

ABOUT THIS DOCUMENT

This is an anonymized example of a Team Due Diligence assessment conducted for a game studio seeking follow-on investment. All identifying details have been redacted to protect client confidentiality. It demonstrates the assessment methodology, analysis depth, and decision framework used to evaluate execution risk before a funding commitment.

Colin MacKie embeds with game studios for 3-10 days spread across 1-3 weeks to surface the execution risks that status reports cannot capture. This assessment identified concentrated decision authority, an interest-driven roadmap, and loyalty-based hiring: structural issues that compound over time and that capital alone cannot fix. The recommendation was to decline funding, paired with a defined path back to reconsideration. Without the embedded evaluation, the investor would likely have committed \$2.8M on surface-level signals (positive morale, technical competence, sustainable workload) and discovered the structural constraints 6-12 months later.

To discuss embedded assessment for a signing, greenlight, or continue-or-stop decision, contact Colin MacKie at colin@cmackie.com.

EXECUTIVE SUMMARY: EINSTEIN (ANONYMIZED)

Follow-On Investment: \$2.8M | Timeline: Q2 '26 Launch | Ship Probability (current): <10%

RECOMMENDATION: DO NOT FUND

Decline this round. The primary risks are structural rather than financial, and additional capital cannot resolve them. The restructuring path below creates the conditions for reconsideration.

The Problem: Concentrated Decision Authority

- **Single-point control:** Creative and technical decisions run through one person, so assumptions are not tested before the team builds on them
- **Interest-driven roadmap:** Features are selected by personal preference rather than a validated core loop or market need; the project builds motion without converging toward ship
- **Loyalty-based hiring:** Key roles are filled through personal relationships, which limits professional challenge and accountability
- **Staffing gaps:** No dedicated art or production staff and no plan to hire; visual direction is driven by AI-generated assets without a coherent identity
- **Limited challenge culture:** Concerns are understood but rarely raised, so known risks go unaddressed

Why Funding Won't Help

Additional capital would extend runway without improving ship probability, enable continued scope expansion, and reduce the urgency of the restructuring the project needs. The constraint is organizational, not financial.

Path Forward

1. **Separate creative and technical leadership:** Formal division of authority to introduce checks and balances
2. **Hire an Executive Producer:** Independent hiring authority to professionalize recruitment
3. **Produce a validated roadmap:** Demonstrate convergence toward the core loop with defined scope and realistic staffing

Each step is achievable within a quarter, and each directly raises ship probability. Reassessment is warranted once they are in place.

TEAM DUE DILIGENCE ASSESSMENT REPORT	5
OVERVIEW.....	5
Investment Recommendation	5
Key Findings (Top Three)	5
Shipping Confidence Assessment.....	5
Timeline Outlook.....	6
Immediate Focus (Next 30 Days)	6
SECTION 1: LEADERSHIP CAPABILITY	7
Studio Head / CEO: [Name redacted]	7
Design Lead: [Name redacted]	7
Lead Engineer: [Name redacted].....	7
SECTION 2: TEAM EXECUTION CAPABILITY.....	9
2.1 Team Composition & Coverage	9
2.2 Individual Contributor Risk	9
2.3 Communication & Collaboration.....	10
2.4 Velocity & Delivery Signals.....	10
SECTION 3: SCOPE & ROADMAP VIABILITY	11
3.1 Scope Reality Check.....	11
3.2 Dependency & Critical Path Review	11
SECTION 4: TECHNICAL RISK.....	13
4.1 Architecture Health	13
4.2 Material Technical Risks.....	13
4.3 Feature Risk Assessment	13
4.4 Platform & Certification.....	14
SECTION 5: PRODUCT & MARKET ALIGNMENT	15
5.1 Vision Clarity	15
5.2 Market Understanding	15
SECTION 6: CULTURAL & ORGANIZATIONAL HEALTH	16
6.1 Morale & Retention.....	16
6.2 Psychological Safety	16
6.3 Challenge Culture	16
6.4 Sustainability.....	16
SECTION 7: RED FLAGS & MITIGATION.....	17
Red Flag 1: Concentrated Decision Authority.....	17
Red Flag 2: Roadmap Driven by Personal Preference.....	17
Red Flag 3: Loyalty-Based Hiring.....	17
SECTION 8: RECOMMENDATIONS	19

