WHITE PAPER: Transform to Win

Unlocking Value in PE-Backed Companies with The McCabe Method™

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Executive Summary

Private equity firms back companies for one reason: to grow and create value faster than the company is able to on its own, and faster than the market. But accelerated transformation brings complexity, fragmentation, and change fatigue. That's where **The McCabe Method™** steps in.

Developed for high-stakes environments, **The McCabe Method™** is a proven framework for operational and strategic transformation, purpose-built for companies under private equity ownership. It enables companies to move at the pace dictated by private equity owners and at a cost that is aligned to their cash flow. This white paper introduces the methodology, illustrates its alignment with the corporate strategy pyramid, and details its three powerful modules: **Plan2Win™**, **Manage2Win™**, and **Change2Win™**.

The Transformation Gap in PE-Backed Companies

Private equity ownership often signals the end of the rapid growth phase for a company and the beginning of a maturing process that demands improved profitability. It changes the game, and many portfolio companies stall during transformation efforts. Why? There are many reasons, and while **The McCabe Method™** is not designed to address all of them, it's important to review the changes that are taking place.

★ **Growth Playbooks Aren't Built for Efficiency**

In growth mode, companies are rewarded for:

- Fast top-line expansion
- Market share grabs
- Speed over precision
- Funding over margin discipline

When it's time to shift toward profitability, those same virtues become liabilities:

- Over-hiring
- Lack of cost controls
- Poor economics
- Inefficient or duplicative processes

★ **Leadership Misalignment**

Leaders who thrived in a "grow at all costs" environment may not have the skill set or mindset for optimization and operational rigor. In fact, many leaders of growth companies don't want to be leaders in the next phase. You often see:

- Inexperience with cost discipline

- Lack of accountability frameworks
- Reluctance to make hard tradeoffs
- Leadership turnover

Executives who are going to stay need to evolve from *builders* to *operators*, and not all make that shift successfully.

★ **Failure to Prioritize**

In growth mode, companies tend to say yes to everything: new products, new markets, custom client requests. But profitability demands:

- Ruthless focus on the most profitable segments
- Elimination of non-core activities
- Diligent resource reallocation

The inability to say no becomes a major drag on earnings. And focusing on everything all the time is a drag on employees in addition.

★ **Lack of Operational Infrastructure**

During rapid growth, the focus is on scale, not systems. So when profitability becomes the priority, companies often find:

- No centralized data to track performance or cost drivers
- Weak financial and operational reporting
- Non-standardized procedures
- Lack of policies to govern how decisions are made
- Inadequate governance or process ownership

What worked when you had 50 people breaks down with 500.

★ **Misaligned Metrics and Incentives**

Growth organizations reward activity (sales, launches, hiring), but profitability demands:

- Margin focus
- Operational efficiency
- Customer lifetime value

If KPIs and incentives don't shift with the strategy, behaviors won't either.

★ **Cultural Resistance to Change**

Growth mode cultures are often built on optimism, innovation, and risk-taking. Moving to profitability often looks like:

- More rules and red tape

- Budget cuts
- Slower decision-making

In addition, employees may feel:

- Out of the loop
- Unheard, undervalued
- Confused by what seems like changing priorities
- Frustrated by a lack of control
- Scared of an unknown future
- Overwhelmed by the quantity and speed of change

Employees may resist the shift, seeing it as a loss of freedom or creativity, unless the "why" is clearly communicated and employees buy in.

★ **Investor Pressure Creates Tension**

On top of all these pressures, PE firms or external forces often drive the shift to profitability, and internal teams may not understand or feel the urgency. This creates:

- Disconnects between board and leadership
- Miscommunication of goals
- Delayed execution of hard decisions (e.g., layoffs, divestments, priorities)
- Unhappy employees

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*Introducing **The McCabe Method™: Transform to Win***

Built from decades of C-suite transformation leadership in healthcare, technology, and financial services, **The McCabe Method™** integrates the hard and soft levers of change.

It delivers:

- Strategic clarity and alignment
- Execution discipline and governance
- Embedded change capability at all levels

What Makes It Different?

