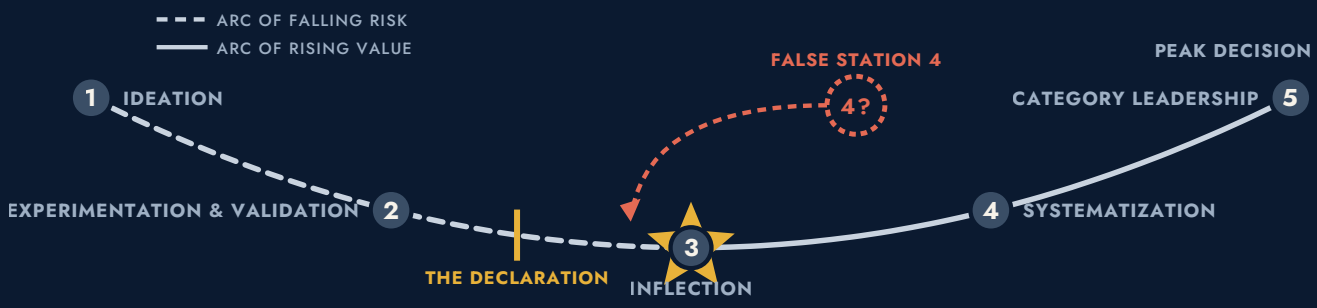
THE PENDULUM SERIES

A DIAGNOSIS

FALSE STATION 4

WORKBOOK

Find the earliest unfinished work before you build more machinery.



> It is a diagnosis, not a sixth Station.

Business or unit

Prepared by | **Started** | **Reviewed with**

Build it yourself from the books. Go faster with The Pendulum System: a 30-minute call, a mastermind group of business leaders at your Station, or a retreat or other event. thependulumsystem.com
Printable forms: pendulumseries.com/resources

FALSE STATION 4 · BEGIN HERE

Where this workbook starts

This workbook is for the owner who suspects the business has the size, team and systems of Station 4 while it sits on unfinished work from an earlier Station. It ends with the Station to finish.

THIS DIAGNOSIS

It is a diagnosis, not a sixth Station.

WHERE YOU ARE

A business with the size, team and systems of Station 4 sitting on unfinished work from an earlier Station. The owner hires, buys software and documents processes, and nothing moves, because the business is building systems for a promise it has not made.

HOW IT FEELS

Everything feels harder than it should. Your team seems incapable. Your initiatives stall. You blame execution when the problem is misdiagnosis.

HOW TO WORK IT

1. Answer the five questions with evidence. A worked example from the books comes first.
2. Walk the four routes in order. The first unfinished work names the Station to finish.
3. Plan the Reset, score the friction, then record the working diagnosis.
4. Bring the diagnosis and the plan to your next review, or to a call.

> Build it yourself from the books. Go faster with The Pendulum System: a 30-minute call, a mastermind group of business leaders at your Station, or a retreat or other event. thependulumsystem.com

How this workbook works

You do not graduate by completing the form. You graduate when the business condition is established and the evidence supports it.

A review date keeps the work moving; it is not a graduation deadline. Start with the earliest requirement your evidence does not yet support.

THE FOUR MARKS

Give every answer one mark, so you can see what you know and what you are hoping.

O Observed. It happened, and you can point to the record: the invoice, the call log, the buyer's words.

E Estimated. A number worked out from records. Say how.

A Assumed. What you believe and have not tested. An assumption is a test to run, not a fact to plan on.

U Unknown. What you need to find out. Name who will find it and by when.

WHAT IS IN THIS WORKBOOK

PART	WHAT IT COVERS	PAGE
Begin here	What this diagnosis asks, and how to work it	2
Worked examples	One before the five questions, one before the four routes: an owner's answers, taken from the books	5
Where you are	A business with the size, team and systems of Station 4 sitting on unfinished work from an earlier Station.	4
The signs	How False Station 4 shows up	4
One-Question Test	If I stopped building 'systems' today and spent 100% of my time selling, would the business break?	4
The five questions	Answered with evidence, one page	6
The four routes	Walked in order; the first unfinished work names the Station to finish	8
The working diagnosis	The purpose of a Reset is to establish the missing foundation, not to erase what the business has achieved.	11
Also here	The Reset, step by step	9
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Also here	The one-page plan	12
Also here	An AI interview (optional)	13
Also here	What a good interview sounds like	14
Also here	Before your call	15

It is a diagnosis, not a sixth Station. Use the answers as evidence. Do not total them. Work through these decisions in order.

