

# Closing the Value Leakage Gap

By **Alexander Asplund**, Founder & CEO of Accance Business Advisory

**Key Message:** Only 22% of portfolio company CEOs report top-tier scores for realizing their value creation ambition. Data from our 352 CEO interviews shows that most portfolio companies (74%) achieve a surprisingly low 46% average success rate in realizing their value creation ambition. Yet companies with consistently strong performance on five foundational themes achieve 77%–94% average success rates. This gap represents lost ROI and capital at risk. This article quantifies the key shortfalls that must be addressed to eliminate value leakage.

**Impact Highlights:** The interview data outlines five foundational themes that drive 80% of value creation success (with a one-point increase in the average score associated with a 0.8-point increase in value creation success). The combination of Owner-Management Collaboration and the Value Creation Plan drive 50% of value creation success. Separately, the combination of Organizational Ownership and having the Right People in the Right Place explains 50% of value creation success (with a one-point increase in the average score associated with a 0.5-point impact on success).

## FIVE FOUNDATIONAL THEMES OF VALUE CREATION SUCCESS



**OWNER-MANAGEMENT COLLABORATION**



**VALUE CREATION PLAN**



**CEO LEADERSHIP**



**RIGHT PEOPLE IN THE RIGHT PLACE**



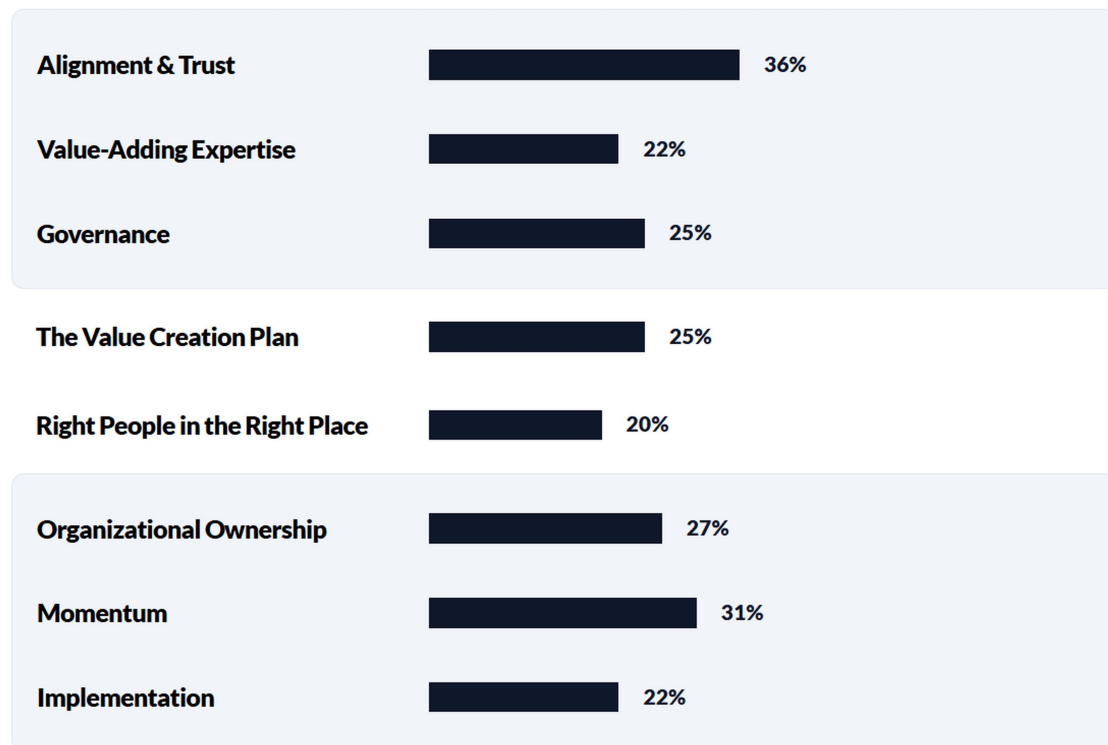
**ORGANIZATIONAL OWNERSHIP & IMPLEMENTATION CAPACITY**

**Performance Highlights:** The improvement potential is clear across all foundational themes. The following shows the limited percentage of CEOs who rate performance in each dimension as top-tier: Within the theme Owner-Management Collaboration, the share of CEOs rating performance as top-tier is 36% for Alignment & Trust, 22% for Value-Adding Expertise, and 25% for Governance. Meanwhile, top-tier ratings for the Value Creation Plan and Right People in the Right Place stand at 25% and 20%, respectively. Finally, within the theme Organizational Ownership & Implementation Capacity, the share of CEOs rating performance as top-tier is 27% for Ownership, 31% for Momentum, and 22% for Implementation.