Recommendation Rationale	19
Path Forward.....	19
Reassessment Criteria	19
REPORT CERTIFICATION	20

TEAM DUE DILIGENCE ASSESSMENT REPORT

Studio: Einstein (Anonymized)
Time Embedded: 3 weeks [26 hours total]
Team Size: 5 FTEs + 1 contractor
Funding Request: \$2.8M Follow-On
Assessment Lead: Colin MacKie
Report Date: 7/7/2025
Distribution: Confidential

OVERVIEW

Investment Recommendation

☐ RECOMMEND FUNDING ☐ CONDITIONAL FUNDING ☒ DO NOT FUND

Under the current leadership structure, the team is unlikely to deliver a coherent, market-ready product. Execution risk is high, compounding over time, and not correctable without structural change. The recommendation is to decline this round and reassess after the restructuring described in Section 8.

Key Findings (Top Three)

Finding 1: Concentrated Decision Authority — Impact: High | Time Horizon: Immediate

Creative and technical decisions run through one individual, so weak choices go unchallenged and compound.

Finding 2: Roadmap Driven by Personal Preference — Impact: High | Time Horizon: Immediate

Features are selected on personal interest rather than what moves the game toward a shippable core loop.

Finding 3: Loyalty-Based Hiring — Impact: High | Time Horizon: 3-6 Months

Several key roles were filled through personal relationships, which limits internal accountability and technical rigor.

Shipping Confidence Assessment

Overall probability of shipping as planned: <10%

Factor	Score	Weight	Rationale
--------	-------	--------	-----------

Leadership Capability	2	25%	Decision authority centralized in one individual with no effective counterbalance.
Team Execution	3	25%	Low conversion of prototypes into integrated, testable gameplay.
Scope Realism	3	20%	Roadmap exceeds demonstrated delivery capacity.
Technical Risk	4	15%	High experimentation, limited production hardening.
Cultural Health	4	15%	Low internal challenge and limited upward feedback.

Timeline Outlook

Studio-Stated Milestone: Q2 '26 Launch

Base Case: Unlikely to ship

Upside Case: Possible only with leadership restructuring

Downside Case: Continued burn without product convergence

Immediate Focus (Next 30 Days)

Without immediate changes to leadership structure and roadmap governance, continued spending will not materially improve ship probability.

Must Address Immediately

1. Separate creative and technical authority
2. Establish external milestone review
3. Freeze non-core feature work

SECTION 1: LEADERSHIP CAPABILITY

This section evaluates whether the studio's leadership can consistently make good decisions under pressure, and whether the team trusts those decisions. Because teams are often too close to their own situation to see it clearly, the assessment focuses on observed behaviors such as alignment, clarity, decisiveness, and accountability rather than stated intentions.

Studio Head / CEO: [Name redacted]

Assessment: High risk in current configuration

Strengths: Technically strong, maintains clear engineering standards, and makes effective use of the team without overloading them.

Concerns: The Studio Head is holding the creative lead role for the first time while also serving as technical director. The dual role leaves no internal mechanism to test creative assumptions, and the observed result is decisions that either stall or go unchallenged. Engagement with market examples and external reference points is limited, and constructive challenge has not become a working part of the team's rhythm.

Critical Challenge: One person operating as both Creative Director and Technical Director removes meaningful internal review and allows flawed decisions to persist. This is a structural condition rather than a question of individual talent, and it is correctable by separating the roles.

Design Lead: [Name redacted]

Assessment: Below the requirements of the current scope

Evidence: The Design Lead understands core systems and design principles but has not yet translated them into strong creative execution; output centers on documentation more than gameplay feel. The long-standing relationship with the Studio Head raises a structural concern: the role appears to have been filled for compatibility, and the reporting relationship makes professional challenge socially costly. Within a stronger design leadership structure, this contributor could be effective in a supporting role.