THE FIELD MANUAL FORMS THESE PAGES BUILD ON

- Chapter 1: The False Station 4 Check
- Appendix H: The False Station 4 Reset Protocol
- Field Tools: The Green Pile Sort
- Chapter 3: The Framework Friction Score

Where a quoted line names a chapter or appendix, it means The Pendulum Field Manual.

Is this False Station 4?

WHERE YOU ARE

A business with the size, team and systems of Station 4 sitting on unfinished work from an earlier Station. The owner hires, buys software and documents processes, and nothing moves, because the business is building systems for a promise it has not made.

Everything feels harder than it should. Your team seems incapable. Your initiatives stall. You blame execution when the problem is misdiagnosis.

Check each sign you recognize.

- ☐ Systems exist, but the business still feels unfocused
- ☐ If the systems are in and you cannot state the one promise they serve, this is not your Station. Start at Station 2.

THE ONE-QUESTION TEST

"If I stopped building 'systems' today and spent 100% of my time selling, would the business break?"

If the answer is "No, it wouldn't break because we don't have enough customers," you are in False Station 4.

Your answer, and why

MARK ☐

WHICH BUSINESS ARE YOU EXAMINING?

"Different answers for different parts." First decide whether they are separate businesses at all. Treat them as one business when they share the same people, the same money or the same owner's attention, or when they make promises that compete; the earliest gate decides. Steve's emergency repairs, installs and commercial bids shared his vans, his technicians and his calendar: one Station 2 business, not three. Diagnose a line on its own only when it has its own owner, its own budget and its own limits.

Line of business	Its own owner?	Its own budget?	Its own limits?	Shares people, money or your attention with

The five questions: how it looked

WORKED EXAMPLE

How the page looked in Roy Bell's story, taken from the books. Read it, then fill the next page for your own business.

1 Would the leader, salesperson and operations lead name the same four: customer, transformation, Unfair Advantage and Consequence? The evidence

> *And every one arrived with its own scope, its own schedule, and its own price, because the only thing the company had ever told the market was that it would do whatever was asked.*

2 Can you point to customers choosing the offer at viable prices, and to repeatable economics after the true cost to serve? The evidence

> *Forty-one medical offices—outpatient clinics, urgent cares, two surgical centers—were twenty-two percent of revenue and about forty percent of the profit. They renewed at ninety-four percent and had sent most of the company's referrals.*
>
> *Revenue grew nine percent a year, to $3.4 million. Operating margin went from eleven percent to six, and the bank started asking how close he was to his loan covenant.*

3 When opportunities conflict with the promise, does the business actually decline or change them? Where have the released resources gone? The evidence

> *They bid every request for proposal in the county.*
>
> *It was the first time anyone in the company had said no to a kind of work on purpose.*

4 Do marketing, selling and delivery reinforce the same promise, or is each function working around a different version of the business? The evidence

> *Not one had come through the sales team. They had come because an infection-control nurse at one clinic told another that this was the company whose crews did not have to be watched.*
>
> *At the other end sat the snow removal and the post-construction cleanups: big invoices, thin and lumpy margins, trucks idle eight months a year, and clinic crews pulled off their buildings every time a contractor's schedule slipped.*

Five questions, answered with evidence

Run this check when an established business has people and systems but still lacks a clear competitive direction, or when adding more process fails to resolve the strain.

Two earlier jobs may be unfinished. The pattern that supports a UBP may not have been discovered. Or the pattern may be clear, but the Declaration has not been made or has not been carried out. The repairs are different.

1 Would the leader, salesperson and operations lead name the same four: customer, transformation, Unfair Advantage and Consequence?

The evidence

MARK

2 Can you point to customers choosing the offer at viable prices, and to repeatable economics after the true cost to serve?

The evidence

MARK

3 When opportunities conflict with the promise, does the business actually decline or change them? Where have the released resources gone?

The evidence

MARK

4 Do marketing, selling and delivery reinforce the same promise, or is each function working around a different version of the business?

The evidence

MARK

5 Where does work or improvement still depend on the leader's personal intervention?

The evidence

MARK

Use the answers as evidence. Do not total them. Work through these decisions in order.

