

04

THE HERO SERIES · EPISODE 04

Finish Fewer Things: Capacity Sets the Pace of Value Creation

Adding initiatives to a value-creation plan rarely accelerates it. More often it slows every one of them, because the same few leaders carry them all at once.

Plant no more than you can tend



STARRING YOU, AS

Private Equity / Operating Partner

THE HERO SERIES PRESENTS · EPISODE 04

STARRING **YOU**, AS PRIVATE EQUITY / OPERATING PARTNER · GUIDED BY COMPASS PERFORMANCE



YOUR STORY, AS

Private Equity / Operating Partner

VALUE CREATION AT THE PACE OF CAPACITY

Plant no more
than you can tend

A crowded bed does not yield more. It
yields less of everything.

The story in four acts

I

THE SITUATION

Ambition meets capacity

Plans are written as levers and workstreams. They are executed by the finite hours of a few leaders who also run today's business.

III

THE SHIFT

Sequence, do not stack

Start the vital few and staff them properly. Hold the rest in a visible queue: one starts when another finishes.

II

THE TENSION

Everything starts, little finishes

If the rate of completion is fixed, every extra initiative in flight lengthens the time each one takes. It is arithmetic.

IV

WHAT CHANGES

Speed from completion

Finished initiatives free their leaders, produce evidence the board can trust and contribute earlier in the hold.

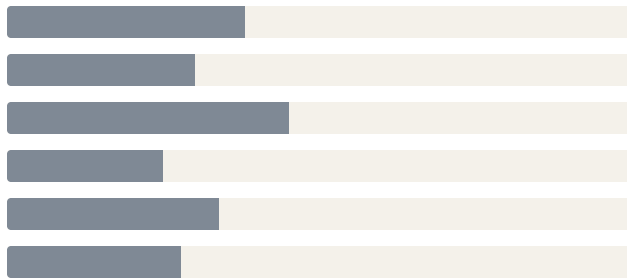
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The binding constraint is neither capital nor ideas. It is the capacity of a handful of leaders.

Same leaders, two ways to run the plan

Stacked

Everything in flight at once



Sequenced

The vital few, staffed properly, with a visible queue



Little's Law: average time in the system equals work in the system divided by the rate of completion.

The plan that looks less ambitious on the first day is often the one that has delivered more by the second year.

THE FULL STORY

Value-creation plans are written in the language of ambition: levers, workstreams, initiatives and milestones. They are executed in the language of capacity: the finite hours of a small number of capable leaders who must also run the business that generates today's cash. When the two languages are not reconciled, the plan fails in a recognizable way. Everything starts. Little finishes. Status reports stay green until, rather suddenly, they do not.

This pattern is not a failure of effort or talent. It is arithmetic.

The arithmetic of work in progress

Queueing theory offers a precise relationship that holds for any stable system of work, from a factory floor to a leadership team. Little's Law states that, on average, the time an item spends in a system equals the amount of work in the system divided by the rate at which work is completed. Applied to a portfolio of initiatives, the implication is direct: if the rate at which a team can finish work is fixed, every additional initiative in flight lengthens the time each one takes to finish.

Leaders experience this as constant context-switching, meetings that cover twenty topics and resolve none, and decisions deferred because the people who must make them are elsewhere. Boards see it as slippage. The

instinctive responses, adding initiatives to recover lost value or adding reporting to improve visibility, increase the load on the same constrained people and make the problem worse.

Ownership sits with too few people

In many portfolio companies the binding constraint is neither capital nor ideas. It is the capacity of a handful of leaders, often the chief executive, the chief financial officer and one or two operating heads, who appear as owner or essential contributor on most of the plan.

A simple capacity map makes this visible. List each initiative, name the people whose time it genuinely requires, and estimate the share of each person's week it will need. Then add the time the base business demands of them. The totals for the most-named leaders can exceed what anyone could deliver, and the map shows that before the plan is approved rather than after it slips.

Sequence, do not stack

Picture a closet with many pairs of shoes, where in a typical four-week stretch only two or three pairs are actually worn. It is an everyday analogy, not a measurement: some pairs are seasonal, some exist for safety, and some are kept on purpose for occasions that matter.

An initiative portfolio is similar. A few initiatives carry most of the thesis; others are seasonal, protective or deliberately held as options. The discipline is not to discard the rest. It is to decide, explicitly, which few are in use now.

Front-to-Back 80/20 applies to the plan itself. Rank initiatives by their contribution to the thesis and by the constrained capacity they consume. Start the vital few, and staff them properly. Hold the rest in a visible queue with an explicit entry rule: an initiative starts when another finishes, or when capacity is genuinely added. Protect the base business deliberately, because a plan that starves the core to fund change is borrowing against the exit.

Govern flow, not activity

Program and project management in this sense is less about tracking and more about limiting. A portfolio forum that meets on a fixed cadence and asks three questions, what finished, what is blocked and by whom, and what is ready to start, shifts attention from reporting activity to completing work. ARC provides the rhythm: Analyze progress and capacity together, Refine the sequence when the evidence changes, and Commit to new entries only when there is room for them.

For an operating partner, this changes the board conversation. Instead of reviewing a long list of status lines, the board reviews a short list of initiatives in flight, the evidence that each is moving its lever, and the queue behind them. Slippage becomes visible as a capacity decision rather than arriving as a surprise.

Speed comes from completion

Finishing fewer things faster compounds. A completed initiative frees its leaders for the next one, produces evidence the board can trust, and begins contributing earlier in the hold, when value is worth the most. The plan that looks less ambitious on the first day is often the one that has delivered more by the second year.

A gardener plants no more than they can tend. A crowded bed does not yield more. It yields less of everything.

TRY THIS · ABOUT 60 MINUTES

A one-page capacity map

Operating partner and portfolio chief executive together, before the next plan review.

1. List every initiative currently in flight or committed in the value-creation plan.
2. For each, name the two or three people whose time it genuinely requires.
3. Estimate, in rough fractions of a week, what each initiative needs from each person. Aim for honesty, not precision.
4. Total the load for the five most-named leaders, and add the time the base business requires of them.
5. Rank the initiatives by contribution to the thesis, and draw a line where capacity runs out.
6. Agree what sits above the line, what waits in the queue, and the rule for starting the next initiative.

If the line falls well before the end of the list, the plan's timeline was an assumption. The map turns it into a decision.

YOUR NEXT STEP

A confidential discovery conversation

If the plan has more initiatives in flight than your leaders can carry, a confidential conversation is a place to think through what to finish first and how to sequence the rest. It is a conversation, not a proposal.

Schedule a Conversation: meetings.hubspot.com/steve-kopecky ·
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