Lead Engineer: [Name redacted]

Assessment: ✓ Adequate

Evidence: The Lead Engineer is knowledgeable and brings broad experience across a wide range of games, with particular strength in complex systems and technical architecture. He tends to polish too early in development, which makes later changes more burdensome due to rework, though this is not a critical issue. The larger observation is cultural rather than individual: like the Design Lead, the Lead Engineer works in a highly compliant style and is

reluctant to raise concerns even when clear risks are present. In a structure with working channels for challenge, this experience would be a stronger asset.

SECTION 2: TEAM EXECUTION CAPABILITY

This section assesses the team’s practical ability to execute, including whether the right roles are in place, whether critical knowledge is concentrated in risky single points of failure, and whether collaboration patterns support delivery. The goal is to answer a simple question: can this specific group ship this specific plan, as currently staffed and operating.

2.1 Team Composition & Coverage

Discipline	Headcount	Adequacy	Notes
Engineering	4	Under	Over-indexed on engineering yet understaffed for stated design and milestones.
Design	1	Under	Understaffed for stated design and milestones.
Art	0	Critical	No artists currently on staff.
Production	0	Critical	Production staff is absent.
QA	0	Critical	No QA staff; not a red flag at this stage of development.
Audio	0	Critical	As noted above.

Critical Gaps — Art/UI: Lacking a full-time art IC, visual direction is often improvised or driven by AI-generated images and models. Early visual decisions have become locked without full consideration of feasibility, stylistic cohesion, or player perception. This will produce a product without a clear identity or market appeal.

Overall Team Skill Level: Mixed

Morale: Good

Turnover Risk: Low

Delivery is highly dependent on the Studio Head, creating structural brittleness. The team has meaningful expertise, but current headcount is significantly below what the stated vision requires.

2.2 Individual Contributor Risk

Key dependency: [Name redacted] — Capacity: At Capacity | Risk: Medium

[Name redacted] is a contract worker responsible for AI integration, creating a significant risk of knowledge loss.

Recommendation: Pause further implementation until comprehensive documentation is in place and transition partial AI development to full-time staff, with a full transition strongly recommended.

2.3 Communication & Collaboration

Stand-Ups: Effective

Cross-Functional Collaboration: Weak

Conflict Resolution: Avoidant

Information Flow: Transparent

Evidence: Observed stand-ups were congenial and generally effective, though tasks were often driven by the Studio Head's ad hoc priorities. In 2 of 5 observed stand-ups, the Studio Head introduced new feature ideas conceived the night before, bearing little relationship to current sprint goals or the product roadmap. This pattern of reactive prioritization creates churn and undermines delivery predictability.

2.4 Velocity & Delivery Signals

Velocity Trend: Declining

Milestone Trajectory: Critical

Technical Debt: Managed

Rework Frequency: High

Evidence: In the absence of meaningful technical or creative pushback, the game has expanded significantly beyond its original design. Many features have been added to compensate for weaknesses in earlier implementations rather than addressing root issues, producing substantial scope creep. Based on the current feature set, a rough capacity analysis suggests: 8-10 engineers for core systems and platform support, 6-8 designers for content and UX, 8-10 artists for environment and character work, 3-4 production staff, plus QA and audio support. Realistically, delivering the project as currently scoped would require 30-40 FTEs, a 5x to 7x increase from current staffing.

SECTION 3: SCOPE & ROADMAP VIABILITY

This section tests whether the roadmap is realistic by comparing the stated milestone to observed capacity, dependency clarity, and evidence of scope discipline. It makes explicit what must be cut, deferred, or re-sequenced to protect timelines and reduce the risk of late-stage surprises.

Assessment: Unrealistic

Core gameplay systems are consistently deprioritized in favor of technically interesting but commercially irrelevant features. Design documents are occasionally produced but rarely reviewed with rigor, and they do not function as a reliable source of truth. Features are informally ideated and added to the roadmap without sufficient validation. Because pushback is rare, features are approved without adequate scrutiny and cuts are rarer still; new systems are layered on top of underperforming ones rather than fixing root weaknesses. Over time this has produced significant scope bloat and an increasingly unfocused creative vision.

