Rethinking Portfolio Growth: An Operating Approach for Modern Private Equity

Private equity's value creation model is changing.

What once hinged on financial engineering and aggressive cost-cutting now depends on something harder to replicate: consistent execution.

At Anduril, we believe the next decade of PE outperformance will be defined by firms that master operational clarity across their portfolio and treat execution not as a function, but as an operating philosophy.

From Capital to Capability

The capital is still table stakes. But capital without capability creates fragility.

We're seeing more firms recognize this shift. Their challenge isn't just identifying the right company to acquire, it's knowing how to operationalize growth consistently post-close, across sectors, stages, and leadership teams.

And the real constraint? It's noise, not talent or ambition.

The Landscape: Complexity Without Coherence

Most operating companies today are flooded with tools, dashboards, and data. But decision-making still runs on lagging indicators, disconnected narratives, and local optimizations.

The result?

- Sales and marketing functions grow in silos
- Boards operate on conflicting versions of performance
- Execution feels reactive, not intentional

Left unchecked, these gaps erode trust internally and externally. And they drag down multiples at exit.

Where We Start

At Anduril, we start with the assumption that every portfolio company is making decisions, just not always with clarity.

We don't begin with a solution. We begin by asking:
- What are the few metrics that actually drive valuation in this business?
- How aligned are internal views with what investors are pricing?
- Where is execution misfiring—not due to strategy, but due to process or signal lag?

We've found that the companies that outperform are rarely the ones with the flashiest growth narrative. They're the ones that operate with clarity, consistency, and a shared understanding of what good looks like.

A Framework for Execution Clarity

We approach execution as a system, an interplay of measurement, communication, and feedback. That system has to be designed intentionally if it's going to scale.

Here's how we think about it:

1. **Separate signal from noise**
   Start with what the market is actually reacting to. Use quantitative models to isolate factor exposures vs. fundamental impacts. This creates a shared baseline between operators and boards.

2. **Align on metrics that matter**
   Not all KPIs are created equal. What gets measured is often what's easiest to measure, not what's most material to equity value. That distinction has to be clarified early in the

hold period.

3. **Treat guidance as a function of confidence**
   Companies often over-guide or under-communicate. Both create risk. We help teams shape disclosure around confidence intervals, not storytelling instinct. Investors know when you know and when you don't.

4. **Embed feedback loops**
   Strategy is iterative. So is execution. The ability to observe, orient, decide, act, and return to observation separates teams that adapt from those that guess.

The Role of the Operating Partner is Evolving

This shift also redefines what it means to be an effective operating partner. The role isn't just about firefighting problems or optimizing functions, it's about creating conditions where high-velocity decision-making can happen with discipline.

That means establishing:

- Shared frameworks across companies
- Real-time feedback between operators and boards
- Consistency in how success is defined, measured, and communicated

The Outcome: More Predictable Value Creation

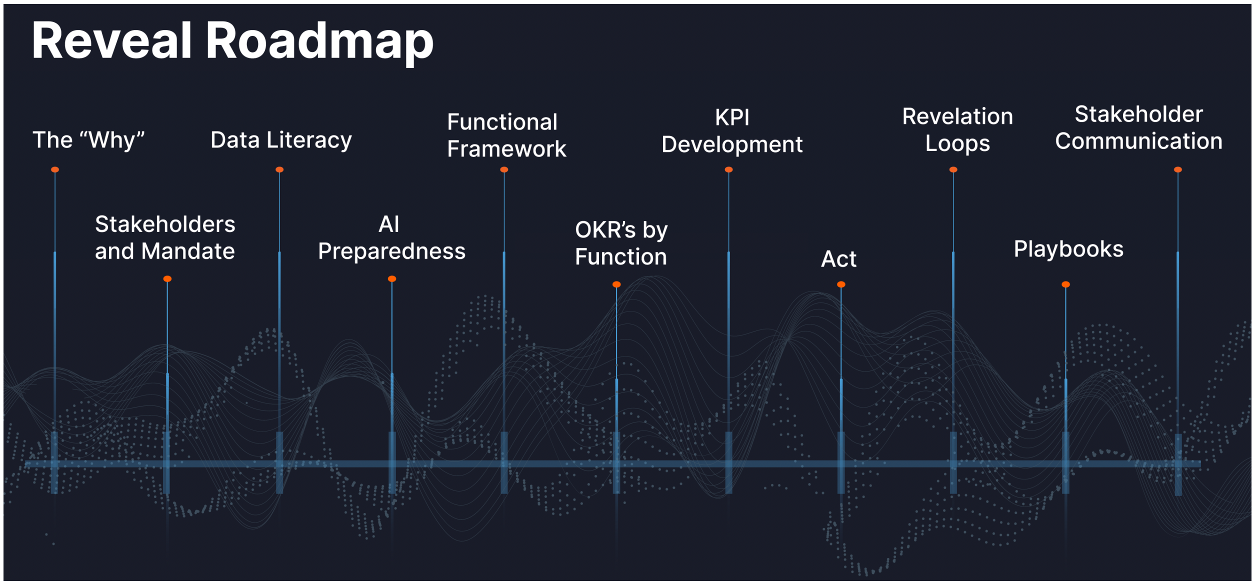
When execution becomes a system, not a scramble, results stabilize.

Companies still miss targets, but they miss them for known reasons, with known countermeasures. Leaders still take bets, but those bets are made in the open, with rigor, and in dialogue with capital partners.

This is where the future of private equity is headed: not toward more complexity, but toward more coherence.

Execution is no longer a black box. It's a blueprint.

We call the process Reveal Roadmap. Lets discuss.


Reveal Roadmap
The "Why"
Stakeholders and Mandate
Data Literacy
AI Preparedness
Functional Framework
OKR's by Function
KPI Development
Act
Revelation Loops
Playbooks
Stakeholder Communication

Anduril Partners

How:

Through action playbooks that integrate best practice technology, industry leading research benchmarks, and software to Strategize, Target, and Reveal your highest probability path to success.

Strategize

- Observe strategic priorities from stakeholder goals.
- Orient towards shared value outcomes.
- Decide current state using independent relative benchmarks aligning ability and resources.
- Act by attaching Objectives Key Results, and leading Key Performance Indicators.

Target

- Observe internal data quality and availability.
- Orient dashboards and analytics to align with strategy & reporting functions.
- Decide which new capabilities and resources should be created.
- Act by aligning streamlined workflows and data to empower decision makers for clear opportunity.

Reveal

- Observe outcomes relative to intended strategy.
- Orient key reporting metrics for applicable stakeholders.
- Decide which insights and revelations drive next actions.
- Act by providing consistent reports to stakeholder groups for shared vision and economic success.

Why:

To construct a bridge connecting business users, investors, data scientists, technologists and other stakeholders into a unified team, leveraging the expertise and industry knowledge of decision makers and individuals .

What:

Our operational experience as a shared intelligence team at the intersection of industry expertise, software feedback loops, and outcome-focused workflow.

Client Outcomes:

Shared organizational responsibility, clarity in expected success, lower regulation risk, defined linkage between action and sustainable economic value.

We Transform
Data Into Decisions.

See it in Action →

www.andurilpartners.ai