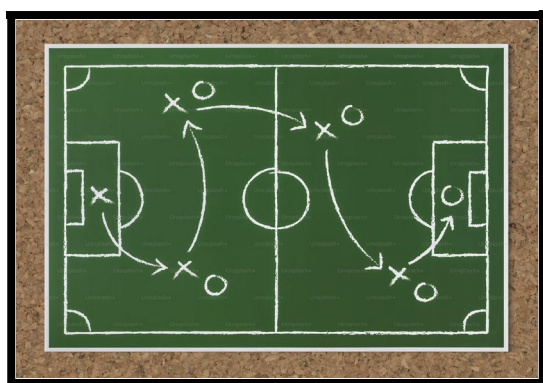


# The Playbook:

*The Boring (and Brilliant) Way PE Firms Grow Companies.*



## Before You Read This Playbook

If you're holding this, you're likely asking a question most founders avoid:

***"How do I grow my business without compromising its legacy or burning out?"***

That question signals something important, you've built something real. You're profitable, but the momentum is fading. You're still solving fires, wearing too many hats, and fielding another "we buy your business" email.

**This playbook was built for you.**

At ScaleCo Capital, we have worked with dozens of founder-led businesses at this exact stage. Growth here doesn't come from talk. Real growth comes from operations, clear priorities, and disciplined execution.

After we invest, we help companies:

- Streamline and strengthen core operations
- Align the team
- Improve and optimize key systems
- Help build something a larger buyer can't ignore

## Here's the Twist:

**You don't need to sell your company to start acting like it's worth buying.**

This playbook outlines practical strategies you can start using today to strengthen your business.

## Why This Matters Now

Running a company at this stage can feel isolating.

You've outgrown the scrappy startup hustle but haven't yet built the kind of machine that runs without you. You're still solving every fire, carrying the team, and wondering why what once was exciting, now feels like a weight. That tension is normal and means you're at a turning point.

You're not doing anything wrong, but it is time to shift how you lead.

**This playbook is built for that shift.**



## What You'll Get

Inside, you'll find practical ways to:

- Step out of the bottleneck role and focus your team on what drives growth
- Stop confusing constant motion with real progress
- Simplify your product, pipeline, and priorities to create leverage
- Turn your financials into tools for decision-making—not just reporting

No jargon. No theory. Straightforward strategies from people who've been in your shoes.

## Our Role

At ScaleCo, we don't show up with buzzwords. We show up to help you build something durable — something that grows without needing to be rescued by the founder every quarter.

We partner with entrepreneurs who want to grow with intention. With clarity, operational focus, and the right kind of support.

We're ready to help you build what's next.

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## ScaleCo Capital Portfolio Companies

### Current



**Budco (MI)**  
Payment plan program management company  
(Acq. Nov-12 (ECP II) / Acq. Dec-18 (Indep.) / Sold Aug-22)



**Safety Controls Technology (OH)**  
Provides occupational health and safety services  
(Acquired Feb-23 / Sold – N/A)



**PSP Metrics (OH)**  
Provides pre- and post employment assessment testing  
(Acquired Dec-20 / Sold – N/A)



**TPI Efficiency (OH)**  
Outsourced provider of energy management, procurement, and efficiency services  
(Acquired-22 / Sold – N/A)



**Innoplast (OH)**  
Value-added assembler and distributor of passive, conspicuity safety solutions  
(Acquired Apr-21 / Sold- N/A)

### Historical



**STAM (OH)**  
Precision large diameter tube bending and fabricating company  
(Acquired Jun-98 / Sold Mar-17)



**Knowledge Center (CO)**  
Developer of emergency management software tools  
(Acquired Jul-14 / Sold Nov-20)



**Innerpac (IL)**  
Manufacturer of specialty materials for the packaging industry  
(Acquired Nov-06 / Sold Aug-10)



**ROI Networks (CA)**  
Value-added reseller of unified communication systems  
(Acquired Sep-14 / Sold Nov-18)



**Turf Ventures (IL)**  
Chemical distribution business for the turf management chemicals to the golf course industry  
(Acquired Mar-08 / Sold Sep-14)



**Heavy Equipment College (NV)**  
Education and training business specializing in heavy equipment and crane operator training  
(Acquired Jun-15 / Sold May-24)