3.1 Scope Reality Check

Studio-Stated Deliverable (Sanitized): Launch Q2 2026.

The game identifies Stardew Valley as a guiding reference point while attempting to integrate dynamic narrative systems intended to meaningfully alter the story based on player behavior, including sophisticated mechanisms for quest delivery and personalization. In practice this ambition introduces significant complexity and has not been grounded in a validated core gameplay loop. As currently implemented, these systems increase development risk without clear evidence that they enhance player engagement or support a cohesive, scalable production plan.

Required Adjustments: The feature pipeline is unstructured and lacks consistent vetting, and the deficiencies are increasingly evident in recent builds. A foundational restructuring of the design process, feature pipeline, and review mechanisms is required to realign the project with a coherent product vision. The dynamic narrative mechanics show potential, but they are currently obscured by an accumulation of low-impact systems and distracting secondary features. A comprehensive redesign is recommended to refocus development around a validated core experience.

3.2 Dependency & Critical Path Review

Top Dependencies

- **Validated core gameplay loop:** Currently over-designed. The team is building systems on top of systems, producing a diffuse and unsatisfying experience.

- **Narrative system integration:** Sophisticated technology with no clear application in the game.

Key Concern: Development focus has drifted toward secondary features with limited relevance to the core player experience. These function as internal nice-to-have additions, meaningful mainly to those deeply familiar with the project, rather than improving accessibility or engagement for first-time players. For instance, [specific feature example, anonymized] adds early-game complexity, complicates the UI, and distracts the player at the moment they need to focus on learning the game. As a result, onboarding lacks clarity and the core loop is no longer clearly identifiable, significantly undermining product focus and market readiness.

SECTION 4: TECHNICAL RISK

This section identifies technical risks that can quietly extend timelines, such as fragile architecture, compounding technical debt, or systems that appear impressive but do not translate into a shippable product. The focus is on what could break delivery, how likely it is, whether leadership understands the risk, and what mitigation is feasible within current constraints.

4.1 Architecture Health

Architecture Maturity: Solid

Debt Level: Medium/low

Evidence: The team demonstrates strong adherence to technical debt mitigation practices, resulting in a stable and maintainable codebase. Engineers are encouraged to polish features even at the experimental stage. Overall, the team earns high marks for technically sound architecture.

4.2 Material Technical Risks

Feature	Risk	Mitigation
Dynamic narrative mechanic	At Risk	Needs simplification.
Open world mechanic	Critical	An open-world environment without open-world mechanics creates confusion. Recommend cutting.
Dynamic quest system	Critical	The quest system is highly linear and fights the open-world design. Choose one direction; a linear structure is the lower-risk path.
Core loop	Critical	There is currently nothing for the player to do on a second-to-second basis. Needs redesign.
NPCs	Critical	Too many with not enough content. Reduce by roughly 75% and add more only when supporting content is functional.

4.3 Feature Risk Assessment

A large number of features are in a partially completed state, with many systems roughly 50-80% implemented. At current staffing, the team lacks capacity to polish these features or integrate them into a unified experience. This mirrors a common industry failure mode: unmanaged complexity and scope creep are leading causes of extended timelines, budget overruns, and declining quality. Left unaddressed, continual addition of unvetted features without alignment to a minimum viable product will derail delivery.

Based on the current design scope, completing the project would require approximately 30-40 full-time employees, a 5x to 7x increase in headcount. Even at that resourcing, the game would remain highly complex and at risk of misalignment with Stardew Valley as its guiding reference. Several individual features show creative promise, but they do not cohere into a unified, market-ready experience; the accumulation of unfinished mechanics effectively buries the core gameplay.

4.4 Platform & Certification

Target Platforms: PC, Mobile, [Platform Redacted]

Readiness: Critical

Evidence: The team is developing simultaneously across three platforms, including the untested [platform redacted] platform. Leadership has been reluctant to designate a primary target, citing the need for all platforms to function in parallel. This has diluted focus, slowed progress across all targets, and prevented production readiness on any single platform.

