The Quality of Team Playbook

Building Executive Teams That Scale and Exit

Presented by Talent Sequencing

Why Teams Win or Sink Deals

The Hard Truth

Private equity just dropped in. You've got growth capital—and now, scrutiny.

Your "good enough" team pre-deal may not be the team that gets you to scale. Finance. IT. Ops. Everything gets sharper. Faster. Measurable.

The Cost of Getting It Wrong

A mis-aligned VP of Sales doesn't just miss a quarter. They:

- Lose your largest accounts
- Damage your culture with high turnover
- Signal weakness to the board
- Create a discount at exit

A CFO who can't handle the rigor of growth-stage finance leads to unpredictable cash flow, board-level credibility gaps, investor nervousness, and a devalued profile to the next buyer.

What Is Quality of Team (QoT)?

The QoT Concept: People Diligence as Rigorous as Financial Diligence

PE investors are intimately familiar with Quality of Earnings reports. QofE audits strip away accounting noise, one-time items, and aggressive assumptions to reveal the true cash generation capability of a business.

Quality of Team does the same thing for leadership.

How QoT Works: The Assessment Process

A typical QoT engagement unfolds over 7–10 days and includes:

Phase 1: Preparation

- Define value creation thesis & leadership requirements
- Identify critical roles & key decision-makers
- Brief CEO & set participant expectations

Phase 2: Assessment

- Psychometric evaluations and individual debriefs
- Culture Fit Surveys for team alignment
- Structured interviews and direct observation of dynamics

Phase 3: Analysis and Reporting

- Synthesize assessments into team-level insights
- Identify leadership profiles and potential risks
- Develop prioritized recommendations and action plans

The 7-Stage Talent Growth Cycle

Talent Sequencing has developed a framework that moves leadership teams through seven interdependent stages of capability building. Each stage unlocks value; skipping or rushing any one of them creates bottlenecks downstream.

This framework sits at the heart of the Quality of Team playbook.

Stage 1: Organizational Design

The Question: Which seats do you actually need, and what are the interrelationships?

Before you assess or hire, you need a clear org design. Translate the value creation thesis into a leadership structure for 12–36 months post-deal.

Stage 2: Executive Assessment (QoT)

The Question: Who is performing as an A-player? Who is a coachable stretch? Who is misaligned and at flight risk?

This is where QoT lives. Build a data-driven map of individual capability, team cohesion, cultural alignment, and flight risk.

Stage 3: Talent Acquisition

The Question: How do you fill critical gaps with speed and rigor?

Build a role scorecard, use structured interviews and psychometric assessments, and leverage BSG for C-suite search.

Stage 4: Individual Executive Coaching

The Question: Which executives have the potential to scale but need support?

Identify 3–5 high-potential executives for coaching with clear 6–12 month success metrics tied to the value creation plan.

The 7-Stage Talent Growth Cycle (continued)

Stage 5: Team Coaching

The Question: How do you move from "individuals performing well" to "team executing together"?

Create shared mental models, faster decision-making, conflict resolution, and resilience under pressure.

Stage 6: Programmatic Leadership Learning

The Question: Are your executives continuously upgrading their capabilities?

Design leadership development curriculum, industry-specific learning, and change management programs.

Stage 7: CEO/CFO Peer Group Learning

The Question: Are your top leaders learning from peers outside your organization?

Enroll in structured peer groups for collaborative problem-solving and network building.

The Cycle in Action: Each stage informs and strengthens the ones that follow. Skip Stage 1 (org design), and you'll hire people into unclear roles. Skip Stage 2 (assessment), and you'll miss misfits and flight risks until it's too late. Rush Stage 3 (hiring), and you'll compound the problem.

Pre-Deal: Get Ahead of What Buyers Will Flag

The Pre-Deal Window: Your Advantage

You have a window—maybe 60–90 days from PE entry to when buyer diligence really heats up—to assess your team and address obvious gaps. Use it.

Buyers will ask hard questions:

- Can your CFO drive EBITDA expansion?
- Is your VP Sales ready for a $50M ARR target?
- Will your COO survive the rigor of integration planning?
- Are your people value drivers, or will they be discounted?

If you're scrambling to answer these questions during formal diligence, you've already lost control of the narrative.

Pre-Deal Step 1: Map the Value Creation Thesis to Leadership Demands

Start with the deal thesis, not the current org chart.

Your PE sponsor has a specific plan: roll-up acquisition strategy, geographic expansion, margin improvement, channel building, integration playbook. Each pillar of the thesis has leadership implications.

