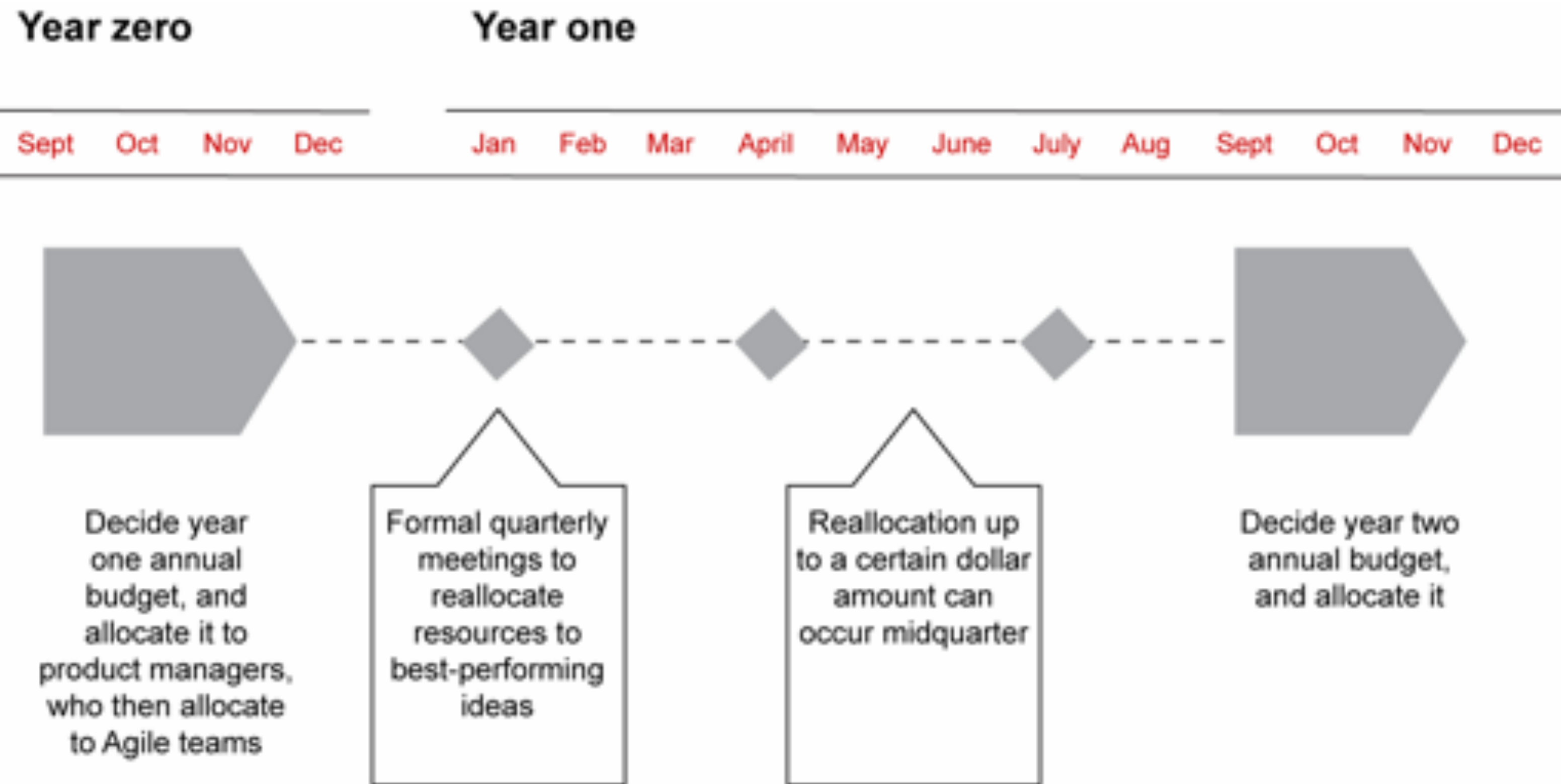
knowledge-seeking

**PRAGMATIC**

problem-solving



# IT'S TIME TO BE MORE AGILE IN BOTH BUDGETING & PLANNING



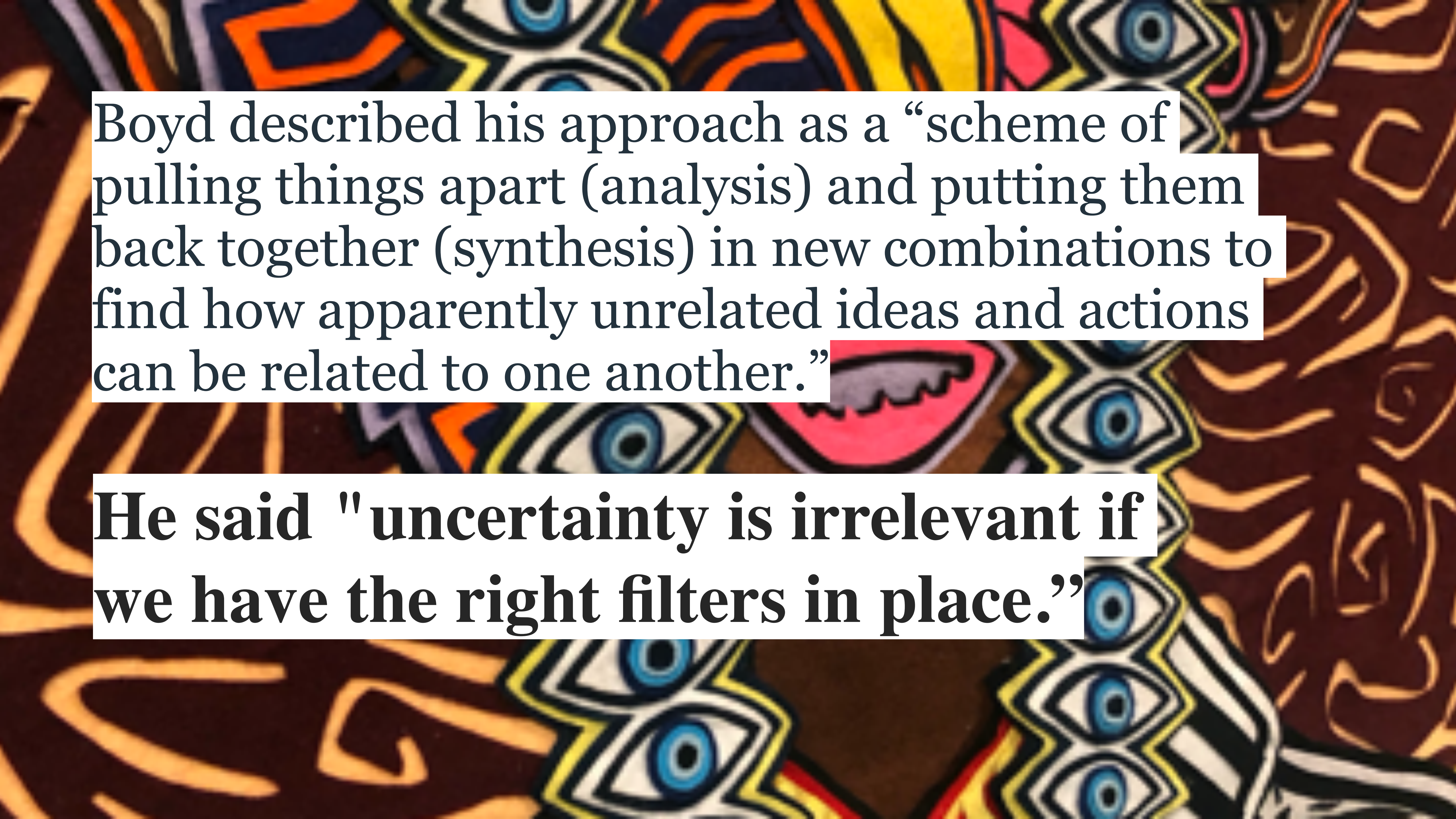
[HTTPS://WWW.BAIN.COM/INSIGHTS/HOW-TO-PLAN-AND-BUDGET-FOR-AGILE-AT-SCALE/](https://www.bain.com/insights/how-to-plan-and-budget-for-agile-at-scale/)

Source: Bain & Company

Google successfully employs aspects of a **venture capitalist approach to funding.**