**Accurate Group (OH)**  
National real estate transaction services business  
(Acquired Feb-09 / Sold Dec-12)



**Federos (IN)**  
AI-optimized assurance, analytics, and automation solutions  
(Acquired Apr-16 / Sold Dec-21)



## Historical Cont.



### American Eagle Mortgage (OH)

Residential mortgage bank  
(Acquired Sep-09 | Sold Sep-13)



### Renascent Salvage (OH)

Network of automotive salvage yards and recycling facilities  
(Acquired Sep-17 | Sold Aug-23)



### Lewellyn (IN)

Provides workplace facility and hazard safety assessments  
(Acquired Aug-12 | Sold Nov-17)



### NexTech Operations (MS)

Refurbishes and distributes globally used voice and networking products  
(Acquired Apr-18 | Sold Mar-23)



### Axiom (TX)

Sales force training and revenue enhancement company  
(Acquired Nov-12 | Sold Dec-20)



### Cap City Dental Lab (OH)

National dental lab providing dental implants  
(Acquired Jul-18 | Sold Nov-24)



### Cascade (WA)

Healthcare training and staffing company  
(Acquired Jun-14 | Sold Dec-21)



## The Playbook

### People & Talent Development

#### 1. Audit Your Time Like a CFO

*Train your team. Trust your team. Know what role you want to play.*

**Insight:** Your time is your most valuable resource even if you're not billing for it. Your calendar should reflect your strategy. If it doesn't, you're not leading, you're reacting.

#### The Alignment Wake Up Call

Dana agreed to track her time for two weeks. Not to call out distractions, but to better understand how she was showing up as CEO.

**Day 1:** She joined a 90-minute marketing sync focused on planning the next lunch and learn. The team debated QR codes, signage, and event logistics.

**Day 5:** She was in a two-hour meeting reviewing a slide deck. Her main comment, "Can the font feel more decisive?"

The results were clear only a small portion of resources had been directed toward strategic growth initiatives. Most of her time was tied up in status meetings, vendor check-ins, and internal reviews that didn't need her involvement. She was constantly busy, but rarely focused on the priorities that would move the business forward.

Dana did not panic. She reframed the situation. **If she was in the room for everything, she was holding back the team and the company.**

She delegated more, set clearer boundaries, and restructured her calendar to reflect the CEO role she needed to lead from, not the one she had already outgrown.

Within a few weeks, her team was making faster decisions, and Dana had the space to focus on customers, strategy, and growth.

**When leaders operate in the right role, the entire company moves forward.**



## 2. Make Your Org Chart Work for Your Customers

*Redesign your org chart based on what your customers value.*

**Insight:** Customers don't care about how your team is structured. They care about the results.

### The Org Chart Wake-Up Call

Mark led a fast-growing B2B software company.

Things were going well until a major client asked, "Who's my main point of contact?" Six team members replied with some version of "sort of me."

### That was the turning point.

Mark took a fresh look at his org chart. Not by role or title, but by what customers were actually paying for.

Sales were clear. Product was strong. But customer onboarding was split across three teams with no clear owner.

Rather than assign blame, Mark focused on alignment.

- He clarified responsibilities
- Reassigned roles based on customer needs
- Empowered team members to own outcomes, not just complete tasks

Within two weeks, results followed.

- Customer churn decreased
- Response times improved
- Internal meetings became shorter and more productive

Most importantly, the next time a customer asked who was responsible, the answer was clear. "I am."

When your team is aligned around what matters to your customers, everyone wins. A clear org chart and an aligned team are not just efficient. They create a lasting competitive advantage.



### 3. Communicate Like It's Game Time

*Share key updates with your team every week. Financial performance, sales progress, account wins, and hard truths.*

**Insight:** Teams perform better when they have a clear and honest view of what is working, what is not, and where the company is headed.

#### The Update That Built Alignment

Andre led a 60-person services firm with a strong team and a healthy culture. However, beneath the surface, there was uncertainty.

One week, his head of sales asked, “Are we doing well?”

Ops replied, “Define well.”

His controller didn’t say anything. He just blinked.

So, Andre tried something new.

Every Friday, he sent an email titled “Weekly Priority Update.”

It included:

- Key financial and operational metrics
- Updates on the sales pipeline and new accounts
- Honest observations on challenges like slipping margins

No spin. No filler. Just a clear view of what mattered.

Over the next few weeks, the tone across the team began to shift.