What to do:

1. Gather your deal team: CEO, CFO, Operating Partner, and key business leaders
2. Define the 24–36 month value creation plan: How will you create value? Revenue growth? EBITDA margin? Market expansion? Product development?
3. For each pillar, ask: Who leads this? What capabilities must they have? What's the span of control, decision authority, and cross-functional interface?
4. Prioritize: Which 5–7 leadership capabilities are non-negotiable?

Pre-Deal Step 1: Industry Examples

Example from SaaS:

- **Thesis pillar 1:** "Enterprise GTM expansion" → Requires VP Sales who can manage 10+ direct reports, navigate complex procurement, own pipeline discipline
- **Thesis pillar 2:** "Unit economics optimization" → Requires CFO who understands SaaS metrics (LTV, CAC, payback period)
- **Thesis pillar 3:** "Customer success scale" → Requires VP Customer Success who can build a world-class team, measure NRR and churn

Example from Healthcare Operations:

- **Thesis pillar 1:** "Multi-site clinical integration" → Requires Chief Medical Officer or VP Clinical Operations who can standardize protocols
- **Thesis pillar 2:** "Payer relationship optimization" → Requires VP Payer Relations with deep insurance industry experience
- **Thesis pillar 3:** "Regulatory and compliance" → Requires Chief Compliance Officer or General Counsel with healthcare regulatory depth

Outcome: A "Leadership for the Thesis" document that maps every major objective to the people capability it requires.

Pre-Deal Step 2: Run a QoT "People QofE"

Now that you know what you need, assess who you have.

Deploy QoT to:

1. ### Map individual executives against thesis requirements

   Is your VP Sales truly ready for a $50M ARR business? Or has he optimized a smaller revenue model?

2. ### Assess team cohesion around key decisions

   When the Product and Sales teams disagree on roadmap priorities, who wins? How is it decided?

3. ### Identify false cohesion

   That COO who looks aligned in board meetings but is quietly job-hunting because she knows the PE plan will require her to absorb two acquisitions?

4. ### Uncover derailers

   The brilliant but over-directive VP Product who will clash with the new Sales leader.

Pre-Deal Step 3: Build a Remediation Plan

You've assessed. Now comes the hard part: deciding what to fix, what to develop, and what to accept.

Create a timeline with milestones:

1. Phase 1: Pre-Close (Days 0–60)

- Clarify roles and decision rights
- Have hard conversations with flight risks
- Prep key executives for buyer diligence

2. Phase 2: Signing-to-Close (Days 60–120)

- Initiate search for key external hires
- Start team alignment sessions
- Plan the first 100-day communication strategy

3. Phase 3: First 100 Days Post-Close

- Complete remaining executive hires
- Roll out the new org design and clarify decision rights
- Conduct a "reset" session where the full team aligns

4. Phase 4: Months 4–12

- Monitor coaching progress and adjust
- Track retention of key executives
- Measure leadership capability progression

Pre-Deal: Key Principle

Key Principle: Time to Fix

The goal of pre-deal QoT is to compress the timeline for fixing what's broken. Instead of discovering in Month 8 post-close that your VP Sales can't handle the new scale, you found it pre-deal, built a coaching plan, and by Month 4 post-close, he's either stepped up or been transitioned out. You've bought control of the narrative.

Post-Deal: From "Good Enough" Team to Scale Engine

The Post-Deal Inflection: Your Window to Reset

Closing is not the end. It's the beginning.

The 100 days post-close are perhaps the most critical. Everything moves fast. Your team is under scrutiny. The board is watching. Buyers are gone, but their questions linger.

Post-Deal Step 1: Operationalize Org 2.0

You designed Org 2.0 pre-deal. Now implement it.

What to do:

Roll out the new org structure with clarity on:

- Each role's accountability and P&L ownership
- Decision rights and escalation paths
- Key interfaces and collaboration points
- Success metrics for the first 12 months

Communicate relentlessly:

- Hold a "Org 2.0 rollout" meeting for all leadership
- Explain the thesis and how the org design supports it
- Clarify expectations and decision rights
- Open the floor for questions and concerns
- Follow up with 1-on-1s with each executive

Post-Deal Step 1: Communication and Measurement

Clarify who sits where:

- Who gets promoted? (Acknowledge and celebrate)
- Who gets repositioned? (Frame as "different impact," not demotion)
- Who gets transitioned out? (Move decisively; ambiguity is corrosive)
- What roles are open and on what timeline?