# Value Creation Success Themes

COMPARISON: TOP-TIER PERFORMANCE SCORES

■ TOP-TIER SCORE %



**The Value Creation Math in Private Equity has Changed:** PE veteran Greg Head concludes, based on Bain’s 2026 Global PE Report, that “a decade ago, 5% EBITDA growth delivered 2.5x MOIC with leverage at 50%. Today, increased borrowing costs and changed leverage ratios demand 10-12% EBITDA growth for the same return. Multiple expansion is unreliable. Financial engineering is insufficient. The operator is now the return—and that is an operational challenge at scale.” This is precisely what makes the five foundational themes decisive.

**We Interviewed 352 Portfolio Company CEOs:** For private equity firms, value creation and competitive edge depend on building stronger companies through strategic and operational improvement. Success demands effective collaboration between PE owners and portfolio company management. Our in-depth interview study of 352 portfolio company CEOs, the largest best-practice research of its kind in private equity, confirms that the improvement potential is substantial—only 22% report top-tier scores for realizing the value creation ambition.

**A Solvable Performance Gap:** The substantial value leakage between 46% and 94% value creation success rates is not explained by opaque or complex factors. The 46% success rate seen across 74% of our studied portfolio companies is surprising; however, the formula for achieving 94% is straightforward: consistently mastering the fundamentals and diligently avoiding common pitfalls. While the logic is apparent, actually executing it remains the defining hurdle for many. The message from CEOs is unambiguous: there is no reason for serial owners and seasoned management teams to frequently underperform. Investors, boards, and management teams committed to closing this performance gap should pay close attention to the collective voice of portfolio company CEOs on “what works” and “what’s missing”—and systematically apply their proven best practices.

**Quantified Cause-and-Effect—A Repeatable Formula:** The experiences of 352 CEOs distill the systematic behaviors that drive success. The root-causes of underperformance are systematic, and the gaps can be closed by actionable behavioral shifts. Our data reveals a repeatable formula: quantifiable cause-and-effect relationships across the five foundational themes that map the path from average to 77%–94% success rates.

**Capturing the Potential:** Translating these findings into practice requires structured intervention. The Accance team—leveraging experience from 50+ portfolio companies and leading 120+ commercial due diligence studies—integrates these research-backed best practices into our value creation work. A practical starting point is our diagnostic tool, which assesses performance against these foundational themes and converts root-cause findings into actionable, gap-closing initiatives.

**Study Overview:** The full study is documented in *The Private Equity CEO Playbook* ([www.privateequityceoplaybook.com](http://www.privateequityceoplaybook.com)). The series includes two introductory papers, *Closing the Value Leakage Gap* and *352 CEOs’ Best Advice & Main Regrets*, followed by eight *Unlocking Value* articles that drill down into the specific gaps within the dimensions: *Alignment, Expertise, Governance, Value Creation Planning, People, Ownership, Momentum, and Implementation*.

## **The Data Tour - What Works and What's Missing**

The following pages and tables quantify the key gaps to address and the positive factors to leverage in closing the value leakage gap, organized by foundational theme. The methodology applied is straightforward: each CEO interviewed responded to two key questions per theme: (1) rank the top two factors that worked well (i.e., strengths or what's working) and (2) rank the top two improvement needs (i.e., critique points or what's missing). The following summary sections unpack each foundational theme—with the top factors on what works and what's missing—and provide an overview of performance as scored by the 352 CEOs.

