ABOUT THIS DOCUMENT

This is an anonymized example of a Team Due Diligence assessment conducted for a game studio seeking strategic partnership 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. In this case the client's mandate was explicit: find a path to success with the current team. The assessment identified a decision-rights vacuum that made delivery failure inevitable, then engineered and validated a structural solution: integrating an experienced partner team. The result was conditional funding with a defined restructuring plan, raising ship probability from under 5% to roughly 65% while preserving the strategic opportunity and the original team.

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

EXECUTIVE SUMMARY: STUDIO GREEN (ANONYMIZED)

Strategic Partnership Investment: $1.5M | Timeline: 9 months | Ship Probability: <5% current, ~65% with restructuring

RECOMMENDATION: CONDITIONAL FUND

Fund the strategic partnership with mandatory Partner Team integration. The current configuration will not deliver; the restructuring below creates a viable path while preserving the opportunity and the team.

The Problem: A Decision-Rights Vacuum

The studio holds two incompatible product definitions at once. The Studio Head correctly identified the strategic objective, an executive technology demonstration for the IP owner's C-suite, but is largely absent from day-to-day operations. The Design Lead, who runs execution, is building toward a different product: a children's game for ages 6-12. Both leaders are conflict-averse, so no mechanism exists to reconcile the two directions. Engineering builds showcase technology; creative simplifies it for children; the resulting demos serve neither audience. Compounding factors: no shipped commercial title within the leadership group, and a team distributed across three continents with no functional overlap between disciplines.

The Solution: Partner Team Integration

The assessment identified an experienced development team with a prior working relationship to Studio Green. The Partner Team brings:

- **Operational control:** Assumes day-to-day development responsibility and establishes the executive demo as the single vision
- **Proven capability:** Multiple shipped titles and experience building executive-facing technology demonstrations
- **Right-sized:** 6-8 people, scaled to augment rather than replace, reducing organizational shock while enabling delivery
- **Structural fix:** Time zone alignment enables real-time collaboration and eliminates 12-24 hour decision delays
- **Tactical, not permanent:** Scaffolding to deliver the demonstration, then reassess; not a permanent reorganization

Conditions for Funding

1. **Partner Team formalized:** Full operational control and creative authority within 30 days
2. **Vision unified:** Executive technology showcase established as the single objective; the children's-game direction is retired
3. **First milestone defined:** Executive demo ready for IP owner presentation within 90-120 days

The strategic partnership is too valuable to decline and unreachable with the current structure. With the restructuring in place, ship probability rises from under 5% to roughly 65%.

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TEAM DUE DILIGENCE ASSESSMENT REPORT

Studio: Studio Green (Anonymized)
Time Embedded: 3 weeks [~21 hours total]
Team Size: 8 FTEs
Funding Request: $1.5M Strategic Partnership Investment
Assessment Lead: Colin MacKie
Report Date: 2/12/2025
Distribution: Confidential

OVERVIEW

Investment Recommendation

☐ RECOMMEND FUNDING ☒ CONDITIONAL FUNDING ☐ DO NOT FUND

The strategic partnership opportunity is extremely valuable and warrants investment. However, the team in its current configuration is structurally unable to ship a market-ready product within the required timeline: the leadership group lacks shipping experience, the team operates across incompatible time zones spanning three continents, and two incompatible product definitions are being built simultaneously with no mechanism to reconcile them. Recommendation: fund with mandatory structural intervention. Partner with an identified third-party development team to assume majority development responsibility and creative oversight, providing experienced leadership, resolving time zone fragmentation, and aligning execution with the strategic objective.

Key Findings (Top Three)

Finding 1: Decision-Rights Vacuum Producing Two Products — Impact: Critical | Time Horizon: Immediate

The Studio Head holds the correct strategic vision (executive technology demo for the IP owner's C-suite) but is absent from day-to-day operations. The Design Lead, who runs execution, is building a children's game for ages 6-12. Both are conflict-averse, so the misalignment is never surfaced or resolved. Engineering builds showcase features; creative simplifies them for children; demos impress neither audience.

Finding 2: Severe Time Zone Fragmentation — Impact: Critical | Time Horizon: Immediate

The team is distributed across three continents, with engineering in the opposite time zone from creative leadership and the art team split between them. There is no functional overlap between disciplines, and communication delays compound daily.

Finding 3: Leadership Shipping-Experience Gap — Impact: High | Time Horizon: Immediate

No one in the leadership group has shipped a commercial title. The pattern-recognition gaps show up as unmanaged scope, unresolved product definition, and an aspirational rather than capacity-based schedule.