- **Aligned**: Built around what exists – your financial targets, your strategy, your programs, your people
- **End-to-end**: Spans from strategy to execution to adoption
- **Modular**: Companies can engage in all modules at once, or dip a toe in to build comfort and confidence in the process
- **Pragmatic**: Developed in real-world, high-pressure environments where leaders still have to run the day-to-day business while changing the business for the future

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*How **The McCabe Method™** Supports the Corporate Strategy Pyramid*

Executives are familiar with the Corporate Strategy Pyramid in which business results are supported by vision, mission and strategic objectives, executed through operating models, business processes and projects, with the support of individual behaviors at the base.

The McCabe Method™ is designed across these layers, ensuring the structural strength that is needed to transform and achieve desired business results.

Transformation tends to fail when one layer is weak or when there is a lack of connection from top to bottom. **The McCabe Method™** ensures discipline, integration and engagement.

The McCabe Method™ Modules

PLAN2WIN™
Clarify the what & the why

Too many strategies stall at the PowerPoint stage. **Plan2Win™** translates strategic plans into a roadmap of executable initiatives and ensures that roadmap priorities are tied to the desired business results.

Key Deliverables	Outcomes
• Executive alignment workshops • Initiative intake and prioritization process and easy-to-use tools • Transformation roadmap and regular reviews to check on priorities • Resource assessment to inform phased delivery of the roadmap	• Clear focus on what matters most • Sequenced transformation that aligns with PE timelines • Strategic alignment from boardroom to frontline

MANAGE2WIN™
Manage what matters

Without structure, even great plans collapse. **Manage2Win™** implements governance, reporting, and accountability.

Key Deliverables	Outcomes
• Business Transformation Office (BTO) setup and launch • Simple, standardized project management tools • Initiative tracking and KPI dashboards • Escalation and decision-making frameworks • Portfolio-level reporting to the executive team and PE sponsors	• Progress! • Transparency into program delivery progress and risk management • Streamlined decision-making • Integration of transformation efforts into daily operations • Employee awareness and engagement

CHANGE 2WIN™
Make the change stick

People don't resist change; they resist change done *to* them. **Change2Win™** builds internal change champions and supports adoption from day one.

Key Deliverables	Outcomes
• Change impact and readiness assessments • Stakeholder engagement strategies • Network of change champions throughout the organization • Communications and training toolkits	• Engaged employees who lead the transformation • Higher adoption rates • Less disruption • Stronger internal capability for future change

Case Snapshots: Transform to Win in Action

Plan2Win™ Case Study

SITUATION

A public company with ~$1B in revenue created a Business Transformation Office to deliver 7 enterprise projects: 3 IT, 4 operations.

COMPLICATION

Every ELT meeting included references to other top priority projects that leaders were assigning their limited resources to. The result was employees who were overwhelmed by the amount of change, the shifting prioritization, and the never-ending fire drills to deliver "just one more thing."

SOLUTION

To solve this, the BTO led a planning and prioritization process with the ELT to:

1. Identify ALL enterprise projects/programs
2. Develop a common framework to evaluate head-to-head with defined criteria
3. Gather project information from subject matter experts and validate with BTO and finance
4. Use quantitative and qualitative data to group and prioritize
5. De-prioritize several projects
6. Confirm roadmap of prioritized projects (and which were de-prioritized) with PE sponsors and board of directors
7. Communicate with the entire organization and begin change management plan

Manage2Win^{TM} Case Study

SITUATION
Large corporation was several years into a massive go to market transformation, having already completed extensive analysis, gained executive buy-in, developed a sales force plan, established new KPIs.

COMPLICATION
Six months prior to launch, as the rest of the organization was informed of the impending changes, the project team started to hear from IT, operations and support teams that the change was "impossible," systems would "break," processes would "fail."

The project team was unable to determine which objections were legitimate vs. inconvenient, which consequences would be debilitating vs. painful, and what other issues loomed. As a result, each was considered a significant threat to the project, overwhelming the project team. The executive considered cancelling the go-to-market change, scrapping the work that had been done and foregoing the financial benefit that was projected.