## Theme 1.1 Owner-Management Collaboration: Alignment

When CEOs were asked to identify the top-two contributions and top-two improvement needs for alignment and trust, the frequency with which each subtheme was cited reveals clear priorities. Four of six subthemes were cited as an improvement need by 10% or more of CEOs. Value-adding expertise was the most frequently cited improvement need (36%), matching its frequency as a contribution (35%) — making it the only alignment subtheme where the credibility question remains unresolved. Strategic clarity and co-authorship (35%) was the most frequently cited contribution (57%), yet more than a third of CEOs simultaneously prioritized it for improvement — confirming that co-authorship works where practiced but is inconsistently delivered. Transparency and engagement (29%) and role clarity (17%) were both cited above the threshold — the former reflecting inconsistent personal engagement; the latter, boundary friction from operational interference. Financial support and M&A expertise (6%) and aligned incentives (2%) fall below the threshold — established baseline capabilities that CEOs take as given. The table below shows the percentage of CEOs who identified each subtheme within Alignment & Trust as either a top-two contribution or a top-two improvement need. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the Alignment Gap*.

Subtheme	Good	Critique	Interpretation
<b>Strategic Clarity &amp; Co-Authored Plan</b>	57%	35%	The most frequently cited positive contributor to alignment — and still a top-two improvement need for more than a third of CEOs. Where co-authorship is practiced, it works. The priority: extending it consistently across the portfolio.
<b>Transparency &amp; Engagement</b>	37%	29%	Nearly one in three CEOs rank this among their top improvement priorities. The pattern: engagement is valued when present but delivered inconsistently. Scheduled, personal owner engagement — not just reporting cadence — is the gap to close.
<b>Value-Adding Expertise</b>	35%	36%	The only alignment subtheme where critique frequency matches praise. CEOs prioritize this as an improvement need as often as they cite it as a strength — signaling that board composition and industrial expertise are the unresolved credibility question in owner-management alignment.
<b>Role Clarity &amp; Respect for Mandates</b>	24%	17%	Less frequently prioritized than the top three, but the friction it creates — operational interference and micromanagement — is disproportionately corrosive to trust. A governance design fix, not a relationship fix.
<b>Financial Support &amp; M&amp;A Expertise</b>	13%	6%	Rarely prioritized as an improvement need. Transaction and capital-structure support are established baseline capabilities that CEOs take as given.
<b>Aligned Incentives</b>	8%	2%	Near-zero priority as an improvement need. Where addressed, incentive alignment is a solved problem.

## Theme 1.2 Owner-Management Collaboration: Value-Adding Expertise

When CEOs were asked to identify the top-two contributions and top-two improvement needs for value-adding expertise, the frequency with which each subtheme was cited reveals clear priorities. Six of seven subthemes were cited as an improvement need by 10% or more of CEOs. Board composition and industry expertise was the most frequently cited improvement need in the entire dimension (44%), exceeding its frequency as a contribution (42%) — making it the single most contested expertise subtheme. Strategic clarity and joint planning (20%) and mandate and engagement (19%) were the next most frequently prioritized improvement needs — the former reflecting inadequate strategic substance despite a valued sounding-board role, the latter revealing a paradox of owners perceived as simultaneously too absent and too intrusive. Network access (12%), governance and structure (11%), and HR, culture and talent management (11%) were all cited above the 10% threshold — reflecting under-activated advisory networks, inconsistent process adoption, and rising CEO expectations for people-related support, respectively. The frequency patterns confirm that board composition, owner engagement, and strategic clarity are the primary improvement targets. M&A and financial support (9%) is the sole subtheme below the threshold — cited as a contribution by 52% of CEOs, it is the baseline PE owners have mastered. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the Expertise Gap*.

Subtheme	Good	Critique	Interpretation
<b>M&amp;A &amp; Financial Support</b>	52%	9%	Rarely prioritized for improvement (9%). The baseline PE owners have mastered.
<b>Board Comp. &amp; Industry Experience</b>	42%	44%	The most frequently prioritized improvement need in this dimension. Cited for improvement more often than as a strength. The single highest-leverage board agenda item.
<b>Strategic Clarity &amp; Joint Planning</b>	28%	20%	One in five CEOs prioritize this for improvement. The gap: moving from reactive input to proactive strategic substance.
<b>Network Access &amp; Resource Mobilization</b>	24%	12%	Net positive but under-activated recruitment and advisory networks are the specific gap.
<b>Governance &amp; Structure</b>	22%	11%	Above the threshold. Frameworks work where they exist — the issue is inconsistent adoption.
<b>Mandate &amp; Engagement</b>	7%	19%	Sharpest negative ratio — prioritized for improvement nearly 3x as often as cited as a contribution. The paradox: owners simultaneously too absent and too intrusive.
<b>HR, Culture &amp; Talent Management</b>	9%	11%	Rarely cited as a contribution, meaningfully cited for improvement. People-related PE expertise is under-invested.