Shipping Confidence Assessment

Overall probability of shipping as planned: <5% (current configuration) | ~65% (with restructuring and oversight)

Factor	Score	Weight	Rationale
Leadership Capability	2	25%	No shipped-title experience in the leadership group; conflicting product definitions go unaddressed.
Team Execution	2	25%	Time zone fragmentation prevents functional collaboration across disciplines.
Scope Realism	3	20%	No coherent game design; a demographic target and novel technology with no defined application.
Technical Risk	3	15%	Sophisticated AI built for executives, then simplified for children; compelling to neither audience.
Cultural Health	6	15%	Morale is positive; individuals are collaborative and motivated despite the structural problems.

Timeline Outlook

Studio-Stated Milestone: Q4 2025 Launch (9 months)
Base Case: Ship failure without restructuring
Upside Case: On-time delivery with stretch goals (with Partner Team integration)

Downside Case: Project abandonment within 6-9 months of unproductive iteration

Immediate Focus (Next 30 Days)

The strategic value of this partnership justifies investment, but only with immediate structural intervention. Without restructuring, continued spending will not materially improve ship probability.

Must Address Immediately

1. Formalize the partnership with the identified third-party development team
2. Transfer majority development responsibility and creative authority to the Partner Team
3. Implement a feature-gating system to align creative vision, technical capability, and schedule

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: [Name redacted]

Assessment: High risk in current configuration

Strengths: Correctly identified the strategic need: an impressive technology demonstration for the IP owner's C-suite. Successfully secured the partnership opportunity and understands the high-level business objective.

Concerns: The Studio Head is largely absent from day-to-day operations despite holding the correct strategic vision, and has in practice ceded operational control to the Design Lead, whose direction serves a different product. Because both leaders avoid conflict, the misalignment has never been addressed. The Studio Head has not shipped a commercial game, and the experience gaps show in scope management and in the personnel decisions the situation requires.

Critical Challenge: Absence combined with conflict avoidance has created a leadership vacuum: the person who knows what needs to be built is not present to align the team behind it. This is a structural condition. The strategy is right; the mechanism to enforce it does not exist.

Design Lead: [Name redacted]

Assessment: Misaligned with the strategic objective

Evidence: The Design Lead runs day-to-day operations and is designing for children ages 6-12, while the audience that decides the partnership is the IP owner's executive team. They understand basic game systems but have not shipped a commercial title and have limited exposure to the market this partnership targets. The features their direction produces reduce the technical sophistication of the showcase, so demos land with neither audience. In meetings, challenges are met with agreement that is not carried into execution; read structurally, this is what conflict avoidance looks like when no forum exists where decisions become binding. Disagreement never surfaces, so it never resolves. Under experienced creative leadership with clear decision rights, this contributor's systems knowledge could be productively applied.

Lead Engineer: [Name redacted]

Assessment: ✓ Adequate

Evidence: The Lead Engineer is technically competent and has built sophisticated AI systems. However, they operate in the opposite time zone from creative leadership, making synchronous collaboration impossible, and the technology has been built without a clear application to gameplay. The engineering team executes well on technical objectives; the objectives are poorly aligned with product needs.

Producer: [Name redacted]

Assessment: Strong

Evidence: The Producer exhibits strong organizational discipline and reliability, and is well positioned to support an expanded team structure including Partner Team integration. They effectively manage recurring meetings, lead bug triage, and maintain accurate task and defect tracking. Core production workflows are structured and reasonably transparent.

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	3	Under	Insufficient for current design; technically competent.
Design	1	Adequate	Sufficient headcount; insufficient experience with the target market; no shipping track record.
Art	2	Adequate	Sufficient headcount, but geographically split with minimal functional overlap.
Production	1	Adequate	Sufficient.
QA	0	Deferred	No dedicated QA; will become critical within 3-4 months.
Audio	0	Deferred	No audio capability; planned as contract resources later.

Critical Gaps: The most critical gap is not headcount but structure. Time zone fragmentation means engineering, creative, and art never functionally overlap; daily decisions that require cross-discipline consultation become asynchronous message chains with 12-16 hour delays, compounding indefinitely. The team also lacks experienced leadership that has shipped titles in the target market segment.

Overall Team Skill Level: Adequate individually, structurally impaired collectively
Morale: Good
Turnover Risk: Moderate
Individual contributors demonstrate solid technical and creative skills, but the geographic distribution keeps collaboration minimal and decision velocity glacial. Team members express mild frustration with the pace of progress while remaining optimistic about the opportunity.