Measure progress:

- Track time-to-fill for critical open roles (target: 45–60 days)
- Monitor internal move acceptance and retention
- Conduct pulse surveys on clarity of roles and decision-making
- Escalate blockers immediately

Post-Deal Step 2: Decide Who Stays, Who Grows, Who Goes

The data from QoT is clear. Now make tough decisions and stick with them.

Classification Framework:

Keep and Invest

These are your A-players and culture carriers. Expand their scope, increase compensation/equity, and provide growth opportunities.

Expand Scope

These are capable executives who need bigger P&Ls, bigger teams, or more strategic roles. Provide coaching to smooth the transition and set clear 12-month success metrics.

Redeploy

These are capable executives who are misaligned in their current role but have strengths elsewhere. Communicate clearly that they are valued and will have more impact in a new role, moving decisively.

Exit

These are executives who are fundamentally misaligned or unable to scale. Exit respectfully but clearly, providing a transition plan and communicating the decision promptly to the team.

Post-Deal Step 2: Critical Principle

Critical Principle: Speed and Clarity

The worst thing you can do post-close is leave people in ambiguity. Is my job safe? Am I in line for the VP role? Is the new structure good for me or a setup for exit? Ambiguity erodes trust and causes your best people to leave. QoT gives you the data to make clear decisions. Make them, communicate them, and move forward.

Post-Deal Step 3: Activate the 7-Stage Cycle

With your org redesigned and people decisions made, activate the talent development cycle.

In Months 1–3 Post-Close:

- Stage 1: Org Design → Already done; now execute on the structure and decision rights
- Stage 2: Assessment → Use QoT findings to inform coaching, development, and retention plans
- Stage 3: Talent Acquisition → Fill critical roles; leverage BSG for C-suite, TalentBench for manager-level
- Stage 4: Individual Coaching → Enroll 3–5 high-potential executives in targeted coaching (delegation, strategic thinking, board readiness)

In Months 4–6 Post-Close:

- Stage 5: Team Coaching → Bring in a team coach to work with the leadership team on decision-making, collaboration, and accountability
- Stage 6: Programmatic Learning → Roll out leadership development programs aligned to your value creation thesis

In Months 7–12 Post-Close:

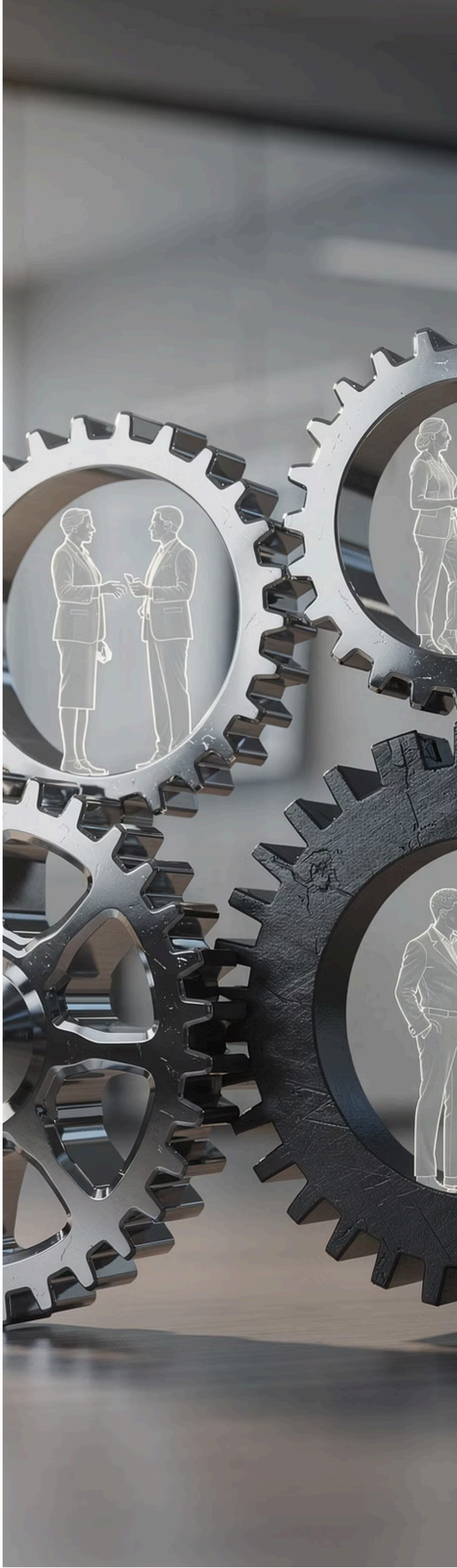
- Stage 7: Peer Group Learning → Enroll CEO and CFO in a structured peer group for ongoing learning and connection

Post-Deal Step 4: Embed the Fractional Talent Partner

If you haven't already, this is the moment to formalize a Fractional Talent Partner relationship.