- Customer success teams got ahead of issues.
- Sales started prioritizing higher margin opportunities.
- Ops began tightening scopes and resetting expectations.

The updates helped reduce confusion and align the team around shared goals.

The updates continued. The uncertainty faded.

Clear, consistent communication removes guesswork and builds momentum.

**When the team knows what matters, they move with clarity and purpose.**





## 4. Run the 80/20 Audit

*Identify the 20% of work that drives 80% of your results. Then cut, delegate, or automate the rest.*

**Insight:** Great leaders don't chase every task; they prioritize what truly drives results.

### The To-Do List Purge

Rachel was a high-performing COO known for her impressive task list. It was color coded, time blocked, and meticulously organized.

Then a board member asked a simple question: "How many of these tasks actually drive revenue?"

That prompted her to run an 80/20 audit.

She started by reviewing a full month of tasks. Anything directly tied to sales, retention, or margin was flagged. The final count? Only 22 of 138 tasks made the cut.

The rest were noise. Status updates, vendor calls, Slack threads, internal check-ins, and six meetings about other meetings.

By the end of the week, Rachel had automated five tasks, delegated seven, and deleted the rest. Her calendar opened up by 40 percent, and her KPIs began to improve.

She did not feel less busy. She felt more in control.

When your schedule is full, but your business is stuck, you are not leading. You are reacting.

**Clear the noise. Focus on what moves the business forward.**



## Sales & Marketing

### 5. Stop Selling to Ghosts

*Cut your “maybe someday” leads.*

Prospects who have been “thinking about it” for six months are no longer leads. They are ghosts. It’s time to move on.

**Insight:** You don’t scale by chasing. You scale by qualifying.

Larry had a lead named Brent. It started with a whitepaper download last Q3, followed by a polite reply: “Let’s touch base next quarter.” Then, nothing.

Still, Larry held on. He sent nine follow-ups, left four voicemails, and even mailed a custom gift box that said, “Let’s make this official.”

By Q2, Brent had become office folklore. The team called him “The Ghost of Deals Past.” Larry kept insisting the deal was alive. “He’s just slammed right now,” he said.

Eventually, a team member did a quick check. Brent left the company in December.

Ghosts don’t close. They haunt.

Qualifying leads is not about hope. It is about clarity. If a prospect cannot articulate a need, a timeline, or a reason to engage, they are not ready. Move on.

*A clean pipeline is a productive one. Focus on buyers who have urgency and a problem you can solve today.*



## 6. Find the Hero Product

*Invest in the core products that drive results.*

**Insight:** Growth gets easier when the business is built around what already works. Focus brings clarity. Clarity drives performance.

### The Product That Changed the Plan

Lena led a manufacturing company with a broad mix of product lines. The team was capable, and the operations were solid, but the business lacked consistency. Costs were rising. Sales efforts were scattered. Revenue was unpredictable.

After a challenging quarter, Lena and her leadership team took a step back. They analyzed order volume, customer retention, and margins across the catalog. One trend was impossible to ignore. Their most loyal and profitable customers all relied on the same product.

It was not the flashiest item. It was the most dependable.

Lena decided to refocus.

- They simplified the product mix.
- They aligned sales and marketing around the core offering.
- They shifted resources away from slow-moving items and toward the product that customers already valued.

The impact came gradually.

- Expenses came down.
- Sales cycles got shorter.
- The pipeline became more predictable.
- The company had a clearer message and a stronger foundation.

The business did not need more products. It needed more focus.

*When teams commit to what consistently delivers value, they create space for better decisions, better execution, and more sustainable growth.*



## Financial Controls & Data

### 7. Write the Exit Memo

*Create a clear picture of why someone would pay 10 x EBITDA for your business three years from today.*

Not because you're planning to sell, but because you're building with purpose.

**Insight:** If you can clearly describe the future you're working toward, you can focus on the right priorities today.

#### The Exit Memo That Changed Everything

Nina led a successful specialty parts distributor. The business had strong margins and loyal customers, but no real roadmap for what came next.

Her advisor gave her a challenge.

Write the memo an acquirer would read three years from now. Title it, "Why Someone Paid 10x EBITDA for Us."

- The first day, the page was blank.
- The second day, she wrote a few phrases like "great culture" and "customer-first."
- By the third day, she realized none of that justified a premium.
- By the fourth day, she had clarity.