2.2 Individual Contributor Risk

Key dependency: AI Engineer — Risk: Moderate | Mitigation needed: Yes

The AI engineer has been engaged for roughly three months and is the sole contributor with deep familiarity with the AI systems. This concentration of knowledge creates a single point of failure: departure or reduced availability would delay critical milestones while another engineer ramps up.

Mitigation: Proactively distribute ownership by onboarding at least one additional engineer from the Partner Team. Establish shared documentation, code reviews, and paired development workflows to ensure knowledge transfer and lower the risk of schedule disruption.

2.3 Communication & Collaboration

Stand-Ups: Inadequate
Cross-Functional Collaboration: Limited
Conflict Resolution: Avoidant
Evidence: Time zone fragmentation compounds the more fundamental issue: the unresolved product definition. Engineering builds technology showcase features per the Studio Head's strategic direction, while creative simplifies them per the Design Lead's day-to-day direction. Because neither leader will surface the disagreement, the two directions coexist: work is not iterating, it is contradicting. Art attempts to serve both.

Representative example: engineering built a sophisticated AI interaction system to demonstrate technical capability to the IP owner. The creative team simplified it to be age-appropriate for children, removing the impressive technical elements. The demo shown to executives was neither technically impressive nor coherently designed. When asked, both leaders described the outcome as miscommunication; the underlying issue is that the product definition was never settled.

2.4 Velocity & Delivery Signals

Velocity Trend: Declining
Milestone Trajectory: Behind schedule and diverging
Technical Debt: Accumulating rapidly
Rework Frequency: Common
Evidence: The team has built three different AI interaction prototypes, each optimized by engineering for technical sophistication and each subsequently simplified by creative. The cycle has consumed months of capacity without producing a demo that serves either audience, and it will repeat until the product definition is settled by someone with the authority to settle it.

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: Incoherent: two products on one roadmap

The roadmap reflects two incompatible products being built simultaneously. Neither is properly scoped or realistic within the 9-month timeline, and the collision between them ensures neither will be achieved. The Q4 2025 launch target is aspirational rather than grounded in capacity analysis.

3.1 Scope Reality Check

Studio-Stated Deliverable (Sanitized): Launch Q4 2025. Asked to describe the deliverable, the Studio Head describes an AI-powered technology demonstration for the IP owner showcasing partnership potential; the Design Lead describes an accessible children's game with educational elements. These are different products.

Required Adjustments: A children's game optimized for six-year-olds cannot impress executives evaluating partnership potential, and an executive showcase with its technical complexity removed loses its demonstrable value. The team must commit to one audience and one vision. Given the strategic partnership context, the executive demo is the correct objective; execution authority must be aligned behind it. With Partner Team integration, scope unifies around the demonstration: every feature must showcase technical sophistication and the partnership value proposition.

3.2 Dependency & Critical Path Review

Top Dependencies

- **Validated core experience:** Currently under-designed. The team is building systems without a settled definition of what the product is.
- **AI system integration:** Sophisticated technology with no defined application to the target audience.

Key Concern: Dependencies are underestimated and often unrecognized. The team operates as if building capable technology will naturally converge into a shippable product: the classic trap of technology-driven development without product discipline. Partner Team integration addresses this through experienced design leadership that establishes clear requirements.

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: Early stage with concerning patterns
Debt Level: Moderate and accelerating
Evidence: The architecture itself is competent, but the implementation reflects contradictory requirements: features are built to showcase capability, then simplified for a different audience, satisfying neither objective. There is minimal integration testing, and code reviews show repeated rewrites as requirements oscillate between the two product definitions.

4.2 Material Technical Risks

Feature	Risk	Mitigation
AI technology showcase	Critical	Commit to the executive demo audience; stop simplification passes that remove showcase value.
Unified product vision	Critical	Partner Team establishes a single target audience and vision within the first 30 days.
Educational content system	At Risk	Defer entirely. Focus on the core experience first; educational framing can be added later if the product advances.
Core experience loop	Critical	Partner Team to define and validate within the first 60 days.

4.3 AI Feature Risk Assessment

The core technology is built around AI-driven interaction systems: adaptive response generation, behavioral modeling, and natural language processing. This introduces characteristic risks that warrant attention, though the engineering team demonstrates appropriate awareness and preparation.

