Future Point of View

THRIVING IN THE DIGITAL TRANSFORMATION:
LEADING THROUGH DISRUPTION

DIGITAL
PHILOSOPHER
(and AI artist)

FPOV

CYCLE OF MARKET DISRUPTION

6. Customers reap benefits.

1. Newcomer builds better mousetrap.

5. Industry adapts and improves.

Artificial Intelligence

2. Industry ignores newcomer.

4. Industry bullies newcomer.

3. Brand recognition grows.

We have seen this cycle in many industries:

- Travel
- Music
- Photography/Art
- Taxi/Ridesharing
- Banking/Financial
- Insurance
- *Electrification!*

Disruption is now a strategy

Disruption is a blessing or a curse depending <u>wholly</u> on your leadership capabilities!
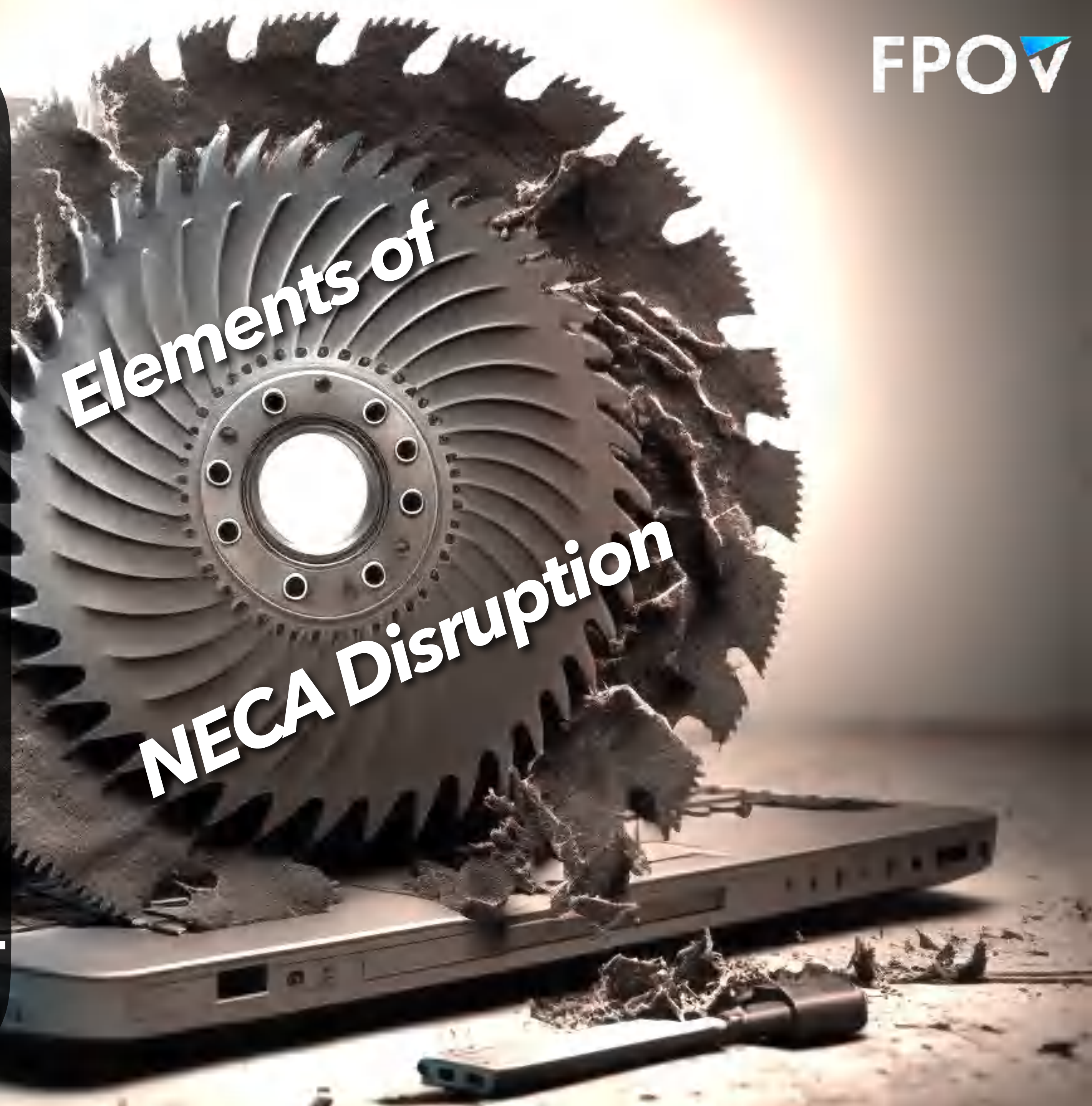
DISRUPTION