She outlined a focused strategy:

- Consolidate vendors to improve margins
- Automate quoting to reduce friction
- Launch two high-margin SKUs
- Reduce hidden churn risk tied to a top customer

Six months in, two of the initiatives were already underway.

After twelve months, EBITDA was up.

By eighteen months, an acquirer reached out. Not because she was looking to sell, but because the results were hard to ignore.

The memo was never about preparing for a sale. It's about aligning your team, your time, and your energy around what would make this business truly valuable

**Start by defining the vision that would make your company truly valuable, then go build it.**



## 8. Treat Debt with Discipline

*Debt can be a powerful tool, but only when used with precision. It should accelerate what is already working, not mask what is not.*

**Insight:** Smart debt creates leverage. Poorly placed debt creates pressure.

### The \$400K Lesson

Eli ran a steady, growing parts manufacturing business. Orders were consistent, but cash was tight. To fuel growth, he secured a \$400,000 line of credit.

The intention was right. The execution was not.

- He hired his cousin to help “build the brand.”
- He approved a complete website overhaul.
- He paid for new office signage.
- He hosted a client appreciation event that no clients attended.

By the end of the quarter, revenue had not changed, but debt service had.

The cousin stepped down. The website remained incomplete. The loan payments continued.

That is when Eli got focused.

He redirected the remaining \$50,000 toward upgrading a production line that was already responsible for 60 percent of revenue.

Within thirty days, throughput increased by 20 percent. Margins improved.

This time, the return was real.

Debt can drive growth, but only when tied directly to proven results. Used with discipline, it multiplies what works. Used without focus, it becomes a burden.

*If you are going to borrow, invest in what is already producing. That is where the leverage lives.*



## 9. Map the Money Trail

*Track one dollar of revenue from sale to profit. Then improve every step along the way.*

**Insight:** Most businesses don't have a revenue problem. They have a visibility problem.

### The Dollar That Found Its Way Back

Maya ran a specialty food brand with loyal customers, strong direct-to-consumer sales, and polished branding.

The top line looked impressive. The bottom line did not.

During a board meeting, someone asked a simple question.

"If we earn one dollar, where does it go?"

Maya followed the trail.

- Thirty-four cents went to ingredients
- Twenty-one cents to packaging
- Seventeen cents to two-day shipping because it felt "on brand"
- Nine cents to customer support, advertising, and refunds
- Eight cents to transaction fees and backend inefficiencies
- Eleven cents remained for everything else—rent, salaries, growth, and peace of mind

That was her wake-up call.

It was not about working harder. It was about working smarter.

Maya made a series of focused changes.

- She adjusted shipping policies
- She trimmed underperforming SKUs
- She renegotiated supplier terms
- She rebuilt pricing with more precision

Within one quarter, gross margins increased by twelve points. Profit followed.

Every dollar tells a story. When you know where it goes, you can lead it somewhere better.

Profit comes from clarity, not chance. It is the result of deliberate choices made with the full picture in mind.

Start by tracking the money. Then guide it toward outcomes that matter.



## Why Most Founders Don't Follow This

These moves work. But they take clarity, focus, and commitment. Most founders don't resist change; they are just buried in the day-to-day.

That's where we come in.

At ScaleCo Capital, we partner with owners ready to grow with intent. We bring structure, experience, and sleeves-rolled-up support.

If you're ready to stop guessing and start building something durable, let's connect!

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## APPENDIX

### The ScaleCo Codex

Over the past two decades, we've meticulously crafted and honed a robust process that not only mitigates the risks associated with scaling but also amplifies value creation. Imagine it as a well-oiled machine, fine-tuned to propel businesses forward with precision and confidence. We focus on training the team, trusting the team, and ensuring everyone knows their role.

Our strategy revolves around five pivotal focus areas (three of which are mentioned above), with each acting as a crucial gear in this machine:

- People & Talent Development
- Financial Controls & Data-Driven Decision Making
- Organic Growth via Sales & Marketing
- Technology Enablement
- Corporate Development & Add-On Acquisitions

Other Resources:

- [Why Scaling Companies Starts with Scaling People](#)
- [Understanding the Fair Value of Your Business](#)
- [A Constructive Guide for Business Owners on EBITDA](#)
- [Understanding and Monitoring Key Financial Metrics: A Path to Sustainable Business Growth](#)