### Theme 1.3 Owner-Management Collaboration: Governance

When CEOs were asked to identify the top-two contributions and top-two improvement needs for governance, the frequency with which each subtheme was cited reveals where the structural backbone of the owner-management relationship is under strain. Six of seven subthemes were cited as an improvement need by 10% or more of CEOs. Governance customization (21%) and reporting and KPIs (22%) were the most frequently prioritized improvement needs — the former because one-size-fits-all governance models fail to account for company maturity and context, the latter because KPI frameworks measure activity rather than what matters for the value creation plan. Board work and structure (16%) was cited above the threshold — the structural foundation is sound but board composition remains contested. Business plan governance (15%), ESG, structural capital and frameworks (13%), and mandate and authority (13%) were also above the threshold — reflecting under-emphasized plan follow-up, execution lagging policy ambition, and ambiguous delegation boundaries, respectively. The frequency patterns confirm that no governance subtheme can be considered fully resolved. The Troika model (3%) is the sole exception — where practiced, almost no one prioritizes it for improvement. The table below shows the percentage of CEOs who identified each subtheme within Governance as either a top-two contribution or a top-two improvement need. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the Governance Gap*.

Subtheme	Good	Critique	Interpretation
<b>Reporting &amp; KPIs</b>	42%	22%	The most frequently cited governance contribution, yet still a top improvement priority for one in five CEOs. The gap is not whether KPIs exist but whether they measure what matters for the value creation plan.
<b>Board Work &amp; Structure</b>	39%	16%	Strong meeting discipline is recognized — but CEOs who prioritize this for improvement consistently point to board talent, not process. The structural foundation works; the composition question persists.
<b>ESG, Structural Capital &amp; Frameworks</b>	23%	13%	Prioritized for improvement where ambition outpaces execution. Frameworks are in place — the gap is implementation depth and operational follow-through.
<b>Business Plan Governance</b>	20%	15%	A revealing finding: CEOs prioritize plan follow-up as an improvement need almost as often as they cite planning itself as a strength. The initial planning effort gets attention; the ongoing governance of the plan does not.
<b>Troika Model</b>	12%	3%	Where the structured owner-chair-CEO collaboration model is practiced, almost no one prioritizes it for improvement. A proven model with an adoption problem.
<b>Mandate &amp; Authority</b>	8%	13%	Prioritized for improvement more often than cited as a contribution. Ambiguous delegation boundaries are a design flaw — fixable through explicit mandate documentation at onboarding.
<b>Governance Customization</b>	6%	21%	The widest negative gap in governance. One-size-fits-all governance is the most frequently prioritized structural improvement need. The action: calibrate governance intensity to company maturity, complexity, and phase of ownership.

## Theme 2: The Value Creation Plan

When CEOs were asked to identify the top-two contributions and top-two improvement needs for the value creation plan, all five subthemes were cited as an improvement need by at least 10% of respondents. Ambition level and strategic prioritization led at 47% each — indicating nearly half of all CEOs identify these as primary development areas, citing unrealistically stretched goals and a “Focus Over Breadth” deficit that confirms overloaded plans remain a systemic error. Strategic prioritization is the only subtheme cited as an improvement need (47%) more frequently than as a contribution (42%). Collaborative development was flagged by 23% of CEOs, signaling inadequate joint owner-management processes, while resource alignment (19%) reflects a persistent gap between commitments and ambitions. Execution discipline was cited as an improvement need by 14% of CEOs — nearly triple the 5% who cited it as a contribution — revealing a vulnerability in the plan-to-action transition. The frequency patterns confirm that every VCP subtheme requires active attention. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the Value Creation Plan Gaps*.