The four routes: how it looked

WORKED EXAMPLE

How the page looked in Roy Bell's story, taken from the books. Read it, then fill the next page for your own business.

1 Discovery unfinished: Can you identify the customer, the transformation, the Unfair Advantage and the Consequence, supported by repeated purchases and viable contribution?

> *This time, before hiring anyone, he sat down with two years of invoices and job costs nobody had looked at.*
>
> *Natasha came back at day ninety with fourteen proposals, six signed, and a sentence she had heard in almost every first meeting: "We just need to pass the inspection without worrying about it."*

2 Declaration not made: Has the Declaration been made: the UBP, the Cull List and the Vacuum Plan, decided together?

> *Inspection-ready, every night, documented. If anything we clean fails your inspection, we are back within four hours and you don't pay for that week.*
>
> *The Cull List had four lines.*

3 Declared, not carried out: Has it been carried out: the Cull List exited and the capacity redirected?

> *Together, about $750,000 of revenue, just over a fifth of the business.*
>
> *The rest moved onto clinic buildings as the new accounts came in, and the Vacuum Plan carried their hours until the work arrived.*

4 Earlier work complete: Can accountable people and systems market, sell, deliver and improve the supported promise without routine leader rescue?

> *For six weeks the new Builder sat beside Natasha in the first meetings she kept taking, writing down the decisions she made rather than the words she used. Then he trained a second seller, hired against the declared customer.*
>
> *Discount-to-close on the declared offer was under three percent, and the share of closed business inside the Declaration was eighty-six percent.*

The four routes, in order

Use the answers as evidence. Do not total them. Work through these decisions in order.

1 **Discovery unfinished: Can you identify the customer, the transformation, the Unfair Advantage and the Consequence, supported by repeated purchases and viable contribution?**

If the evidence does not support that pattern, do Station 2 discovery. ☐ Yes ☐ No ☐ Unknown

MARK

If this is the first unfinished work, go to Station 2 Workbook: The Work Now 1–3.

2 **Declaration not made: Has the Declaration been made: the UBP, the Cull List and the Vacuum Plan, decided together?**

If not, the business is still finishing Station 2. ☐ Yes ☐ No ☐ Unknown

MARK

If this is the first unfinished work, go to Station 2 Workbook: The Declaration.

3 **Declared, not carried out: Has it been carried out: the Cull List exited and the capacity redirected?**

If not, do Station 3. ☐ Yes ☐ No ☐ Unknown

MARK

If this is the first unfinished work, go to Station 3 Workbook.

4 **Earlier work complete: Can accountable people and systems market, sell, deliver and improve the supported promise without routine leader rescue?**

If the earlier work is complete but this is not, you are doing genuine Station 4 work. ☐ Yes ☐ No ☐ Unknown

MARK

If this is the first unfinished work, go to Station 4 Workbook.

If discovery, the Declaration, carrying it out and capability are all established, examine Category Leadership: is the position recognized and strengthening, is the core improving, and is leadership capacity available to prepare for the Peak Decision? Use the Station 5 Workbook.

The False Station 4 Reset

The purpose of a Reset is to establish the missing foundation, not to erase what the business has achieved.

CHOOSE THE ROUTE BEFORE STARTING

- ☐ No supported pattern: return to Station 2 discovery. Work through Steps 1 to 6.
- ☐ A supported UBP that has not been declared: Station 2 is unfinished, so make the Declaration in Step 5. A Declaration that has not been carried out: do the Station 3 work in Step 6. Revisit discovery only where evidence has become uncertain.
- ☐ Both foundations are incomplete: recover the evidence first, then make the Declaration and carry it out.
- ☐ A supported, enacted UBP with capability still dependent on the leaders: this is genuine Station 4 work. Use the UBP Capability and Improvement worksheet in Appendix I.

Step	Needed?	Owner	Review date	Done, and the evidence
Step 1: Recover the pattern Run the Green Pile Sort on a useful period of customer and offer history.	☐			
Step 2: Ask the Station 2 questions again Who repeatedly chooses us, buys again or refers others—and in what buying situation?	☐			
Step 3: Plan the missing evidence Keep the test bounded and reversible.	☐			
Step 4: Decide from the evidence Write the decision and the evidence together.	☐			
Step 5: Make the Declaration If the UBP is supported but has not been declared, begin here. The Declaration closes Station 2.	☐			
Step 6: Carry it out and verify If the Declaration has been made but not carried out, begin here. This is Station 3.	☐			

THE INTERIM SALES MANDATE

While the Reset runs, give existing salespeople an interim mandate: sell at or above a price floor you set, open no new segments, log every deal, and commit the business to nothing new without you. From day one, pay commission only on deals inside those rules; for a quarter, pay the higher of the old and new plans.

