

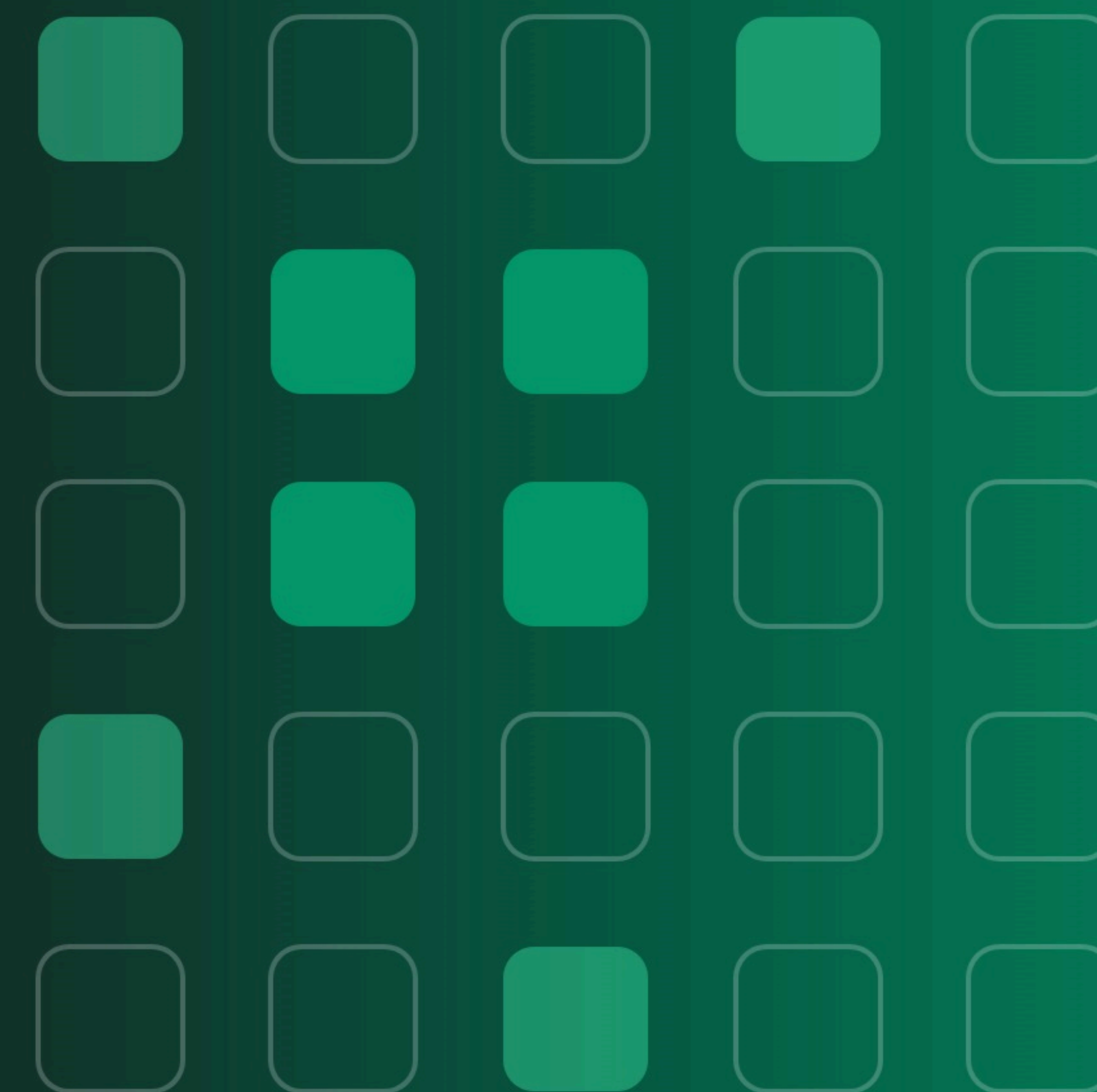
FORTNIGHTLY BRIEFING

The State of AI

21 July 2026

Everything that changed in AI this fortnight that your business needs to know. Thirty minutes, live, no hype.

Turn Intent Into Impact.



A FEW DESKS LIT. MOST OF THE FLOOR
STILL DARK.