1. **Consistency:** AI systems can produce unpredictable outputs that break flow or introduce inappropriate content; acute in executive demonstrations, where a single unsuitable response undermines credibility.

2. **Reliability:** Model performance degrades under edge cases, unfamiliar input, or load; latency spikes and timeouts can render features unusable during critical presentations.
3. **Cost:** API-based systems incur per-request costs that scale with usage; demonstrations and early testing can generate unexpected expense without monitoring and rate limits.

Mitigation Assessment: The team has implemented foundational safeguards: output validation layers, scripted fallbacks triggered by low confidence scores, and usage tracking with rate limiting. The lead AI engineer has prior production AI experience and understands the failure modes; the team approaches the feature with appropriate caution rather than assuming the technology will just work, which is a positive signal. Partner Team integration remains critical: AI features require iterative refinement against real use, and the Partner Team's role includes keeping the implementation focused on showcase value rather than technical sophistication for its own sake.

4.4 Platform & Certification

Not applicable at this stage. The executive demo does not require platform certification. If the partnership advances to a commercial product, certification requirements will need to be scoped then.

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: two incompatible definitions coexist
Team Alignment: Below standard
Observed Disconnect: Asked "who is this for?", the Studio Head answered "IP owners evaluating partnership potential" and the Design Lead answered "children ages 6-12." Engineering describes building an impressive demo for executives; creative describes making content accessible for kids; art is caught between. This is not a semantic disagreement or nuanced segmentation; it is an unsettled product definition, and the demos it produces satisfy no audience.

5.2 Market Understanding

Audience Definition: Misaligned with the decision audience
Competitive Awareness: Not the binding constraint at this stage
Evidence: The audience that determines this investment's outcome is the IP owner's executive team evaluating partnership viability. Day-to-day execution is optimizing for children ages 6-12. These are not overlapping markets; they are incompatible evaluation criteria, and continuing to serve both will likely fail with both.

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 at surface level, underlying frustration emerging
Active Flight Risk: Moderate
Key Retention Risks: Lead AI engineer privately frustrated by lack of product direction

Evidence: In one-on-ones, multiple team members said some version of "I believe in the potential, but I don't know what we're building." This is a leading indicator of attrition, particularly among the strongest contributors, who have external options.

6.2 Psychological Safety

Can concerns be raised safely?: Nominally yes, discouraged in practice

Culture: Avoidant

Evidence: Concerns raised in meetings are agreed to, but the agreed changes are not carried into execution. The pattern creates ambiguity about what has actually been decided and erodes confidence in the decision-making process. Team members have learned that raising concerns produces agreement without change, so frustration stays private rather than becoming productive debate. This is a structural symptom: with no forum where decisions are made binding, agreement is free and follow-through is optional.

6.3 Structural Inclusion

Assessment: Collaborative culture, structurally impaired

Evidence: The team demonstrates genuine respect and collaborative intent across disciplines and geographies. However, time zone fragmentation creates de facto exclusion: decisions happen during overlapping hours that favor whichever discipline is awake. This is not a cultural failing but a structural dysfunction, and it is one that Partner Team integration resolves.

6.4 Sustainability

Workload: Moderate but inefficient

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

STRUCTURAL SOLUTION: PARTNER TEAM INTEGRATION

During the assessment, standard mitigation approaches were considered: replacing leadership, restructuring reporting lines, or declining the investment. However, the strategic partnership opportunity was too valuable to abandon, and the investor mandate was clear: find a path to success with the current team. Personnel changes were unacceptable given existing relationships and partnership dynamics.

The solution emerged from conversation about the team's development history. Team members mentioned a prior working relationship with an external development team (hereafter "Partner Team") that had supported an earlier project. This became the basis for an unconventional approach: rather than replace the existing team, augment it with experienced external support.

The Partner Team was evaluated against several criteria:

- **Availability:** Free during the required timeline (Q1-Q4 2025)
- **Track record:** Multiple shipped titles with proven delivery capability
- **Scale:** Small enough (6-8 people) that the original team retains meaningful ownership rather than being displaced
- **Familiarity:** Prior working relationship reduces onboarding friction and cultural mismatch risk

After consultation with both teams, the arrangement proved mutually agreeable. The Partner Team provides creative leadership and product direction aligned with the demo objective, design expertise to establish coherent vision and scope discipline, engineering augmentation, and a mature development pipeline.