Price floor

Segments closed to new business

An operating method can improve coordination, discipline and execution. It does not supply the choice of buyer, promise and advantage that the business has yet to make. Preserve useful systems while you establish that choice.

The Framework Friction Score

Once a quarter, and whenever the same mismatch keeps coming back in the weekly check, score how badly the business's 3A is mismatched with its Station, and so how urgently to act. Score against the Station you are in, not the one you would like to be in.

Start with your calendar, which has already recorded your Altitude: tag each meeting of the last two weeks as Street Level, Hilltop or Mountain Peak, by how far ahead it looked.

Score the friction after the routes, against the Station they put you in. The Station 4 row is the trap: a business can match it on paper while the earlier work is unfinished.

Station scored against

Dimension	What that Station asks (see the Field Manual, Chapter 3)	What you and the team actually do	Match?	Severity	Frequency	S × F
Altitude: what the calendar shows			☐			
Aptitude: who creates the value			☐			
Attitude: how money and standards are treated			☐			
					Total	

For each dimension that does not match, score its Severity from 1 to 5 and its Frequency from 1 to 5, and multiply them. Add the results. A dimension that matches scores zero, and the most the business can score is 75. The form does not add up for you. Multiply and total by hand, so you see where the number comes from.

SEVERITY

- 1: it costs time or patience, and nothing else. No work redone, no date moved.
- 2: work inside the business is redone or delayed, but no customer, partner or employee has been let down.
- 3: someone has been let down: a promise to a customer, partner or employee missed, or a person lost over it.
- 4: the damage shows in the numbers or the plan: a customer or contract lost, a quarter's goal missed, or a gate condition that has not moved in a quarter.
- 5: the evidence shows a threat, within months, to the business's cash, its largest customer or its license to operate, and this mismatch is the cause.

FREQUENCY

How often it bit in the same quarter. A bite is an occasion you can name: a decision that waited, a job that went back, a rescue. 1: once or twice in the quarter. 2: about monthly. 3: about weekly. 4: several times a week. 5: every working day.

THE TOTAL SETS THE PRIORITY

0–5	Normal: check quarterly
6–15	Significant: act within a month
16–30	High: act within a week
31–50	Critical: act now
51–75	Severe: act now, and check for an emergency

One rule overrides the bands: a Severity of 5 on any dimension is an emergency, however rarely it bites. Score the damage that has happened and the threat the evidence shows, not the one you fear, and write the evidence beside each number.

The evidence behind each score

A high score points at structure, and the answer is a change in structure: start with the highest-scoring dimension. The Field Manual's Correct the mismatch, in Chapter 3, says what to change for each dimension.

The working diagnosis

RECORD THE WORKING DIAGNOSIS

Business or offer being examined

MARK

Current Station and the evidence supporting it

MARK

Graduation condition still unfinished

MARK

Evidence or capability to establish next

MARK

Action owner and review date

MARK

THE PURPOSE OF A RESET

The purpose of a Reset is to establish the missing foundation, not to erase what the business has achieved.

"I don't know." Missing evidence is an action to take, not a verdict about your ability. Your Station is not a grade. It names the work to do next.

A worked example. Steve's emergency repairs, installs and commercial bids shared his vans, his technicians and his calendar: one Station 2 business, not three.

The one-page plan

> **The question for this Station.** The question for the Station the routes put you in, from the Field Manual, Chapter 2.

Record the graduation condition, the evidence already held and the gap to close. Choose the Big Three: up to three objectives, never more, that will change that condition, each with an owner, a measure and a review date. Everything else goes on the Not Now list.

Quarter and business or offer

MARK

Working Station and graduation condition

MARK

Evidence we already hold

MARK

Gap we will close and how we will recognize progress

MARK

The Big Three: each objective, owner, measure and review date

Objective	Owner	Measure	Review date

What we will stop or change

MARK

Resources required and next review date

MARK

THE WEEKLY CHECK-IN

Ask: What changed in the evidence or capability this week? Did we complete the action? Did it move the business toward the graduation condition? If it did not, distinguish a missed action from a weak assumption or an unsuitable method. Record the next decision.