Generational Shifts

Digital Transformation

Workforce Changes

Product Innovations

Market Need Changes

Regulatory Changes

New Risk Areas

New Competitors

Customer Expectations

High Beam Leadership

Elements of

NECA Disruption
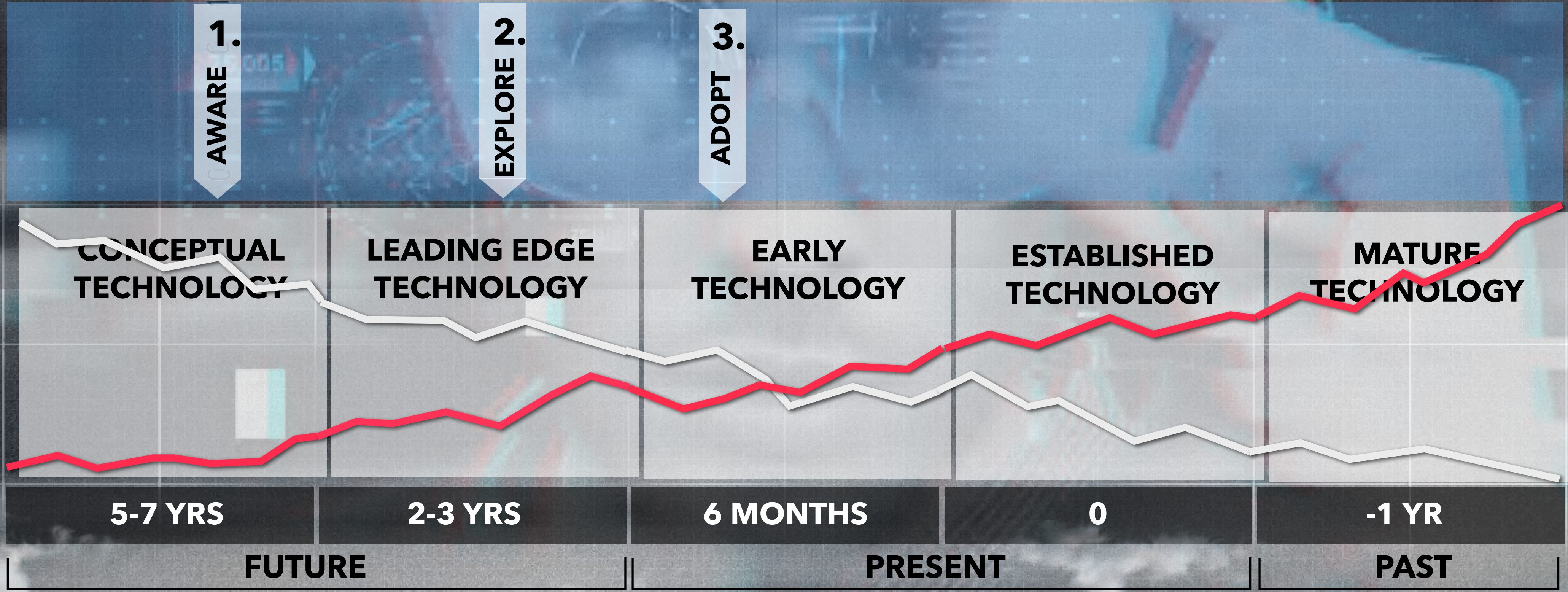
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High Beam: The Power of Pre-Emptive Vision

RIVERS OF INFORMATION

TIMING OF ACTION

Winning Firms

1. AWARE

2. EXPLORE

3. ADOPT

MARKET REWARD

CONCEPTUAL TECHNOLOGY	LEADING EDGE TECHNOLOGY	EARLY TECHNOLOGY	ESTABLISHED TECHNOLOGY	MATURE TECHNOLOGY

TIMING ADVANTAGE

5-7 YRS	2-3 YRS	6 MONTHS	0	-1 YR

FUTURE	PRESENT	PAST

HIGH BEAM + RIVERS OF INFORMATION = *TWO YEAR LEAD*

FIFTY YEARS OF HUMALOGY TRANSFORMATION

YEAR 2000 - 2050
The Digital Assimilation Stage 2020-2035

Web 1.0 - Connected Organizations - Dial In
Websites & Search • Digital Marketing • eCommerce

Web 2.0 - Connected People - 3G
Social Technologies • Media • Networking Communication

Web 3.0 - Connected Things - 5G
Smart Devices • IoT & M2M • Ambient Computing Mesh

Web 4.0 - Virtual Intelligence - *8G?*
AI, ML, DL Superpowers • Ambient Intelligence Mesh

Web 5.0 - Augmented Capabilities (Centaur)
Wearables/Implantables • Transhumanism

FPO

FIFTY YEARS OF DIGITAL ASSIMILATION

Web 1.0 - Connected Organizations - Dial In
Websites & Search • Digital Marketing • eCommerce

2000 THE TIPPING POINT (OF NO RETURN)

VIRUSES

Web 2.0 - Connected People - 3G
Social Technologies • Media • Networking Communication

2010

SOCIAL ENGINEERING

Web 3.0 - Connected Intelligent Machines - 5G
Smart Devices • IoT & M2M • Ambient Computing Mesh

2020

DEVICE TAKEOVER

Web 4.0 - Virtual Intelligence - *8G?*
AI, ML, DL Superpowers • Ambient Intelligence Mesh

2028

MI EXTORTION/CORRUPTION

Web 5.0 - Augmented Capabilities (Centaur)
Wearables/Implantables • Transhumanism