Recommendation: Designate PC as the primary target platform immediately. Defer mobile and [platform redacted] until core gameplay is validated and the PC build reaches beta quality. Simultaneous multi-platform development suits studios with 50+ people and proven production pipelines; for a 5-person team without a validated core loop, it splits focus the project cannot afford.

SECTION 5: PRODUCT & MARKET ALIGNMENT

This section evaluates whether the product vision is clear and shared across the team, and whether there is a grounded understanding of the target audience and competitive landscape. It is not a full market analysis, but a credibility check that decisions are anchored in a coherent product thesis rather than internal preference or drift.

5.1 Vision Clarity

Clear Product Vision: No

Team Alignment: Partial

Observed Disconnect: Product decisions were driven primarily by internal priorities and were weakly anchored to player needs or market benchmarks. Although Stardew Valley was positioned as a guiding reference, the narrative shifted toward [redacted], contradicting the stated goals of the project. When asked to define the game, leadership's descriptions were lengthy and varied between tellings, an indication that the product thesis has not yet stabilized.

5.2 Market Understanding

Audience Definition: Weak

Competitive Awareness: Weak

Evidence: While Stardew Valley was cited as a guiding reference, several features in [game name redacted] contradict its open, player-driven design. The game has evolved into a hybrid of linear and open-world structures, resulting in a dated experience with few strong contemporary comparables.

Market Context: The farming/life-simulation market is growing, valued at approximately \$3.66 billion in 2024 and projected to reach \$8.45 billion by 2033. That growth is driven by games that prioritize open, player-directed design philosophies which [game name redacted] currently contradicts.

The Stardew Valley Standard: Stardew Valley's enduring dominance stems from its commitment to player freedom. There is no single right way to play; players focus on farming, relationships, combat, or exploration at their own discretion. [Game name redacted] does not prioritize these qualities, focusing instead on novel asides.

Assessment: [Game name redacted] works against the design principles that drive success in this market. Rather than delivering player freedom and emergent gameplay, it imposes linear narrative constraints; the market rewards focused, coherent visions executed well. This is a product-market misalignment that additional capital cannot resolve on its own.

SECTION 6: CULTURAL & ORGANIZATIONAL HEALTH

This section examines cultural and organizational health as a factor in execution risk, including morale, psychological safety, retention risk, and sustainability of the current pace. These are leading indicators: teams that do not surface problems early tend to accumulate hidden issues that become costly later.

6.1 Morale & Retention

Morale: Positive

Active Flight Risk: <10%

Key Retention Risks: None identified

Evidence: The team works well together and is composed of individuals who value stability. Leadership is reluctant to make personnel changes, reinforcing a culture of comfort and continuity. Morale is steady and turnover risk is minimal.

6.2 Psychological Safety

Can concerns be raised safely?: Somewhat

Culture: Avoidant

Evidence: The environment is psychologically comfortable rather than psychologically safe in the full sense: team members face no repercussions for raising concerns, but constructive challenge is rare in practice. Leadership tends to be dismissive rather than confrontational and places high importance on team sentiment, which keeps the tone positive while limiting the feedback the project needs.

6.3 Challenge Culture

Assessment: Concerning

Evidence: A culture has formed in which ideas are rarely questioned and visible problems go unchallenged. This is a critical organizational risk that is unlikely to self-correct. Without structural change at the leadership level, the project is unlikely to succeed.

6.4 Sustainability

Workload: Sustainable

Crunch Pattern: Not yet evident, but timeline pressure will lead to crunch if structural issues are not addressed.

SECTION 7: RED FLAGS & MITIGATION

This section consolidates the findings into the most decision-relevant signals, highlighting critical red flags that threaten execution and the mitigation available for each. It is designed to distinguish fixable issues from structural, deal-level risk.

Red Flag 1: Concentrated Decision Authority

Critical Risk: Single-point leadership failure

Severity: Critical

Mitigation Potential: Separation of creative and technical leadership

When one person controls both creative and technical decisions, the organization loses the feedback loops that catch flawed assumptions early. Weak choices are not stress-tested, and downstream work implements them as settled truth. The result is compounding rework: the project grows through patches and compensatory features instead of converging on a shippable core. This directly drives scope creep, unclear product definition, and late-stage instability.