This page is the Field Manual's 90-Day Plan, Chapter 2.

An AI interview

OPTIONAL

An AI assistant can play the adviser who keeps asking for the example. It cannot see your business, and nothing it says is evidence. Use it to sharpen your answers, then bring them back to these pages.

THREE RULES

1. Use labels, not names. No customer's or employee's name, contact details or account numbers go into the chat.
2. Give it your numbers. Never let it fill a gap with one of its own.
3. Mark everything it hands back O, E, A or U before you act on it. Most of it will be A.

COPY THIS INTO THE ASSISTANT

> Interview me about whether my business is in False Station 4, as the Pendulum Series defines it. The five checks are: 1. Would the leader, salesperson and operations lead name the same four: customer, transformation, Unfair Advantage and Consequence? 2. Can you point to customers choosing the offer at viable prices, and to repeatable economics after the true cost to serve? 3. When opportunities conflict with the promise, does the business actually decline or change them? Where have the released resources gone? 4. Do marketing, selling and delivery reinforce the same promise, or is each function working around a different version of the business? 5. Where does work or improvement still depend on the leader's personal intervention? Judge only against those, and say so when a question goes beyond them. Ask one question at a time. When my answer is vague, ask for a specific example: a date, a number, what a buyer actually said. Keep four lists apart: what I observed, what I estimated, what I assumed, and what I don't know. When I answer with a hope, say so and ask what record would settle it. Use only what I tell you: no invented numbers, competitors or customer opinions. Start with: "What does the business sell, to whom, and why do they choose you over the alternative?" Cover the five questions of the False Station 4 Check; whether my leader, salesperson and operations lead name the same four; where the released resources have gone; where work still depends on me; whether the parts of the business share people, money or my attention. After about ten questions, give me which work is unfinished, taken in order: discovery, the Declaration, carrying it out, capability; the evidence for that call and what would overturn it; the first step of the Reset, with an owner and a date. Do not total my answers.

What it surfaced that you had not written down, marked O, E, A or U

What a good interview sounds like

A sample interview. The questions show how the assistant should press; the answers come from Roy Bell's story in the books, some in the words of the people around them. Notice where it stops at a hope and asks for the record.

What does the business sell, to whom, and why do they choose you?

> *Every new account was real. And every one arrived with its own scope, its own schedule, and its own price, because the only thing the company had ever told the market was that it would do whatever was asked.*

Revenue is growing. Is the business healthy?

> *Revenue grew nine percent a year, to $3.4 million. Operating margin went from eleven percent to six, and the bank started asking how close he was to his loan covenant.*

Which customers choose you at full price and come back?

> *Forty-one medical offices—outpatient clinics, urgent cares, two surgical centers—were twenty-two percent of revenue and about forty percent of the profit. They renewed at ninety-four percent and had sent most of the company's referrals.*

Did your sales team bring those customers in?

> *Not one had come through the sales team. They had come because an infection-control nurse at one clinic told another that this was the company whose crews did not have to be watched.*

Which work pulls against them?

> *At the other end sat the snow removal and the post-construction cleanups: big invoices, thin and lumpy margins, trucks idle eight months a year, and clinic crews pulled off their buildings every time a contractor's schedule slipped.*

What is the first step, before anything is cut?

> *He did not cut anything yet. He stopped bidding post-construction work from a set date, let the jobs already promised run out, and told his salespeople why.*

Before your call

Your next conversation. Use it to examine one decision, not to tour the whole workbook.

A 30-minute call. We'll place your business on its Station and name the gate you haven't yet passed. Then we'll agree on the one move that matters most now. There's no obligation.

A Station mastermind. A group of business leaders at the same Station, working through the same gate.

A retreat or other event. In person or virtual.

What would finishing the earlier Station's work change for the business? Name it in money, risk, customers or your time.

Which of the five questions can you not yet answer with evidence, and which route does it point to?

The one move you want to examine: the decision, the evidence it needs and when you could review it.

Bring the five answers, the routes you marked, the Friction Score and the working diagnosis from this workbook.

The Pendulum System: thependulumsystem.com