2045

AUGMENTATION EXTORTION/CONTROL

CYBER SECURITY RISK GROWS

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Generative AI

FPOv

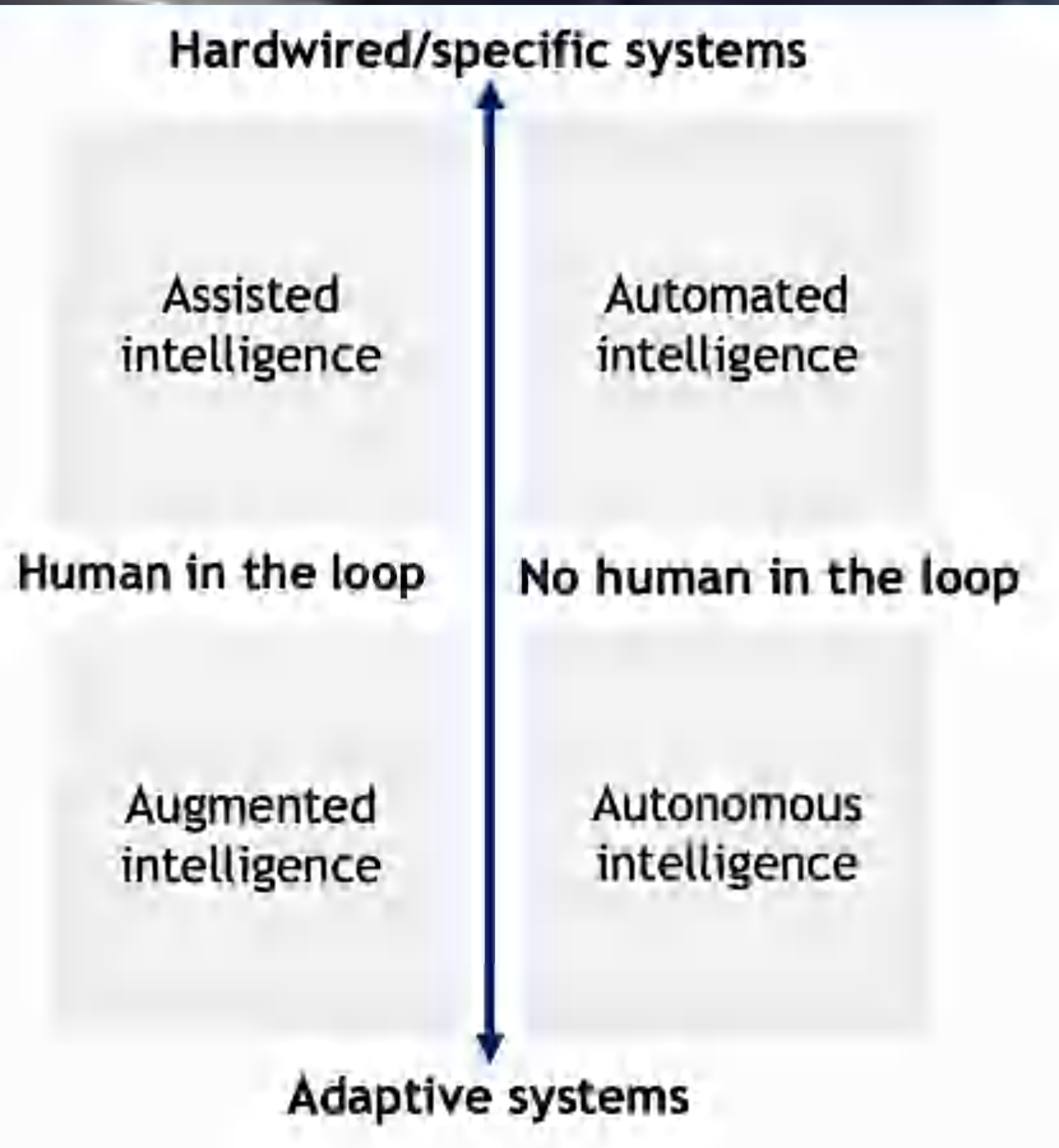**Generative AI**

A Humalogy collaboration that amplifies our abilities to create, invent, solve, and communicate.

