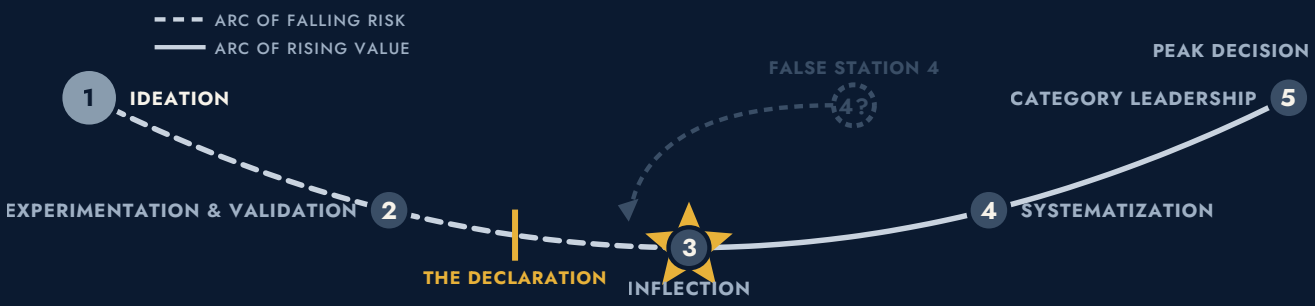
THE PENDULUM SERIES

STATION 1

IDEATION

WORKBOOK

Earn the right to begin, then find strangers who pay.



> The hypothesis phase. The business has an idea and no meaningful paid market validation.

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

STATION 1 · IDEATION · BEGIN HERE

Where this workbook starts

This workbook is for the owner whose business is at this Station now. It turns the Station's work into decisions, evidence and a plan, and ends at the gate.

THIS STATION

The hypothesis phase. The business has an idea and no meaningful paid market validation.

WHERE YOU ARE

You have an idea worth pursuing. You do not yet know which assumptions deserve your money, your time and other people's confidence.

WHAT GRADUATING GIVES YOU

A market that answers back.

WHAT PASSING THIS GATE COSTS YOU

The idea as you imagined it. You will never again get to be right in private.

HOW TO WORK IT

1. Read the worked example before each Work Now page: an owner's answers, taken from the books.
2. Fill the page after it for your own business. Mark every answer O, E, A or U.
3. Review the gate line by line. The first line you cannot mark Established is where the work is.
4. Put the quarter on one page, then bring the gate review 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 Station asks, and how to work it	2
Are you here?	Fewer than five strangers have paid you to solve the problem (if you sell a few large contracts, fewer than two independent buyers have paid full price). Or the people who carry the risk with you, and the bank if it is financing the experiment, have not yet said yes to the plan and its limit.	4
Worked examples	One before each Work Now page: an owner's answers, taken from the books	6
The Work Now 1	Identify the buyer and the problem. Examine the alternatives.	7
The Work Now 2	Turn the idea into a test, name the evidence that would change your mind, and agree what you can responsibly risk.	9
The Work Now 3	Ask strangers to pay. A purchase tells you what a compliment cannot.	11
The gate review	Station 1 graduates when strangers pay.	14
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Also here	An AI interview (optional)	17
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THE FIELD MANUAL FORMS THESE PAGES BUILD ON

- Appendix I, Worksheet 1: Permission Plan
- Appendix C: Customer Interview Guide
- Chapter 2: The 90-Day Plan
- Chapter 3: The Framework Friction Score

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

Are you at Station 1?

WHERE YOU ARE

You have an idea worth pursuing. You do not yet know which assumptions deserve your money, your time and other people's confidence.

YOU ARE HERE IF

Fewer than five strangers have paid you to solve the problem (if you sell a few large contracts, fewer than two independent buyers have paid full price). Or the people who carry the risk with you, and the bank if it is financing the experiment, have not yet said yes to the plan and its limit.

Check each sign you recognize, then write the evidence below.

- [ ] No paying customers yet
- [ ] You have no paying customers, or fewer than five, and you could still pivot tomorrow without significant loss.
- [ ] Even your customer is still a sketch, refined with every conversation.

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

"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.

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.

Dimension	What Station 1 asks	What you and the team actually do	Match?	Severity	Frequency	S × F
Altitude: what the calendar shows	Hilltop: the test, its limit and its end date		☐			
Aptitude: who creates the value	The founder, doing and selling the work		☐			
Attitude: how money and standards are treated	Permission Seeking: spending inside a written limit, agreed with those who carry the risk and with the bank if it is financing the experiment		☐			
					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 Work Now 1: how it looked

WORKED EXAMPLE

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

Buyer and buying situation: who has the problem?

