

THE FORECAST NOBODY WANTS TO HEAR

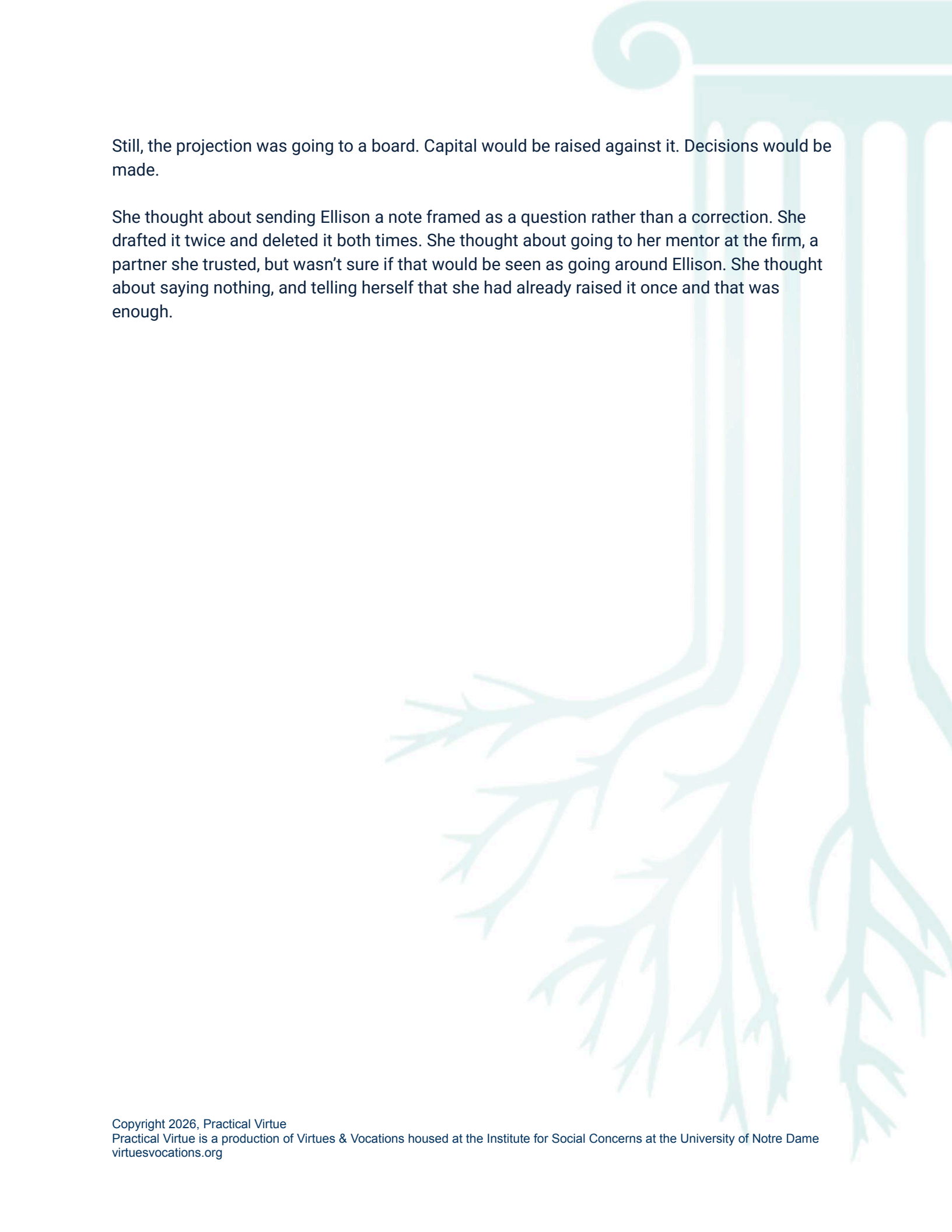
CASE STUDY

Maya Rosen had spent three years at Hartwell Capital in marketing doing the kind of work that nobody noticed when it went well. She researched, built models, and checked assumptions. All of this was part of the unglamorous infrastructure of the firm's investment recommendations. She didn't mind. She was good at it, and she had learned more in three years at Hartwell than she had expected to learn in five. Her manager, David Ellison, was well-regarded at the firm. He was methodical, politically savvy, and protective of his team.

The board presentation had been in preparation for six weeks. Ellison's team was projecting 23% revenue growth over five years for a major client in the software sector. The projection would serve as the foundation for the client's upcoming pitch to investors, who would use it to determine how much capital to commit and at what valuation. It was, in other words, a number that a great deal would be built on. Maya had been responsible for the competitive landscape section of the analysis—a portion that, as the presentation took shape, had been quietly condensed into two slides near the back of the deck.

What those slides didn't fully capture was what Maya had been watching for months. Her original draft had included a more detailed competitive analysis, but as the presentation took shape through successive rounds of revision, that material had been condensed and moved toward the back of the deck. The version that remained was accurate as far as it went. It did not go far enough. Two well-capitalized competitors, each backed by recent funding rounds that had made them aggressive on pricing and product development, had recently shifted strategy in ways that directly targeted her client's main market. She had flagged this in an early draft, with a note that it warranted revisiting the growth assumptions. The note had not survived the revision process. When she asked about it, a senior colleague told her the assumptions had been stress-tested and that she was "probably overthinking the competitive piece." But she wasn't sure that she was.

Maya liked her job. She was due for a promotion conversation in the spring, and her relationship with Ellison was good. She was also aware that she was the most junior person who had touched this model, and that she could be wrong. The competitors' moves were recent enough that their full impact was genuinely uncertain. A reasonable person could look at the same data and reach a different conclusion.

A decorative background featuring a teal column on the right side and a network of teal roots extending from the column towards the bottom left.

Still, the projection was going to a board. Capital would be raised against it. Decisions would be made.

She thought about sending Ellison a note framed as a question rather than a correction. She drafted it twice and deleted it both times. She thought about going to her mentor at the firm, a partner she trusted, but wasn't sure if that would be seen as going around Ellison. She thought about saying nothing, and telling herself that she had already raised it once and that was enough.