This is not a permanent organizational solution. It is a tactical intervention designed to deliver the executive demonstration within 90-120 days, at which point the strategic partnership either advances (warranting further investment and more permanent structural changes) or does not (limiting exposure). The Partner Team serves as scaffolding: temporary support that enables delivery while preserving optionality.

Partner Team Validation Methodology

The integration was not assumed viable on the basis of the prior relationship alone. A validation process was conducted to confirm capability match. The Partner Team participated in feature-set walkthrough sessions with the investor representative and the original team, covering core demo requirements, the current technical stack, design direction alignment, and resource allocation. They demonstrated working familiarity with AI-driven systems and independently identified the core issue (dual-audience confusion) during technical review.

Capability gap analysis: Engineering: 3 senior engineers with relevant gameplay experience; adequate coverage. Design: 2 designers with shipped-product experience.

Production: no dedicated producer; mitigated by a shared-resource arrangement with Studio Green's existing Producer. QA/Audio: contract resources planned for later phases; acceptable given timeline priorities.

Availability and contingency: The Partner Team confirmed availability through Q1 2026, beyond the Q4 target, providing buffer for schedule slippage, post-demo iteration on IP owner feedback, and transition planning if the partnership advances.

Cross-team synchronization sessions: A creative alignment meeting established the executive demo as the unified vision. Technical integration planning walked both engineering groups through handoff, code review standards, and integration testing. A production kickoff simulation dry-ran first-sprint planning to surface process friction before any capital moved. The sessions showed strong cultural compatibility and confirmed the Partner Team's willingness to exercise creative authority while maintaining a collaborative relationship with the original team.

Validation outcome: The Partner Team demonstrates the requisite capability, availability, and operational compatibility. The arrangement is tactically sound for the 90-120 day demonstration objective.

Risk Analysis: Partner Team Solution

The integration addresses the primary execution risks but introduces new dependencies that warrant explicit acknowledgment.

Cultural friction between teams. Likelihood: Low (prior relationship; compatibility demonstrated in sync sessions). Impact: Moderate. Mitigation: clear authority structure established upfront; the Partner Team holds final decision rights to prevent deadlock.

Original team disengagement. Likelihood: Moderate (loss of creative control is a real adjustment). Impact: High; the original team provides critical context. Mitigation: preserve Studio Green in meaningful roles; the Partner Team is sized to augment rather than displace; the Studio Head remains in charge with the Partner Team as advisors with authority.

Integration overhead. Likelihood: Low (similar stacks and practices). Impact: Moderate; could consume the first 30 days. Mitigation: the Partner Team takes majority greenfield work; the original team provides infrastructure and AI system support; minimize the integration surface.

Knowledge transfer gaps. Likelihood: Moderate; 3+ months of domain exploration is not fully documented. Impact: Moderate. Mitigation: original team embedded as consultants; the Partner Team creative lead conducts a structured knowledge harvest in the first two weeks.

IP or contractual disputes. Likelihood: Low with proper structuring. Impact: Critical. Mitigation: formalize the Partner Team as contractors to the studio; IP remains with Studio Green; clear work-for-hire provisions; investor legal review before engagement.

Cost overrun. Likelihood: Low (fixed-price engagement for a defined deliverable). Impact: Moderate. Mitigation: milestone-based payments, clear scope boundaries, Partner Team assumes delivery risk within budget.

Overall: these risks are manageable and substantially lower than the baseline risk of funding without intervention. The residual risk worth naming is success-shaped: the Partner Team delivers the demo, the partnership advances, and the original structure still needs permanent strengthening for sustained development.

Contingency: If the Partner Team Approach Fails

Failure indicators at the 30- and 60-day checkpoints: demos at 60 days show no meaningful improvement in executive appeal; the teams cannot establish a functional working relationship; or the Partner Team creative lead is unable to exercise decision authority in practice.

1. **Option 1:** Full Partner Team takeover if friction proves insurmountable: the Partner Team becomes the primary development entity with the original team in support. Timeline impact: 2-4 week reset. Relationship impact: high. Probability of success: moderate-high, at the cost of domain context.
2. **Option 2:** Pause and restructure if failure is evident by day 60: pause development and require structural changes before further capital, including an experienced external creative director and active daily involvement from the Studio Head. Timeline impact: 3-6 months. Relationship impact: critical; the investor must require personnel changes explicitly. Probability of success: moderate.
3. **Option 3:** Structured wind-down if demo quality at 90 days remains insufficient and the partnership window closes: halt development, preserve created technology and IP, return unspent capital, inform the IP owner. This is the failure case; the discipline is exiting cleanly rather than burning capital on hope.