SOLUTION
The solution was a project-in-a-project using a structured approach:
1. Develop a comprehensive list of corporate functions and IT systems
2. Clear description of the desired outcome (vs. a fixed solution to achieve the outcome)
3. Detailed assessment and classification of the proposed change on functions and systems, working with subject matter experts (45 operations areas reduced to five critical and three moderate concerns; review of 37 IT systems identified two critical challenges and seven moderate)
4. Project plan with workstreams prioritized by level of concern
5. Resources (people, time, budget, executive influence) aligned by priority
6. Project team and subject matter experts assigned to solve, not just manage outstanding issues

***Note**: while this is a case for **Manage2Win^{TM}**, it is obvious in retrospect that **Change2Win^{TM}** would have identified areas of concern earlier in the project. Because the project team waited until close to launch before communicating the change to operations and IT teams, they were surprised by the challenges and caught without enough time to solve before the scheduled launch date.*

Change2Win™ Case Study

SITUATION
Private equity-back company, operating nationwide, had experienced several years of rapid growth through acquisitions of small, local entities.

COMPLICATION
The historical model of local control, decision-making and communication was changing to a centralized model, but lacked the structure to reach all employees. The result was that most of the company's 10,000 employees were not aware of the transformational changes taking place. Without an understanding of the long-term vision, the logic behind the changes, the timing and the impact, employees in local offices (and even some in the corporate headquarters) reacted with fear and resistance.

SOLUTION
The solution was to develop a network of change champions across the organization to lead the change from the inside out. Change champions were top performers from every function, nominated by their leaders and recognized by the CEO. They received extra training from experts in change management and helped to develop a change toolkit that included: monthly update meetings, an open group chat to ask each other questions, access to BTO program leaders, templates/pre-written communications to engage their teams.

Additional resources included a company-wide change roadmap, Prosci ADKAR® Model[1], multi-channel communications plans for each program, online training materials (videos, FAQs, help).

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[1] Source: https://www.prosci.com/methodology/adkar. The Prosci ADKAR® Model is one of the two foundational models of the Prosci Methodology. The word "ADKAR" is an acronym for the five outcomes an individual needs to achieve for a change to be successful: *Awareness*, *Desire*, *Knowledge*, *Ability* and *Reinforcement*.

*Is **The McCabe Method™** Right for You?*

If you are:

- A CEO, CFO or COO of a PE-backed firm under pressure to execute a transformation strategy
- An operating partner looking for measurable transformation results
- A functional leader struggling with initiative overload

The McCabe Method™ is built for you.

If your company is:

- Exiting a period of rapid growth and slow to improve profitability
- Missing performance KPIs
- Unable to change the business while running the business
- Struggling to engage employees in the transformation

The McCabe Method™ is built for you.

If you lack:

- A clear roadmap of enterprise priorities
- Cross-functional cooperation to fundamentally change
- A communication plan to reach all employees

The McCabe Method™ is built for you.

If you feel:

- Like everyone is busy but not enough is getting done
- Concerned about return on investments

The McCabe Method™ is built for you.

The Bottom Line

Shifting from growth to profitability is a *transformation*, not just a pivot. Companies need new tools, new habits, and new leadership capabilities to succeed. At JMcCabe Consulting, we assume that you have the right leadership in place. In fact, you are here because you know that you need to transform, and you may recognize that you don't have the resources to do it.

This is exactly the kind of shift that **The McCabe Method™** is designed to support: guiding organizations through the structural, operational, and behavioral changes required to drive lasting, profitable growth.

We have done it before, and we have learned by doing it. We engage with you and with your team, keeping costs low and knowledge transfer seamless by working with your existing resources. We know your challenges, and we know that we have been able to solve similar problems for others in your situation.

About JMcCabe Consulting

Led by Jennifer McCabe, a Harvard-educated transformation executive with a track record of unlocking growth in complex environments, JMcCabe Consulting brings the experience, tools, and discipline that private equity demands.

Jennifer has delivered multi-million-dollar outcomes across healthcare, tech, and financial services and built **The McCabe Method™** to scale that success for others.

Let's Transform to Win. Together.

Ready to accelerate value creation?
Contact JMcCabe Consulting at info@jmccabeconsulting.com to schedule a free discovery call.