> *Homeowners and businesses who value certainty over cost when their AC breaks, in an industry built around "we'll get there when we can."*

Problem, current alternative and reason to investigate:

> *BigCool booked in four-hour windows and often missed them. Steve spent the first ten minutes of every job apologizing for a schedule he didn't control.*
>
> *Fifteen years of apologizing for four-hour windows, and Kenneth Flynn's "I just need to be certain it'll be fixed today."*

Buyer (a label, not a name) and date	What they do about it today	What it costs them, in their words
Venture capitalist whose AC failed during a board meeting in his home office; Steve's worst day at BigCool, before he left	*Paid BigCool's $500 emergency fee without blinking; Steve was paid $67.*	*"I don't care if this costs five thousand dollars. I just need to be certain it'll be fixed today."*
Elderly woman whose heat had gone out on a freezing night; a weekend call during the test	*Other companies told her Monday.*	*"The other guys said Monday. You saved me."*
Weekend customers from the neighborhood Facebook group, first Saturday of the test	—	*"They cared that he showed up at 2:00 PM when he said 2:00 PM." (what the book says they cared about)*

1 The Work Now

THE WORK NOW 1

Identify the buyer and the problem. Examine the alternatives.

Q: "Tell me about the last time you dealt with lunch at work."

That is Jenny's first question in the Field Manual's interview guide. Ask about something that happened, not what the buyer would do.

Buyer and buying situation: who has the problem?

MARK

Problem, current alternative and reason to investigate:

MARK

Buyer conversations: what happened, in their words

Buyer (a label, not a name) and date	What they do about it today	What it costs them, in their words

The Work Now 2: how it looked

WORKED EXAMPLE

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

First offer or test: what will we ask the buyer to do?

> *Weekend emergency calls while still employed at BigCool. Under $500 of parts and fuel.*
>
> *Heat out? AC broken? I live in the neighborhood. I'm a licensed contractor. I'll come fix it tonight. Cash only. No 4-hour windows. I show up when I say I will.*

Evidence sought: what would support or overturn the idea?

> *Measure: five strangers who pay, and $500 a weekend.*
>
> *Decision rule: Five paying strangers, the bank's yes, and Lisa's yes: leave BigCool and begin. Month twelve short of the number: stop.*

Limits: time, money, exposure and stopping conditions:

> *The limit: Twelve months. If the business is not paying him what Lisa earns, he goes back to employment.*
>
> *Resources: $15,000 of savings, a bank loan, and a line of credit. Lisa's salary carries the household.*

2 The Work Now

THE WORK NOW 2

Turn the idea into a test, name the evidence that would change your mind, and agree what you can responsibly risk.

A test has a question, a limit and an end. Write all three before you spend anything.

First offer or test: what will we ask the buyer to do?

MARK

Evidence sought: what would support or overturn the idea?

MARK

Limits: time, money, exposure and stopping conditions:

MARK

The Work Now 3: how it looked

WORKED EXAMPLE

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

Paid evidence: who paid, what and when (five strangers, or two independent full-price buyers for large contracts):

> *He got three calls the first Saturday and made $650 in six hours. That was $108 an hour before parts and fuel, against $45 at BigCool.*
>
> *Two months of weekends like that put strangers' money behind the idea.*

Buyer (a label)	What they paid for	Amount and date	A stranger?
Three weekend callers from the neighborhood Facebook group	*Same-night AC or heat repair, cash only, no 4-hour windows*	*$650 in six hours, the first Saturday of the weekend test*	*Yes: they answered a public post, paid cash, and the book counts them as "strangers' money"*
Elderly woman, heat out on a freezing night	*Same-night heating repair*	*The charge plus a $100 bill on top; date not given*	*Yes (a weekend customer; the book gives no prior relationship)*

3 The Work Now

THE WORK NOW 3

Ask strangers to pay. A purchase tells you what a compliment cannot.

A stranger is a buyer with no prior relationship that obliges the purchase, paying for this promise; customers of an existing business count toward a new promise only when they pay for it. A partner buying rights counts. An investor, or money for the next test, buys a share of the hypothesis and does not.

Count only money received.

Paid evidence: who paid, what and when (five strangers, or two independent full-price buyers for large contracts):

Buyer (a label)	What they paid for	Amount and date	A stranger?
			☐
			☐
			☐
			☐
			☐
			☐

What the buyers who said no told you:

MARK

The permissions and the limit

Permissions: household and family, funders, the bank if it is financing the experiment, and yourself. Who bears the risk, and what have they agreed?