Recommended approach: establish 30- and 60-day milestones with pre-agreed failure criteria. If integration is not working by day 60, execute Option 2 rather than continuing to spend on a non-viable configuration. The 90-120 day demo deadline is a natural forcing function.

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: Decision-Rights Vacuum Producing Two Products

Critical Risk: Two incompatible products built simultaneously; demos fail with the audience that decides the partnership

Severity: Critical
Mitigation Potential: High, via Partner Team with clear authority
The strategic objective is correct and understood at the top, but the person who holds it is absent from execution, and the person who runs execution is building toward a different audience. Because both avoid conflict, the misalignment persists as a standing condition rather than a resolved decision. Engineering optimizes for executives, creative simplifies for children, and every demo lands between the two. The entire investment thesis depends on impressing the IP owner's executives; under the current structure, the demos cannot do that. This is not a communication failure or a product-taste dispute; it is a missing decision mechanism.

Mitigation: Partner Team integration with explicit authority to establish and enforce a single product vision. Given the partnership context, the executive demo is the correct objective; the Partner Team provides the present, empowered leadership to execute it, and the children's-game direction is retired. Timeline is urgent: compelling demos are needed within 90-120 days to maintain IP owner engagement.

Red Flag 2: Time Zone Fragmentation Across Three Continents

Critical Risk: Collaboration structurally impossible; decisions delayed 12-24 hours

Severity: Critical
Mitigation Potential: High, via restructuring
Game development requires rapid iteration and synchronous collaboration across disciplines. With engineering, creative, and art in non-overlapping time zones, decision velocity drops by an order of magnitude: a five-minute question becomes a 16-hour message thread, compounded across hundreds of daily decisions. This is a structural impossibility, not a communication problem.

Mitigation: The Partner Team consolidates the majority of development in overlapping time zones, enabling real-time collaboration. Original team members remain involved in support and specialist roles.

Red Flag 3: Leadership Shipping-Experience Gap

Critical Risk: No pattern recognition for scope, schedule, or product convergence

Severity: High
Mitigation Potential: High, via Partner Team senior leadership
No one in the leadership group has shipped a commercial title. The gap shows up as an aspirational schedule, unmanaged scope, and a product definition that has drifted for months without resolution. Individually the leaders have real strengths: correct strategic instinct at the top, strong production discipline in the Producer. What is missing is the delivery experience to convert strategy into an executable plan.

Mitigation: The Partner Team brings shipped-title leadership and a mature pipeline, paired with the existing Producer's strong process discipline. If the partnership advances, permanent senior creative leadership should be part of the next investment phase.

SECTION 8: RECOMMENDATIONS

Funding Decision: Conditional Fund with Mandatory Restructuring

Recommendation Rationale

The strategic partnership opportunity is too valuable to decline, and the current configuration cannot reach it. The standard playbook would recommend walking away. Instead, the assessment used its embedded position to find a structural solution: a third-party team with existing ties to the organization, complementary skills, a proven shipping record, time zone alignment, and direct experience building executive-facing technology demonstrations.

This creates a path to yes: fund the strategic partnership, with Partner Team integration as a condition of investment. The Partner Team assumes operational control, establishes the executive demo as the single vision, and delivers the showcase to the IP owner within 90-120 days. The original team stays involved in meaningful roles, the relationship between investor and studio is preserved, and exposure is limited if the partnership does not advance.

Conditions for Funding

Investment is contingent on the following being implemented within 30 days:

- **Unified vision:** The executive technology showcase becomes the single product vision; the children's-game direction is retired. Every feature must demonstrate value to the IP owner evaluating the partnership.
- **Partner Team integration:** The Partner Team is formalized with operational control and majority development responsibility; the original team moves to support and specialist roles.
- **Creative authority:** The Partner Team holds full creative and product authority, so the strategic direction is executed rather than only stated.
- **Demo milestone:** A compelling technology demonstration for the IP owner within 90-120 days, built specifically for the executive audience.
- **Progress reviews:** Monthly reviews verify the demos are optimized for the executive audience, showcase technical sophistication, and advance partnership approval.

Reassessment Criteria

Capital should move only after the Partner Team's operational control is formalized, the unified vision is in place, and the first demo is being built specifically for the IP owner's executive audience with a defined 90-day milestone. This restructuring converts an unfundable configuration into a viable investment by installing the decision mechanism the structure lacked, while keeping the original team, the investor relationship, and the strategic opportunity intact.

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.

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