This is a giant leap for humankind

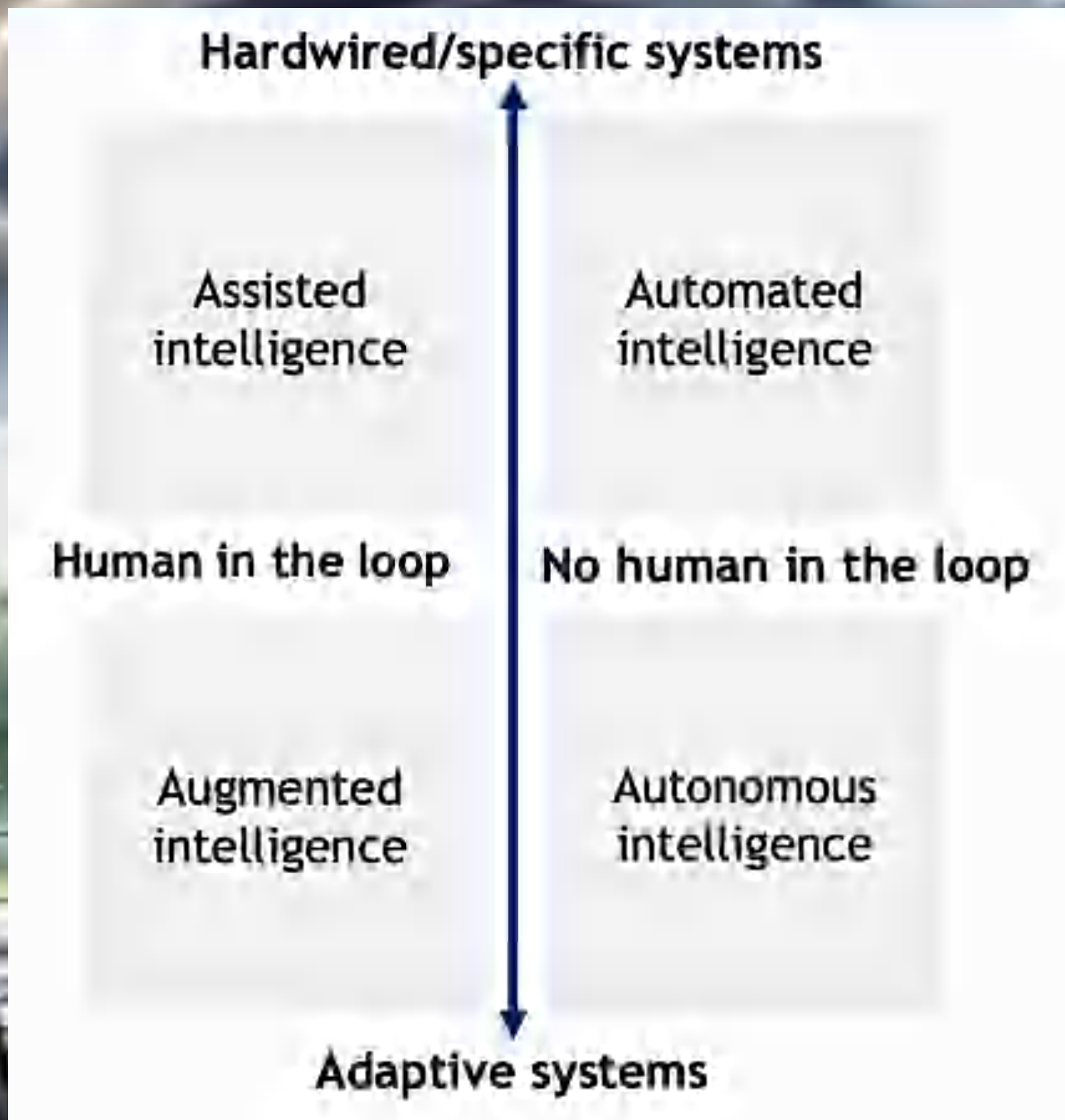FPO▼

Types of Intelligence:
Hybrid & Centaur

Hardwired/specific systems

| Assisted intelligence | Automated intelligence |

Human in the loop | No human in the loop

| Augmented intelligence | Autonomous intelligence |

Adaptive systems

FPOV

Types of Intelligence:
Hybrid & Centaur

Hardwired/specific systems

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Adaptive systems

Human Intelligence

- Flexible
- Emotion
- Interpersonal
- Innovative
- Gap Reasoning
- Linguistic
- Kinesthetic
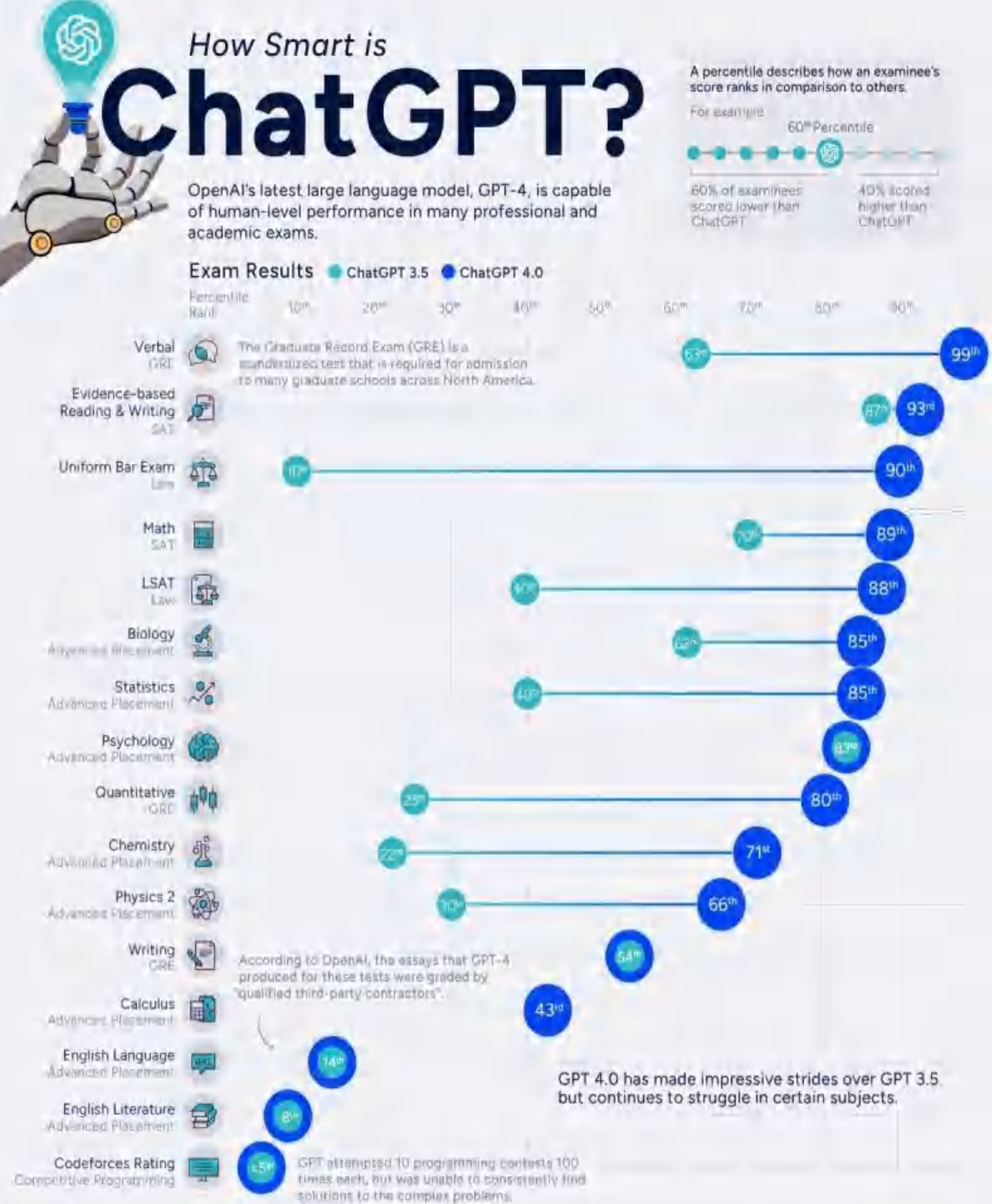
Hybrid Intelligence

Centaur

Machine Intelligence

- Rule follower
- Precise
- Predictable
- Efficient
- Scalable
- Communicative
- Forever

Collective Intelligence

- Worldwide
- Generationally Amplifying
- ProtoIntelligence

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How Smart is ChatGPT?

OpenAI's latest large language model, GPT-4, is capable of human-level performance in many professional and academic exams.

A percentile describes how an examinee's score ranks in comparison to others.