A yes you assumed is not a yes. Ask each person, show them the limit, and write down what they agreed to and when.

Who carries the risk with you

Person or role	What they carry if it fails	What they agreed to, and when

The limit, in one sentence: time, money, exposure and the condition that ends the test.

MARK

What happens when the limit is reached, and who decides:

MARK

A worked example

> Steve's evidence: Lisa's yes, with a twelve-month limit, and the bank's, because a loan and a line of credit were financing the start; then weekend customers, strangers who paid cash.

Look at what the evidence is made of: counts, dates, prices, names and people's own words. None of it is an opinion about the business.

Your evidence, in the same terms: counts, dates, prices, names, words

Gate review

THE OUTCOME TO SEEK

A written Permission Plan, the permissions it needs, and strangers who pay.

THE GATE TO GRADUATE

Station 1 graduates when strangers pay.

Start with the earliest requirement your evidence does not yet support. The first line you cannot mark Established is where the work is.

1 **The idea has become a written Permission Plan, with numbers you believe and a limit you have named—time, money, exposure and the condition that ends the test.**

☐ Established ☐ Not yet ☐ Unknown

The evidence

MARK

Next action, owner and review date

2 **The people who carry the risk with you, and the bank if it is financing the experiment, have accepted the plan and its limit, and at least five strangers have paid.**

☐ Established ☐ Not yet ☐ Unknown

The evidence

MARK

Next action, owner and review date

If you sell a few large contracts, two independent buyers paying full price pass this gate.

You do not need to recreate a historical Permission Plan if the underlying risk, agreement and testing requirements were satisfied.

The one-page plan

The question for this Station. Station 1: Will strangers pay for this, and what risk can we responsibly accept?

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.

Graduation sign-off

A calendar, a headcount or a finished worksheet does not pass a gate; the market and the numbers do.

- [ ] Gate line 1 established, with the evidence on page 14
- [ ] Gate line 2 established, with the evidence on page 14

Date

Reviewed by, separately, and compared

Navigator's tip: complete the check separately, then compare the evidence behind your conclusions. The disagreement often reveals the decision the two of you need to make.

What carries forward: the evidence, the commitments and the open questions

Next: Station 2 Workbook.

Go back to the earliest gate you can no longer prove and repair it deliberately: a Regression, which is discipline, not failure.

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 my business at Station 1, Ideation, as the Pendulum Series defines it. The gate for this Station: Station 1 graduates when strangers pay. 1. The idea has become a written Permission Plan, with numbers you believe and a limit you have named—time, money, exposure and the condition that ends the test. 2. The people who carry the risk with you, and the bank if it is financing the experiment, have accepted the plan and its limit, and at least five strangers have paid. Judge only against that gate, and say so when a question goes beyond it. 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: "Who has the problem, and what do they do about it today?" Cover the buyer and the problem; the alternatives they use now; the first offer and what I will ask a buyer to do; the evidence that would change my mind; my limit in time, money and exposure, and the condition that ends the test; who carries the risk with me and what they have agreed. After about ten questions, give me my Permission Plan on one page; the limit in one sentence; the people whose yes I still need; the questions I will put to the next five buyers I ask to pay.

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 Steve'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.

Who has the problem, and what do they do about it today?

> *Homeowners and businesses who value certainty over cost when their AC breaks, in an industry built around "we'll get there when we can."*

What did a buyer actually say about it?

> *"I don't care if this costs five thousand dollars. I just need to be certain it'll be fixed today."*

What will you ask buyers to do first, and how will you know it worked?

> *Weekend emergency calls while still employed at BigCool. Under $500 of parts and fuel. Measure: five strangers who pay, and $500 a weekend.*

Who carries the risk with you, and what limit did they set?

> *"I can keep working for twelve months. If it isn't paying us what I earn by then, you go back to BigCool."*

How much do you trust the numbers in the plan?

> *The first-year revenue and expenses felt believable. The next two felt a bit sketchy.*

Does the paid weekend work prove the business will work?

> *None of it proved the business would work. It earned Steve the right to begin.*

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 graduating from this Station change for the business? Name it in money, risk, customers or your time.

Which gate line can you not yet mark Established, and what evidence is missing?

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

Bring the gate review, the Friction Score and the one-page plan from this workbook.

> The Pendulum System: thependulumsystem.com