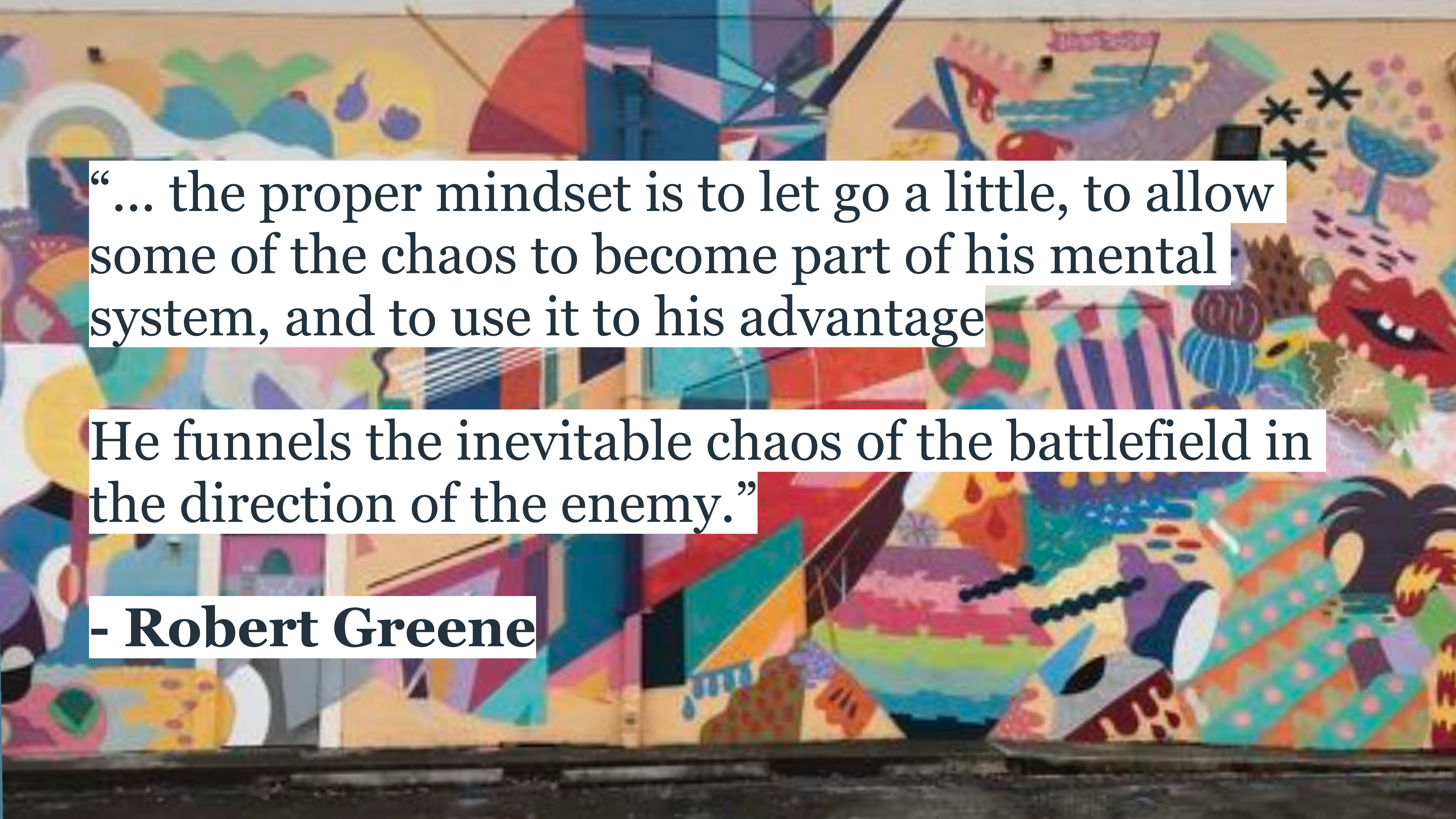
“In addition to making **quarterly allocations** to the initiatives making the best progress on their annual goals, leaders **set aside pools of funds for** (good) ideas that bubble up between **quarterly budget meetings.**”





Boyd described his approach as a “scheme of pulling things apart (analysis) and putting them back together (synthesis) in new combinations to find how apparently unrelated ideas and actions can be related to one another.”

**He said "uncertainty is irrelevant if we have the right filters in place."**



“... the proper mindset is to let go a little, to allow some of the chaos to become part of his mental system, and to use it to his advantage

He funnels the inevitable chaos of the battlefield in the direction of the enemy.”

**- Robert Greene**

# DON'T BE A PRISONER OF PREFERENCES

Interrogate your own opinions. Get out of your comfort zone. Remind yourself (ego) that it's OK to be wrong. You can only ever make decisions with the best information you have at the time. And you're only as young as the last time you changed your mind.

- INTEGRATIVE STRATEGY MAP -

Help People Live Better  
with EXPERIENCES



Inform and Entertain  
through **STORIES**

DO THINGS --> TELL PEOPLE






# FOUR WAYS TO RESPOND

- 1. Take Small, Epistemic Actions**
- 2. Don't Wait for The Playbook**
- 3. Clarify Goals & Trade Offs**
- 4. Reframe Uncertainty**







“The most precious thing in life is its uncertainty.”

- Yoshida Kenkō, a 14th-century Buddhist monk.

...as long as you are prepared for it ;)

THANKS!

ASK US ANYTHING.  
WE DARE YOU.

SUBSCRIBE: [GENIUSSTEALS.CO/SUBSCRIBE](https://geniussteals.co/subscribe)

LEARN & PLAY: [SCHOOLOFSTOLENGENI.US](https://schoolofstolengeni.us)

SHOOT US A NOTE: [HELLO@GENIUSSTEALS.CO](mailto:hello@geniussteals.co)