For example

60th Percentile

60% of examinees scored lower than ChatGPT

40% scored higher than ChatGPT

Exam Results — ChatGPT 3.5 · ChatGPT 4.0

Percentile Rank: 10th, 20th, 30th, 40th, 50th, 60th, 70th, 80th, 90th

- Verbal (GRE) — 63rd / 99th — The Graduate Record Exam (GRE) is a standardized test that is required for admission to many graduate schools across North America.
- Evidence-based Reading & Writing (SAT) — 87th / 93rd
- Uniform Bar Exam (Law) — 10th / 90th
- Math (SAT) — 70th / 89th
- LSAT (Law) — 40th / 88th
- Biology (Advanced Placement) — 62nd / 85th
- Statistics (Advanced Placement) — 40th / 85th
- Psychology (Advanced Placement) — 83rd
- Quantitative (GRE) — 25th / 80th
- Chemistry (Advanced Placement) — 22nd / 71st
- Physics 2 (Advanced Placement) — 30th / 66th
- Writing (GRE) — 54th
- Calculus (Advanced Placement) — 43rd
- English Language (Advanced Placement) — 14th
- English Literature (Advanced Placement) — 8th
- Codeforces Rating (Competitive Programming) — <5th

According to OpenAI, the essays that GPT-4 produced for these tests were graded by "qualified third-party contractors".

GPT 4.0 has made impressive strides over GPT 3.5 but continues to struggle in certain subjects.

GPT attempted 10 programming contests 100 times each, but was unable to consistently find solutions to the complex problems.

VISUAL CAPITALIST

Source: OpenAI (2023)
Note: Percentiles are based on the most recently available score distributions for test takers of each exam type.

Types of Intelligence:
Hybrid & Centaur

Human Intelligence	Hybrid Intelligence / Centaur	Machine Intelligence
• Flexible		• Rule follower
• Emotion		• Precise
• Interpersonal		• Predictable
• Innovative		• Efficient
• Gap Reasoning		• Scalable
• Linguistic		• Communicative
• Kinesthetic		• Forever

Collective Intelligence
- Worldwide
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Ambient Intelligence Backbone

FPO

Ambient Intelligence Backbone

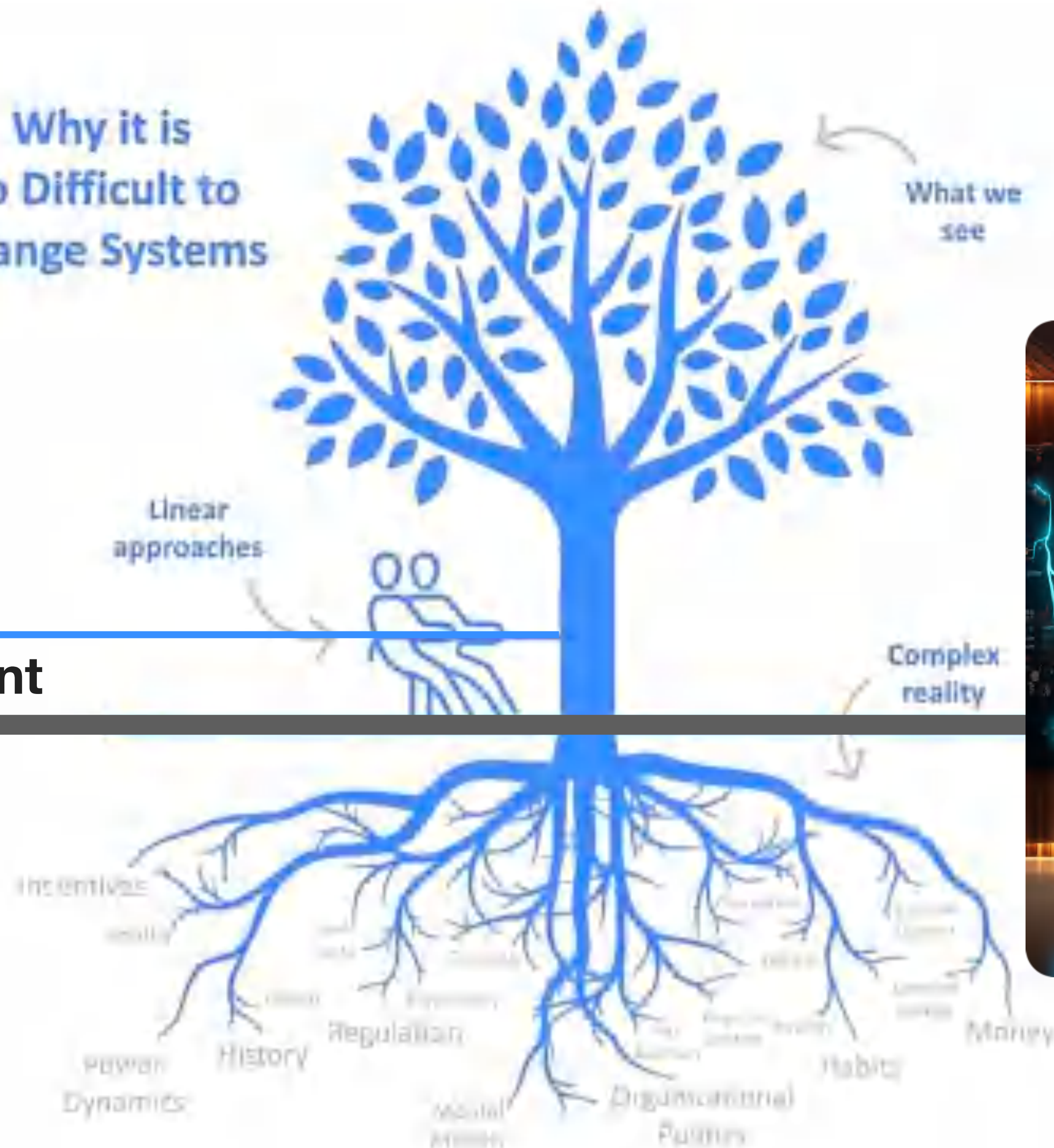"Nothing is so painful to the human mind as a great and sudden change.