The Fractional Talent Partner is typically a senior executive (often an ex-CEO or COO with PE experience) who provides:

- **Strategic Talent Leadership:** Translates the value creation thesis into talent and organizational strategy, driving the full talent development cycle with specialized expertise.
- **Executive Partnership & Oversight:** Sits alongside the CEO and Operating Partner, reporting to the board on people-related progress and risks, enhancing board-level credibility.
- **End-to-End Talent Acquisition:** Manages critical C-suite and manager-level hiring in partnership with firms like BSG and TalentBench.
- **Development & Coaching:** Coordinates executive coaching and team development initiatives, fostering cross-portfolio knowledge sharing.
- **Efficient & Disciplined Execution:** Ensures faster and more disciplined execution of the talent strategy, providing cost-efficient access to talent capabilities without a dedicated HR function.



Breaking the "We Just Need Someone in the Seat" Cycle

The Problem: Speed Without Rigor

> "We just need someone in the seat."

You've heard it. Maybe said it. That line has sunk more deals than bad product.

In PE-backed companies, urgent hiring is reflexive. You identify a gap on Monday, you're interviewing candidates Thursday, you're making an offer Friday. By the following Monday, you've hired someone. By month four, you realize the hire was a mistake. By month six, you're either coaching intensively or managing the exit.

The cost: 6 months of lost productivity, team disruption, culture damage, and another round of urgent hiring.

Why Rushed Hires Fail

No Clarity on the Role

Defining success is crucial. Without clarity, hires are based on resume or chemistry, not capability match.

No Benchmark

Without a benchmark for 'great' within your company, candidates are compared against generic job descriptions, not top performers.

No Rigor in Process

The process lacks rigor, relying on 'gut feel' and conversational interviews. This misses psychometric fit and crucial decision-making.

No Integration Plan

New hires often lack an integration plan, leading to chaotic first 90 days. This makes it difficult for them to build credibility.

The Solution: Speed Plus Rigor

The goal is not to slow down hiring. The goal is to do hiring better and faster.

How?

1. Role Clarity: Build a Scorecard

Before you post a job, define success. The Role Scorecard includes:

1

Business Outcomes

(What will the person be accountable for in months 1, 6, 12, and 24?)

2

Leadership Behaviors

(What behaviors should they model?)

3

Critical Experiences

(What background is non-negotiable?)

4

Culture/Values Fit

(What do they need to believe about the company?)

The Hiring Process: Benchmark and Structure

2. Benchmark to Your Best

Don't hire against a job description. Hire against your best performers.

Identify your best VP Sales, CFO, or Operating leader. Conduct a brief assessment of their psychometric profile, values, and key behaviors. Use this as your benchmark: "Candidates should have similar communication style, adaptability, and ambition—even if they have different industry backgrounds."

3. Structured Process

Five-Step Hiring Process:

01

Screening

Resume + brief phone screen against scorecard (Can they do the job? Do they seem like a learner?)

02

Psychometric Assessment

Have finalists complete a validated assessment (Hogan, Forte, etc.)

03

Structured Interviews

Use consistent questions for all candidates, scored against behavioral competencies

04

Reference Checks

Ask references specific questions tied to your scorecard

05

Integration Planning

Once hired, map the first 90 days: who mentors them, what metrics you'll track, when you'll check in on fit

Timeline: 30–45 days from start to offer (not 4 days)

Integration and Building Hiring Capability

4. Integration: The First 90 Days

A great hire in month one can become a disastrous fit by month four if integration is poor.

90-Day Integration Plan:

01

Week 1–2: CEO mentoring

Explain the thesis, introduce key stakeholders, clarify decision rights and boundaries.

02

Week 3–8: Role-specific deep dives

Finance review, customer visits, competitive landscape, team 1-on-1s.

03

Week 9–12: First initiatives and quick wins

Identify 2–3 things to accomplish that build credibility and show understanding.

04

Month 4: Formal check-in

With CEO, peer leadership, and board (Is this person going to work? What adjustments do we need?)