At a glance

- | | | |
|---|------------------------------|---|
| 1 | The headline | Adoption has outrun the forecasts. Most teams still picture AI as a chat window. |
| 2 | What moved | Enterprise AI hits production, your own content becomes the bottleneck, and ROI shifts to growth. |
| 3 | The skills gap | Use AI as a coach, split the work 80/20, and be its product manager. |
| 4 | Risk & regulation | Regulation runs late by design, AI-powered attacks target identity, and fluency splits your team. |
| 5 | Three questions | What every leader is asking this fortnight, to open the floor. |



SECTION 01

The headline

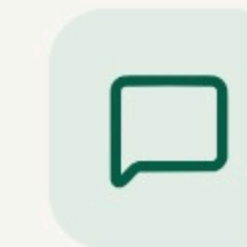
Adoption outran the forecasts. The chatbox is still most teams' whole picture of AI.

THE HEADLINE

You have seen about 5% of what AI can do.

The chatbox is the demo, not the product. The other 95% is agents: systems that take a goal, walk the steps and hand back a finished result. Adoption already outran the forecasts, with 29% of the Fortune 500 now live, paying AI customers, most of that in code. The divide now is between teams that chat with AI and teams that put it to work.

Grounded in Jamie's posts, 6–18 July · a16z, 'Where Enterprises Are Actually Adopting AI', 2026



THE CHATBOX
What most teams see

5%



95%

AGENTS AT WORK
Systems that do the work

- 🎯 Take a goal
- 📋 Walk the steps
- ✅ Hand back a finished result



If your picture of AI is still a chat window, you're budgeting and hiring against the wrong benchmark.

SECTION 02

What moved

Four developments from the fortnight, and what to do about each one.

02

01

Enterprise AI crossed from pilots into production



WHO IT AFFECTS

Any SME still assuming rivals are only experimenting.

WHAT TO DO

Assume competitors are shipping. Push one workflow past pilot this quarter.

*Source: a16z, 'Where Enterprises Are Actually Adopting AI', 2026 — 29% of the Fortune 500, ~19% of the Global 2000, now live
a16z.com/where-enterprises-are-actually-adopting-ai*

02

The agent bottleneck is your content, not the model



WHO IT AFFECTS

Ops, knowledge and IT leaders buying agents.

WHAT TO DO

Make your SOPs, docs and data agent-readable before buying more agents.

*Source: Virtualization Review, 14 July 2026 — enterprise content named the agentic-AI bottleneck
virtualizationreview.com*

03

The AI business case flipped to growth, not cuts



WHO IT AFFECTS

The C-suite setting AI's return-on-investment target.

WHAT TO DO

Reframe the mandate from headcount cuts to new capacity and revenue.

*Source: Harvard Business Review, 2026 — cost-only AI programmes underperform growth-led ones
hbr.org*

04

AI shipped a 22,000-line merge. The human is the PM now



WHO IT AFFECTS

Anyone shipping software with AI in the loop.

WHAT TO DO

Keep AI to leaf nodes it can't break. Design verifiable checkpoints.

*Source: Anthropic engineering · Jamie's guide, 'Vibe Coding in Production', 11 July
bykovbrett.net/download/vibe-coding-in-production*

SECTION 03

The skills gap

Three capabilities the fortnight just made valuable. The most important section.

03

Use AI as a coach, not an answer machine.

THE SKILL

Asking AI to develop your thinking: to explain, challenge and tutor you, instead of just handing over an output to paste.

WHY THIS FORTNIGHT

Jamie's 14 July piece: teams that only extract answers plateau; teams that use AI to build judgement compound their advantage.



GO DEEPER

The AI Coach, Not the Answer Machine

Scan, or read it at bykovbrett.net/blog

ANSWER MACHINE

You ask

>

Answer

>

Paste it

The output is all you keep. You learn nothing.

AI COACH

You ask

>

It pushes back

>

You level up

You keep the judgement. That is what compounds.

GROUNDING IN

“An answer you paste teaches you nothing. A coach that makes you think compounds.”