Subtheme	Good	Critique	Interpretation
<b>Setting the Right Ambition Level</b>	63%	47%	The most frequently cited contribution and simultaneously a top improvement priority for nearly half of all CEOs. The tension: ambitious targets energize when grounded in market reality, but destroy credibility when they are not. The distinction between stretch and fantasy is the CEO’s most consequential planning judgment.
<b>Strategic Prioritization</b>	42%	47%	The only VCP subtheme where critique frequency exceeds praise. The consistent CEO message: fewer priorities, delivered fully, outperform ambitious plans spread thin. Saying no is the most under-practiced planning discipline.
<b>Collaborative Development</b>	41%	23%	Frequently cited as a strength — but nearly a quarter of CEOs still rank the joint planning process among their top improvement priorities. Management-led planning works; genuine co-creation with the owner remains inconsistent.
<b>Resource Alignment</b>	20%	19%	Almost perfectly balanced between contribution and improvement priority — which is itself the finding. Plans are approved without matching resources. The resourcing gap creates execution risk from day one.
<b>Execution Discipline</b>	5%	14%	Rarely cited as a contribution, meaningfully cited as an improvement priority. Planning rigor does not translate into execution capability. The plan-to-action transition is where most value creation plans begin to leak.

### **Theme 3: CEO Leadership**

CEO Leadership is the third foundational theme and functions as the connective tissue across all other dimensions. Unlike the remaining four themes, CEO Leadership was not scored as a standalone metric — CEOs reflected on their own leadership through the lens of the other four themes rather than self-rating. Its influence is therefore embedded across all dimensions. This design choice was deliberate: leadership effectiveness manifests not in isolation but in how well the CEO drives alignment with owners, shapes and prioritizes the value creation plan, makes decisive people calls, and translates strategy into organizational action.

## Theme 4: The Right People in the Right Place

This dimension captures what CEOs would do differently regarding people decisions if they could start over. Decisive action and speed is the dominant theme, cited by 38% of CEOs—confirming that acting faster on underperformers is the single most common regret. Change management follows at 24%, reflecting the difficulty of balancing organizational transformation with stability. Resource and planning constraints (23%) round out the top three, indicating that talent and resourcing gaps are recognized retrospectively as binding limitations on execution. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the People Gap*.

Subtheme	% Cited	Interpretation
<b>Decisive Action &amp; Speed</b>	<b>38%</b>	The single most frequently cited people regret. The message is consistent and blunt: CEOs who delayed on underperformers universally wish they had acted sooner. Speed of people decisions is the highest-leverage behavior change available.
<b>Change Management</b>	<b>24%</b>	Nearly one in four CEOs rank this among their top priorities. Executing people changes is as difficult as deciding on them — balancing transformation speed with organizational stability is the skill gap.
<b>Resource &amp; Planning Constraints</b>	<b>23%</b>	Prioritized almost as frequently as change management. Insufficient talent pipelines and under-resourced teams are recognized retrospectively as binding constraints. The lesson: invest in bench strength before you need it.
<b>Recruitment Excellence</b>	<b>11%</b>	Above the threshold as an improvement priority. CEOs consistently wish they had applied more hiring rigor from day one — particularly in leveraging external networks and structured recruitment processes.
<b>Development &amp; Cultural Fit</b>	<b>9%</b>	Below the threshold. Rarely prioritized as a top improvement need relative to the urgency of speed, change management, and resourcing.

## Theme 5.1 Organizational Ownership & Implementation: Ownership

When CEOs were asked to identify the top-two contributions and top-two improvement needs for organizational ownership, the frequency with which each subtheme was cited reveals where the translation from boardroom to organization breaks down. All six subthemes were cited as an improvement need by 10% or more of CEOs. Communication and transparency was the most frequently prioritized improvement need in the entire 352-CEO dataset (49%) — most organizations dramatically underinvest in the frequency and consistency of strategic messaging. Involvement and participation (29%) was cited as an improvement need by nearly one in three CEOs despite being the most frequently cited contribution (46%), confirming that broad participation programs exist but personal-level engagement is missing. Clear accountability and delegation (22%), right people in right roles (18%), and follow-up and performance tracking (17%) were all cited above the threshold — reflecting unclear initiative ownership, persistent talent shortfalls, and tracking mechanisms that monitor without driving action, respectively. Incentive programs (11%) sit just above the threshold, confirming that equity participation does not automatically translate into ownership behavior. The frequency patterns confirm that communication, involvement, accountability, and talent gaps are the primary improvement targets. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the Ownership Gap*.