Mitigation: Establishing distinct creative and technical leadership roles introduces structured checks and balances into decision-making: formal mechanisms for challenging assumptions, validating priorities, and resolving conflicts based on data and expertise rather than authority. Over time this improves decision quality, reduces compounding errors, and enables earlier correction of flawed direction.

Red Flag 2: Roadmap Driven by Personal Preference

Critical Risk: Interest-driven, not market-driven

Severity: Critical

Mitigation Potential: Appointment of a strong, market-oriented design leader

A roadmap anchored to personal interest rather than player needs and a validated core loop produces motion without measurable progress toward ship. The team builds interesting features that do not reduce uncertainty about fun, retention, content demands, or production throughput, so the riskiest questions stay unanswered until late. Early polish lands on the wrong things, making changes expensive and politically difficult.

Mitigation: An experienced design leader with strong product and market orientation would ground roadmap decisions in player needs, competitive analysis, and validated gameplay loops, maintain product clarity, define success metrics, and ensure features advance the core experience. Development effort shifts from exploratory expansion to focused execution toward a shippable product.

Red Flag 3: Loyalty-Based Hiring

Critical Risk: A culture of unquestioning compliance

Severity: Critical

Mitigation Potential: Transfer of hiring authority to an Executive Producer

When key roles are filled primarily through personal relationships, accountability weakens because professional disagreement becomes socially costly. Department leads self-censor, critique turns into compliance, and quality bars erode, especially around product clarity, system design tradeoffs, and scope discipline. Hiring optimizes for trust and comfort instead of capability gaps, and the absence of internal challenge accelerates bloat as the project scales.

Mitigation: An Executive Producer with independent authority over staffing would professionalize recruitment and reduce the influence of personal relationships on role placement, prioritizing competency, role fit, and organizational balance. Over time this strengthens accountability, improves leadership effectiveness, and closes capability gaps before they impact delivery.

SECTION 8: RECOMMENDATIONS

Funding Decision: Do Not Fund

Recommendation Rationale

Based on observed leadership dynamics, decision-making structures, and product trajectory, additional capital at this stage would not materially improve the probability of successful delivery. The primary risks are structural and cultural rather than financial. Without changes to governance, leadership accountability, and product direction, increased funding would primarily extend runway while enabling continued scope expansion. In its current form, the organization lacks the internal mechanisms required to converge on a stable, market-ready product.

Path Forward

The following steps are presented as a roadmap the studio can execute, not as a penalty. Each is achievable within a quarter, and each directly raises ship probability.

1. Formally separate creative and technical leadership responsibilities, with distinct authority over product vision, engineering architecture, and delivery planning, accompanied by formalized processes for roadmap validation, risk review, and milestone governance.
2. Transfer hiring authority for key roles to a qualified Executive Producer with autonomy to prioritize organizational needs, restoring internal accountability and closing critical capability gaps.
3. Produce a revised roadmap demonstrating convergence toward a validated core loop, defined scope boundaries, and realistic staffing requirements.

Reassessment Criteria

Re-engagement is warranted once creative and technical leadership are formally separated and independently empowered, an Executive Producer is hired with control over staffing and production governance, and the revised roadmap is in place and observed in practice. Until then, execution risk remains too high for capital to convert into a shipped, competitive product at standard investment thresholds.

REPORT CERTIFICATION

This assessment reflects the professional judgment of the evaluator based on direct, embedded observation and participation within the studio over a three-week period. The evaluation included attendance at daily stand-ups, leadership and team meetings, review of technical and design documentation, hands-on examination of development workflows, and informal interviews with key personnel.

Findings and recommendations are based on conditions observed during the assessment period and represent an independent, good-faith analysis of execution risk, organizational structure, and product viability. While reasonable efforts were made to ensure accuracy and objectivity, this report does not constitute a guarantee of future performance and should be considered within the broader context of investor due diligence.

Prepared by: Colin MacKie

Date: 7/7/25