

The Soul Edge

Regenerative Performance: why the current model is reaching its limit, and what replaces it

For leaders who already feel the limit, and want to move before it forces them to.

01

The pattern you may already be seeing

Output is up. Effort is up. Tool adoption, including AI, is up. Yet differentiation is flat, and the organization feels more depleted than it did two years ago. This is not an execution problem. It is a model problem. For decades, performance ran on one equation:

Control + Codified Intelligence + Pressure

That formula extracted enormous value while intelligence was scarce and proprietary. **AI ends that scarcity.** Remove codified intelligence as a differentiator, and you are left with control and pressure alone: not a performance model, a recipe for depletion.

02

Why the advantage moves

The case does not rest on values. It rests on competitive dynamics. Durable advantage requires a resource that is valuable and hard to copy. While intelligence was scarce, proprietary know-how was exactly that resource, and extraction built a real moat around it.

AI makes intelligence abundant and quickly copyable. Early movers still gain an edge, but AI also helps late adopters catch up fast, so that edge compresses. **Extraction does not stop producing output. It stops producing differentiated output.** And in competitive markets, undifferentiated output is competed down to commodity margins. The incumbent posting record numbers today is harvesting the last of an advantage whose foundation has already dissolved. The P&L simply has not caught up yet.

The only differentiation that survives commoditized intelligence is what does not commoditize: the human interior. The soul.

We use that word deliberately, not as sentiment, but as precision: the layer of a person, judgment, meaning, renewal, becoming, that no tool reaches and no competitor copies. AI may do almost anything; some say it will become conscious. Maybe. **But it will never have a soul.**

That is where performance must be built now:

Human Capacity + Alignment + Meaning

When these forces are present, organizations do not just perform, they regenerate: energy is renewed rather than drained, people contribute from their full selves, and results compound rather than requiring heroics to sustain.

03

Two independent reasons this matters

Commoditization erodes the upside of extraction. When intelligence is abundant, extraction no longer differentiates, so its competitive return falls.

Depletion raises the cost of extraction. Independent of AI, a model built on control and pressure draws down human capacity faster than it renews it, and that cost compounds.

These are separate arguments, arriving from different directions. Both would have to fail for the case to fail.

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On timing: direction is certain, speed is not

AI's trajectory is genuinely hard to time, and the old lenses for evaluating technology adoption do not fully apply. We are in a transition period, and we say so plainly. What is knowable is the direction: commoditized intelligence must erode intelligence-based differentiation. What is unknowable is the speed and completeness of the shift.

This creates a real dilemma for the incumbent, and it is worth naming honestly. In the near term, the rational move is to keep extracting, because it still works and still pays. Clayton Christensen's *Innovator's Dilemma* documented exactly this pattern: capable, well-run incumbents make locally rational decisions that are collectively fatal, because the logic that made them successful blinds them to the shift underneath. Extraction is rational right up until it isn't.

The trap is that human-interior capacity cannot be assembled on demand. By the time the erosion is undeniable on the P&L, the capability to respond takes years to build, and cannot be bought in a crisis. The advantage goes to those who begin building before the numbers force them to.

Extractive and regenerative performance

	EXTRACTIVE MODEL	REGENERATIVE MODEL
Equation	Control + Codified Intelligence + Pressure	Human Capacity + Alignment + Meaning
Core question	How do we get more out of people?	How do we grow what people can become?
Performance curve	Peaks, then diminishing returns	Compounds over time
Relationship to AI	AI raises output, erodes differentiation	AI frees capacity for what machines cannot do
The catch	Depletion, attrition, sameness	Requires a leadership shift, not just policy

The economics in one sentence: extraction produces linear output at compounding human cost; regeneration produces compounding output at sustainable human cost. Extraction's costs, attrition, disengagement, replacing senior talent, are already on your P&L, just unlabeled.

What the evidence supports

Third-party research already prices the cost of extraction. Gallup's 2026 *State of the Global Workplace* estimates disengagement at roughly \$10 trillion a year, about 9% of global GDP, and replacing an employee runs 50 to 200% of salary (Gallup; SHRM).

The AI investment side tells the same story. **McKinsey's own 2026 research on AI-powered organizations found that despite 79% adoption, only about a third of organizations have scaled AI past pilots, and just 39% report any level of EBIT impact.** Their conclusion: “the bottleneck might be human,” not technological. Their proposed fix, protecting cognitive capacity, is well-founded and worth doing. It is also, on its own, incomplete.

Cognitive capacity is what a person can process and sustain: focus, working memory, recovery. It is necessary, and McKinsey has mapped it with real rigor. **Generative capacity is different: the distinctly human ability to create meaning and bring something new into the world, not simply process what already exists.** In SBRL terms, Skills and Mindset develop the cognitive foundation McKinsey addresses. Essence and Higher Field build the generative capacity their lens does not reach. One is the floor. The other is where lasting differentiation actually lives.

We are precise about what is proven. The individual components of the regenerative model rest on established research: engagement and performance, purpose and intrinsic motivation, psychological safety and team results. The integrated four-stage sequence is newer ground, tested and refined through live client engagements. We name this openly, because the leaders this work is built for do not need the future fully proven before they act on what they already sense. Category-defining ideas are lived into being before they are measured.

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How the shift is led: the SBRL framework

Regenerative performance is activated through **Soul-Based Regenerative Leadership**, a four-step cycle from *The Soul Edge*, threaded by awareness and applied in real time to a live business challenge, not layered on as a training program:

- **Skills** master the tools; competence is the price of entry.
- **Mindset** reset the beliefs and identity that cap what the leader can see and attempt.
- **Soul Signature** discover the distinctive core from which the leader creates unrepeatable value.
- **Higher Field** open to insight, creativity, and intuition: the artist who masters the rules, then transcends them to let inspiration lead.

This is not a softer approach to performance. It is a more rigorous one, because it addresses the root cause rather than the symptom.

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Where to start

Read the book. *The Soul Edge* is written directly to the leader feeling this limit, the entry point for your CEO or BU head.

Run the Performance Strain Index. A free diagnostic of where your organization sits on the extraction-to-regeneration curve. aspenmindset1.com

Start the conversation. A structured journey for your leadership team.
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