

# Business Case 1: Investing and Scaling Up a Tech Company

## Our Leadership Due Diligence

The Amrop team conducted a Leadership Due Diligence process before the investment in several stages:

1. Starting with an investor discussion on their investment philosophy, why they had chosen to invest in the target company and their strategy for the company, we have developed together with the client a matrix of Technical Competencies and Leadership Skills that the team needed to have in order to execute the strategy flawlessly.
2. We assessed the leadership team individually (online Hogan Assessment and face-to-face meetings) and as a team.
3. We presented to the client a picture of what they needed to have to execute the strategy vs. What they actually had.

## Conclusion

The team was quite balanced from a competency's complementarity perspective but some of the leaders needed to develop certain of their leadership skills. The main problem was represented by one of the co-founders. He was a Brazilian, self-made man (born in a favela etc.), one of the pillars of the company in which he was totally invested. He would sleep 2 hours/ night, in the office, and considered the company as his “baby”, very much micromanaging everything. He was a huge asset for the company until that point, but he was becoming an obstacle to the firm’s growth to more than 1000 people. He was loved and respected by the teams, laying him off would have produced a series of resignations and destroyed the company.

## Solution

We created a tailored leadership development program for the co-founder, over one year, with clear KPIs. The deal was made between the FO and him that if he did not achieve in one year the level of leadership needed, he would leave the company. These terms were put in his contract, communicated to him and accepted by both parties. After one year, he achieved the desired level and later on, he became the CEO.