Subtheme	Good	Critique	Interpretation
<b>Involvement &amp; Participation</b>	46%	29%	The most frequently cited ownership contribution — yet nearly one in three CEOs still rank deeper involvement among their top improvement priorities. Broad participation programs exist; personal-level engagement is the missing layer.
<b>Communication &amp; Transparency</b>	29%	49%	The most frequently prioritized improvement need in the entire 352-CEO dataset. The fix is deceptively simple: most CEOs report they communicated the strategy far less frequently than the organization needed to hear it. Doubling communication cadence is the lowest-cost, highest-impact ownership lever available.
<b>Clear Accountability &amp; Delegation</b>	26%	22%	Prioritized for improvement by more than one in five CEOs. The gap is not process — it is clarity: who owns each initiative and what authority they carry. Explicit initiative charters close this gap.
<b>Follow-Up &amp; Performance Tracking</b>	19%	17%	Tracking mechanisms exist but are rarely cited as a differentiator. For most, they are table stakes that still underperform — the gap is acting on deviations, not just monitoring them.
<b>Incentive Programs &amp; Equity Participation</b>	11%	11%	Equally cited as contribution and improvement priority. Equity participation does not automatically translate into ownership behavior — it is a necessary but insufficient condition.
<b>Right People in Right Roles</b>	10%	18%	Prioritized for improvement nearly twice as often as cited as a contribution. Talent gaps undermine ownership of strategic initiatives regardless of how well other ownership levers are designed.

## Theme 5.2 Organizational Ownership & Implementation: Momentum

When CEOs were asked to identify the top-two contributions and top-two improvement needs for momentum, the recurring frequency of these subthemes reveals the reasons why progress stalls. All six subthemes were cited as an improvement need by 10% or more of CEOs. Right resources and capabilities was the most frequently prioritized improvement need within this dimension (39%), with talent shortfalls and funding gaps cited almost equally — confirming that under-resourcing is the primary momentum killer. Clear goals and focused priorities (30%) was cited almost as frequently as an improvement need as a contribution (32%), with the overloaded-agenda pattern from the VCP theme propagating directly into momentum loss. Structured follow-up and tracking (25%) was cited as an improvement need by one in four CEOs despite being the strongest contribution (51%) — the gap being passive monitoring versus action-oriented response to deviations. Communication and transparency (16%), engaged and visible leadership (13%), and organizational ownership and delegation (12%) were all cited above the threshold. The frequency patterns confirm that resourcing and prioritization discipline are the primary improvement targets. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the Momentum Gap*.

Subtheme	Good	Critique	Interpretation
<b>Structured Follow-Up &amp; Tracking</b>	51%	25%	The most frequently cited momentum contribution by a wide margin — and still a top improvement priority for one in four CEOs. The gap: passive monitoring versus action-oriented response to deviations. Tracking that does not trigger corrective action is bureaucracy, not discipline.
<b>Clear Goals &amp; Focused Priorities</b>	32%	30%	Nearly balanced — meaning prioritization is as much a problem as a solution. The overloaded-agenda pattern from the VCP theme propagates directly into momentum loss. The discipline of “saying no” recurs as a persistent deficit.
<b>Right Resources &amp; Capabilities</b>	24%	39%	The most frequently prioritized improvement need for momentum — and the steepest negative gap. Under-resourcing is the primary momentum killer: talent shortfalls and funding gaps are cited almost equally. Commitments without matching resources stall execution.
<b>Organizational Ownership &amp; Delegation</b>	23%	12%	Net positive, but unevenly adopted. Where distributed ownership is practiced, it works — the priority is extending it beyond pockets of excellence.
<b>Engaged &amp; Visible Leadership</b>	22%	13%	Valued but inconsistently delivered. Hands-on coaching and leading by example sustain momentum — their absence creates a vacuum that process alone cannot fill.
<b>Communication &amp; Transparency</b>	19%	16%	The momentum-stage echo of the ownership communication gap. One in six CEOs rank this among their top momentum improvement priorities — confirming that strategic messaging must be sustained through execution, not just launched at kickoff.