30-60-90 Goals and Hiring Capability

1	2	3
30 days "I understand the business, the thesis, the team, and what's expected"	**60 days** "I've identified the key priorities and built relationships with critical stakeholders"	**90 days** "I've driven one meaningful initiative that shows I understand the culture and the value creation plan"

Building a Standing Hiring Capability

Build a standing capability:

- Partner with BSG for ongoing C-suite and board-level search
- Partner with TalentBench for manager and specialist-level hiring
- Keep role scorecards updated for your key roles
- Maintain benchmarks (psychometric profiles) of your top performers
- Keep your Fractional Talent Partner embedded in the hiring process

With a standing capability, when a key person leaves, you don't panic. You have a process, you have benchmarks, you have a pipeline.

Making QoT a Board-Level Discipline

The Shift: From "People Are Our Greatest Asset" to Data-Driven Talent Management

Most PE-backed company boards spend 80% of time on financial and operational metrics. Talent gets 20 minutes at the end of the meeting.

This is a mistake.

Leadership quality is a leading indicator of execution. Financial metrics are trailing indicators of past decisions.

The best boards treat talent with the same rigor as finance.

What the Board Should See: A Talent Scorecard

Just as boards review a financial dashboard (revenue, EBITDA, cash flow, working capital, debt covenants), they should review a talent dashboard.

Metric	Target	Current	Trend	Owner
Critical Role Stability	100%	100%	✓ Green	CEO
Time-to-Fill (Critical Roles)	<60 days	48 days	✓ Green	FTP
A-Player Retention (Top 15%)	95%+	93%	🟡 Yellow	CEO
Leadership Capability (QoT)	All roles A or "coachable"	80% A, 15% coachable, 5% at risk	🟡 Yellow	FTP
Voluntary Turnover (All Staff)	<10% annually	12%	🔴 Red	HR/FTP
Executive Coaching Completion	100% of enrolled complete	80% (4 of 5 on track)	🟡 Yellow	FTP
Board Readiness (CEO/CFO)	CEO and CFO comfortable with board communication	80%	🟡 Yellow	CoachK
Key Customer Accounts at Risk	0 at risk	1 at risk (top customer	🔴 Red	CEO

Integrating Talent into Board Meetings

Monthly Board Update (20 minutes)

1. **Executive Summary (2 min):** Green/Yellow/Red status on key talent metrics. Any surprises or urgent issues?
2. **Deep Dive on Red Items (10 min):** High voluntary turnover: Why? What's the action plan? Critical role at risk: Who? Why? Mitigation?
3. **Progress on Development (5 min):** Coaching updates, new hires settling in, upcoming milestones
4. **Forecast (3 min):** What do you anticipate in the next 90 days?

Quarterly Board Deep Dive (45 minutes)

1. **QoT Findings and Recommendations:** Present full team assessment: A-players, coachables, risks, flight risks
2. **Succession Planning:** For CEO, CFO, COO, and top 3 critical roles: What's your succession plan?
3. **Organizational Design Review:** Is the structure working? Are there bottlenecks or gaps?
4. **Compensation and Incentive Review:** Are salaries competitive? Are incentives aligned?
5. **Culture and Engagement:** What's the health of the organization?

QoT: The Cornerstone of Talent Discipline

QoT becomes a recurring board discipline:

01

At close

Run a full QoT assessment to understand your starting point

02

At 6 months

Spot check on people who are at risk or in coaching; any surprises?

03

Annually

Conduct a "people pulse" to assess progress, identify shifts, and plan for the next year

Final Words: Talent Is the Operating System

You can have a great business plan, strong financial projections, and solid market conditions. But if your team can't execute, none of it matters.

The best PE-backed companies understand this. They treat talent with the same rigor as earnings.

Final Thoughts

The best PE-backed companies use tools like Quality of Team to assess leadership before problems emerge. They invest in coaching and development. They hire with discipline, not desperation. They measure people progress as carefully as they measure financial progress. And they know that over a 5-7 year hold, leadership quality is often the difference between a 2x return and a 5x return.

> This playbook is your operating manual. Use it. Adapt it to your business. Share it with your board. And remember: your team is not a cost center to be minimized. Your team is the engine of value creation. Build it right.

About Talent Sequencing

Talent Sequencing is a premier provider of executive assessment, organizational design, talent acquisition (via BSG by Talent Sequencing), and leadership development services for private equity firms, PE portfolio companies, and growth-stage organizations.

For 30+ years, our professionals have assessed thousands of executives and built teams that drive PE returns. Quality of Team (QoT) is our proprietary methodology—combining psychometric assessment, team dynamics analysis, and scenario-based performance evaluation to give you clear, actionable insights into leadership capability.

The Fractional Talent Partner Program wraps our full suite of services into a dedicated, ongoing advisory relationship for PE portfolios.

Learn more: **talentsequencing.com**
Contact us:
info@talentsequencing.com | 617-266-4333