Frankenstein
Author: Mary Shelley
Year: 1818

EVOLUTION FPOV

Why it is
so Difficult to
Change Systems

What we
see

Linear
approaches

Complex
reality

**Change
Management**

Incentives

Regulation

Power
Dynamics

History

Habits

Money

Organizational

FPOV EVOLUTION

Inspired Evolution
(Attracting Change)

What we see

Complex reality

Incentives

Regulation

Power Dynamics

History

Money

Habits

Organizational

Mental

Accepting Change vs. Choosing Evolution

The *friction recipe* is rarely just one ingredient…

- Don't like discomfort

- Don't have the resources or support

- Haven't experience the pain necessary to motivate change

- Do not see a need

- There is a payoff for the behavior

- Environment is holding them back or doesn't allow them to change

- Won't admit they were wrong or need to change

- Fear change - are afraid of failure

- Aren't responding well to input or criticism

- Like how things are done now

- It's political

Accepting Change vs. Choosing Evolution
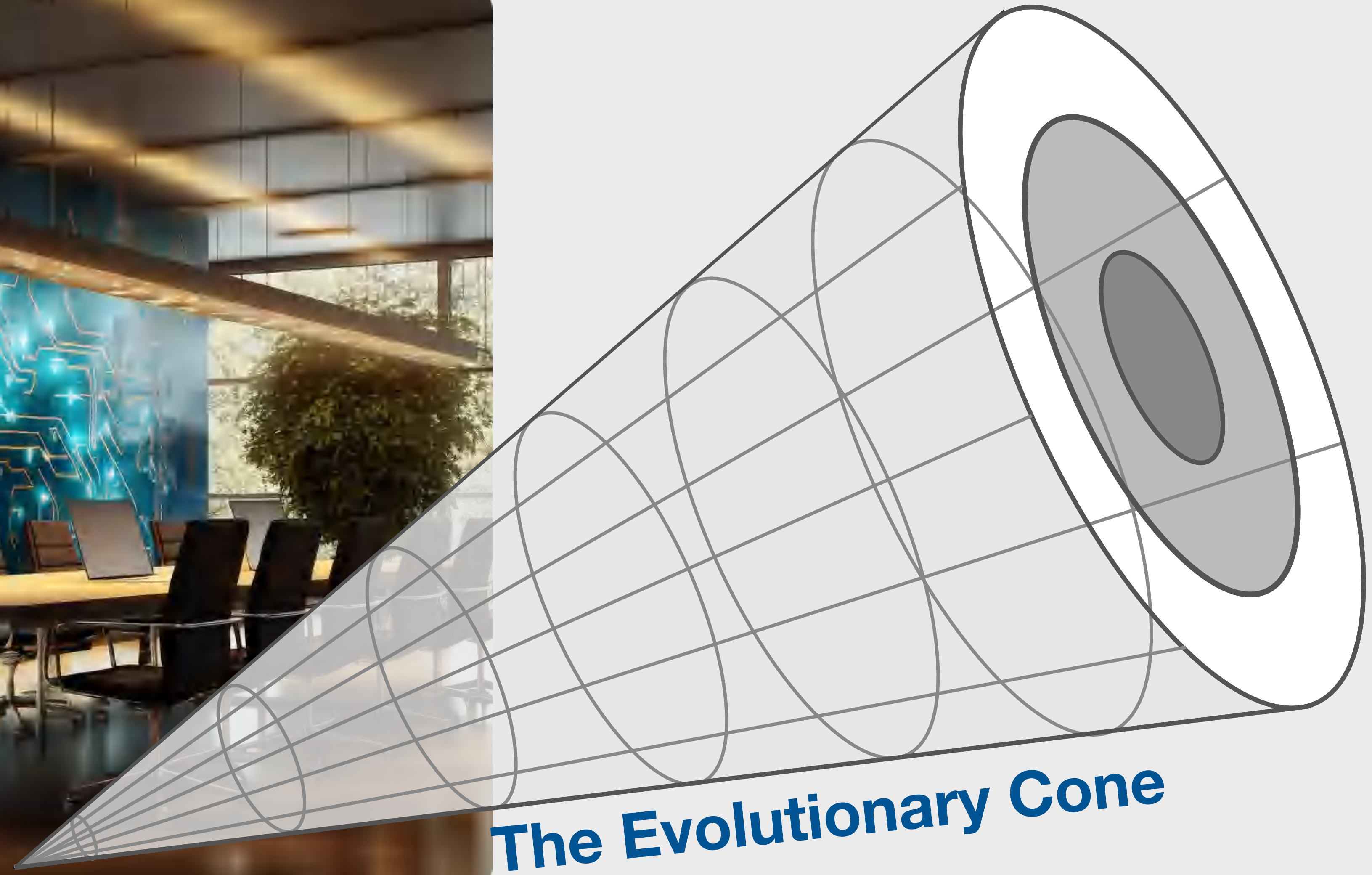The _friction recipe_ is rarely just one ingredient…