### Theme 5.3 Organizational Ownership & Implementation: Implementation

When CEOs were asked to identify the top-two contributions and top-two improvement needs for implementation, five of six subthemes were cited as an improvement need by 10% or more of CEOs. Clear goals and KPIs was the most frequently prioritized improvement need within this dimension (36%), driven by prioritization and focus deficits that echo the VCP finding — confirming that strategic overload propagates directly into implementation failure. Right people in right roles (29%) and resource allocation (29%) were the next most frequently cited improvement needs — talent and capability gaps are the single largest implementation barrier (cited as a contribution by only 9%), while insufficient funding compounds the constraint. Communication and alignment (26%) confirms that organizational buy-in remains a frequently cited gap even where strategic communication is net-positive. Systematic follow-up (24%) was cited as an improvement need by nearly a quarter of CEOs despite being the strongest contribution (55%) — PE-style tracking discipline is established, but responsiveness and corrective action are not. Ownership and accountability (9%) is the sole subtheme below the threshold — where clear accountability structures exist, they work effectively. The frequency patterns confirm that implementation demands simultaneous attention to people, resources, focus, communication, and follow-up quality. The actionable best practices for closing this gap are detailed in *Unlocking Value: Closing the Implementation Gap*.

Subtheme	Good	Critique	Interpretation
<b>Systematic Follow-Up</b>	55%	24%	The strongest positive contributor to implementation — and still a top priority for improvement for nearly a quarter of CEOs. PE-style tracking discipline is well-established; the gap is responsiveness and corrective action, not the tracking itself.
<b>Communication &amp; Alignment</b>	31%	26%	Organizational buy-in remains a frequently prioritized implementation gap. Strategic communication that worked at the planning stage does not automatically carry into execution — it must be renewed and adapted.
<b>Clear Goals &amp; KPIs</b>	30%	36%	Critique frequency exceeds praise — the VCP prioritization deficit propagates directly into implementation failure. Strategic overload at the plan stage becomes KPI overload at the execution stage. The remedy starts upstream.
<b>Resource Allocation</b>	17%	29%	Prioritized for improvement nearly twice as often as cited as a contribution. Insufficient resources and funding are a binding implementation constraint. Nearly one in three CEOs rank this among their top implementation improvement needs.
<b>Ownership &amp; Accountability</b>	16%	9%	The sole subtheme below the threshold. Where clear accountability structures exist, they work — making this a model for how the other implementation gaps should be addressed.
<b>Right People in Right Roles</b>	9%	29%	The most disproportionate gap in the entire implementation dimension — prioritized for improvement more than three times as often as cited as a contribution. Talent and capability gaps are the single largest implementation barrier. No amount of process compensates for the wrong people in critical roles.

## Conclusion: The Path Forward

The data from 352 portfolio company CEOs delivers a clear and consequential message: the gap between average and top-tier value creation performance is wide, measurable, and largely self-inflicted. Most portfolio companies achieve an average success rate of only 46% in realizing their value creation ambition. However, companies that consistently execute on five foundational themes reach 77%–94% success rates. That differential is not explained by market conditions, sector complexity, or deal structure—it is explained by how owners and management teams work together, plan, lead, staff, and execute.

Several patterns recur across the data with striking consistency. Owner-management alignment is strongest when the strategic plan is genuinely co-authored—not delegated, not imposed. Expertise is valued when it is relevant and operational, yet board composition and industrial expertise remain the widest credibility gaps. Value creation plans set ambitious targets but systematically overload priorities, creating execution risk from day one. People decisions are made too slowly, with acting faster on underperformers cited as the single most common CEO regret. And the translation of strategy into organizational action breaks down not on process—where PE-style discipline is well-established—but on involvement, communication, resourcing, and talent, where critique consistently exceeds praise by wide margins.

The formula is not complex. It requires getting foundational basics right from the start: co-create the plan, bring relevant expertise to the board, prioritize ruthlessly, act decisively on people, communicate relentlessly, and resource what you commit to. The CEOs are unambiguous—the reasons for underperformance are known, the remedies are actionable, and the returns to disciplined execution are substantial. For PE owners and management teams willing to confront these findings, the path from 46% to 94% is neither opaque nor out of reach. It starts with listening to what 352 CEOs have learned the hard way.

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## About the Author

**Alexander Asplund** is the founder and CEO of Accance Business Advisory. He brings 30 years of experience in strategic and operational consulting, specializing in accelerating value creation in private equity since 2003. To date, Alexander has supported 50+ portfolio companies with growth, margin improvement, and transformation initiatives, and has led 120+ commercial due diligence engagements for 25+ private equity investors. His specialty is developing and accelerating full-potential value creation programs and securing strong alignment across owner representatives, management, and the organization to achieve ambitious business transformation and value creation objectives.

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