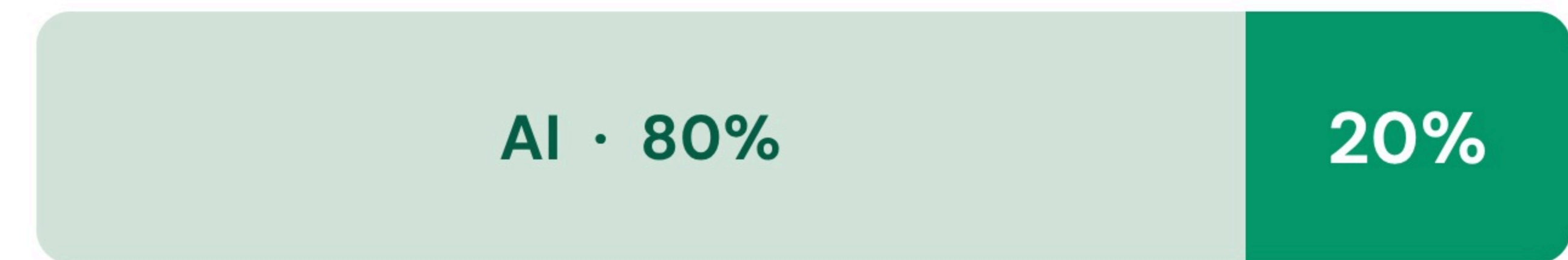
Know where the 80 ends and the 20 begins.

THE SKILL

The 80/20 Collaboration Rule: AI does the 80% (drafting, ideation, structure); you own the 20% (fact-check, nuance, voice, sign-off). The 20% is where the value is made.

WHY THIS FORTNIGHT

As AI output floods into production, that sign-off boundary is the only thing separating competent from distinctive.



The 20% is the smaller slice, and the whole point.

AI DOES THE 80%

Drafting, ideation, structure. A strong, fast foundation.

YOU OWN THE 20%

Fact-check, nuance, brand voice, final sign-off.

💎 The 20% is where competent becomes distinctive.

FRAMEWORK

The 80/20 Collaboration Rule: AI drafts the 80%, your judgement makes the 20% that matters. (Jamie's Frameworks)

Be AI's product manager, not its proofreader.

THE SKILL

Engineering trust into AI code: the leaf-node strategy keeps AI to parts it can't break, and verifiable checkpoints mean you always know what's been tested.

WHY THIS FORTNIGHT

Jamie's new 'Vibe Coding in Production' guide, and the 22,000-line merge, show the method holds at real scale.



GO DEEPER

Vibe Coding in Production

Scan, or go to bykovbrett.net/download/vibe-coding-in-production

 **THE CORE**
You own and protect this

↳ Delegated to AI in pieces it cannot break

 Draft a component

✓ check

 Write the tests

✓ check

 Refactor a module

✓ check

AI never touches the core. Every leaf passes a check before it ships.

GROUNDED IN

"Your job is to direct the work and verify it, not to retype what the AI already wrote."



SECTION 04

Risk & regulation watch

Three items a compliance lead forwards to their boss.

01

Regulation always arrives after the damage



WHO IT AFFECTS

Compliance leads and anyone waiting for the rules.

WHAT TO DO

Don't wait for the EU or UK to define safe. Write your own AI use policy this quarter.

Source: Jamie's video, 18 July — the argument from his 2015 TEDx: late rules never reach the people left behind

02

AI-powered attacks now target enterprise identity



WHO IT AFFECTS

IT and security teams running cloud and agents.

WHAT TO DO

Harden identity. Audit what credentials and permissions your agents hold.

Source: security reporting, July 2026 — 'From Hype to Hardening': AI-accelerated adversary tradecraft on identity and cloud

03

AI fluency is quietly splitting your workforce



WHO IT AFFECTS

L&D and leaders responsible for capability and fairness.

WHAT TO DO

Treat uneven internal AI fluency as a live training and fairness risk, not a perk gap.

Source: Google 'AI Trailblazers' study · Jamie's blog, 3 July — adoption widens the gap between fluent and left-behind teams

THREE QUESTIONS

Three questions leaders are asking this fortnight.

- 1 Our teams live in the chatbox. What would it take to move them to agents that do the work?
- 2 Before we buy more AI, is our own content and data even readable by an agent?
- 3 We keep waiting for clearer regulation. What should we govern ourselves on now, without waiting?

📅 Next briefing: Tuesday 4 August, 13:00 London. Plus the Thursday Live, 23 July.

See you in a fortnight.

Next briefing: Tuesday 4 August 2026, 13:00 London. And catch the Thursday Live, 23 July at 13:00: agents at work in an 8-bit office.

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