Accepting Change vs. Choosing Evolution
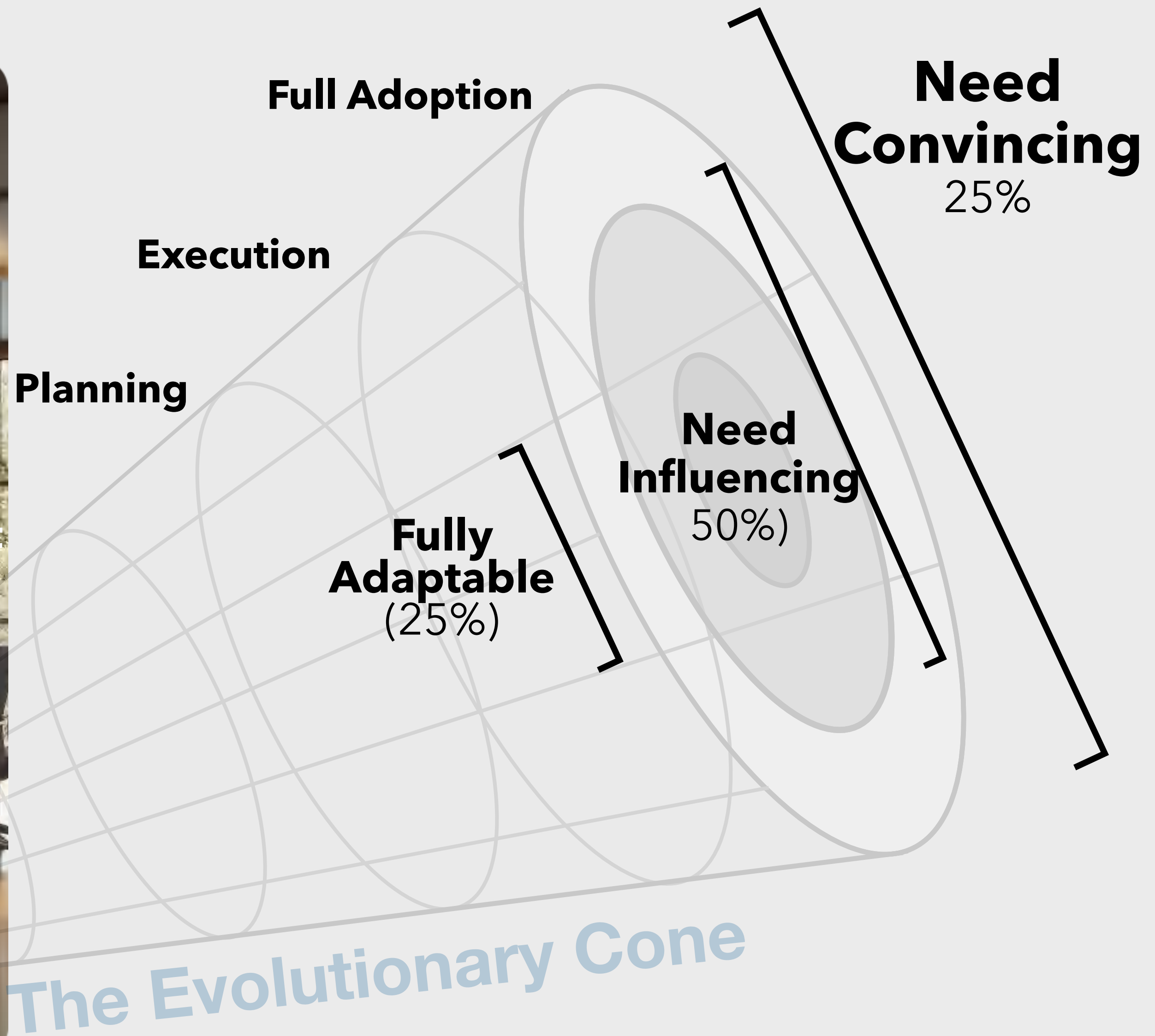
The _friction recipe_ is rarely just one ingredient…

Improving Velocity for the Long Term
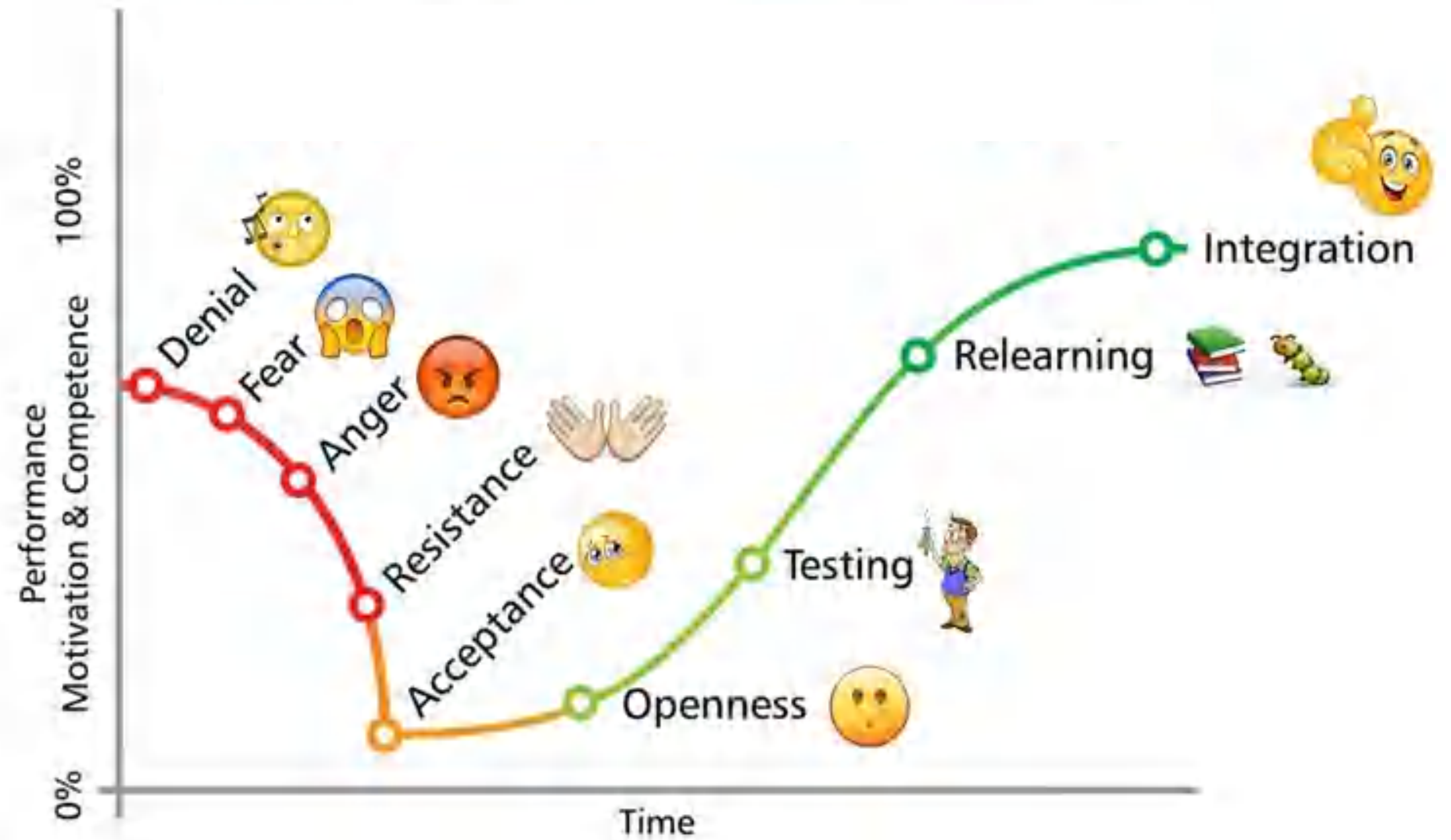
Inspired Evolution
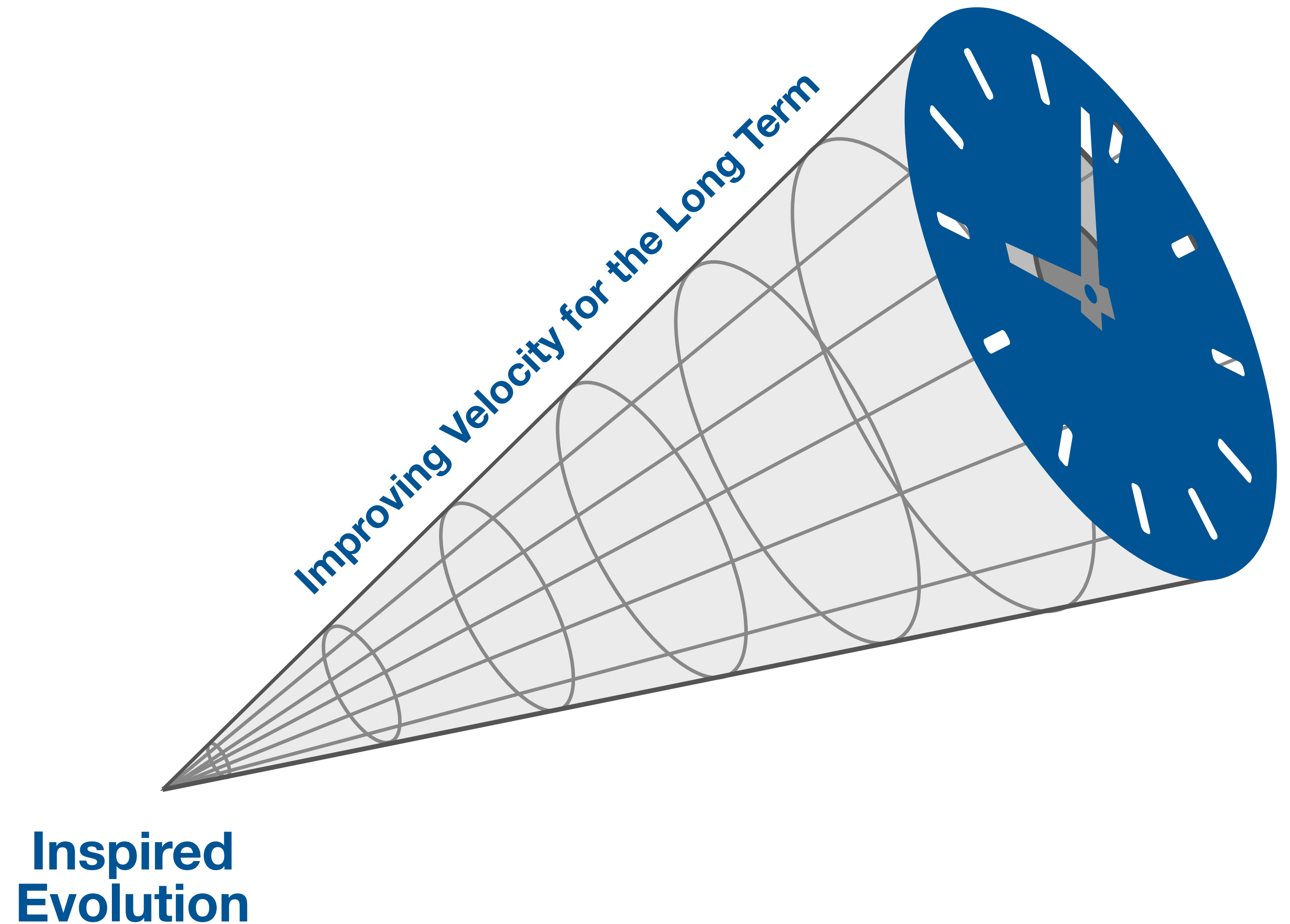
Inspiring Evolution: The Process

The Evolutionary Cone

Inspiring Evolution: The Process

Full Adoption

Execution

Planning

Alignment

Strategy

Innovation

Need Convincing
25%

Need Influencing
50%)

Fully Adaptable
(25%)

The Evolutionary Cone

FPOV
EVOLUTION

In order to make choices that will lead to a better future, <u>it helps to be aware of the forces at work in evolution</u>; after all it is through them that we will succeed or fail as a species.'

Mihaly Csikszentmihalyi, The Evolving Self

The largest opportunity for the electrification industry is move with velocity to evolve your business strategy and add new skills

This takes innovative technology partners, High Beam vision, and the courage to act

FPOV
FUTURE POINT OF VIEW