EPIC ALLIANCE

Framework Summary

Organisational Intelligence for Early-Stage Ventures

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1. The Problem We Solve

Venture capital applies rigorous quantitative models to financial risk — discounted cash flows, capitalisation tables, comparable transactions. Yet when evaluating the organisational and leadership dimensions of a prospective investment, the same industry relies almost exclusively on unstructured methods: founder interviews, reference checks, and accumulated intuition.

This asymmetry has measurable consequences. Longitudinal research consistently shows that over 45% of early-stage failures are directly attributable to team dysfunction, leadership gaps, and premature scaling — not financial mismanagement. The dimension that receives the least analytical rigour is the one most correlated with failure.

> *"The Investment Committee's time should be deployed on judgment, not on data reconstruction."*

EPIC Compass is built to close this gap: a structured, repeatable, stage-calibrated assessment instrument that gives both founders and investors an organisational health signal — before founders enter the room.

2. The EPIC Model

EPIC is a four-dimensional framework for assessing organisational maturity in early-stage ventures. Each dimension corresponds to a cluster of empirically documented failure modes. Together, the four pillars cover the full organisational risk landscape.

	Pillar	Description & Coverage
E	**EMPOWER** *Internal Leadership Capacity* **13 KPIs · E01–E13**	People development, delegation, psychological health, accountability systems. Covers the team-related failure modes that account for 23–32% of early-stage failures.
P	**PRESENT** *External Credibility & Communication* **13 KPIs · P01–P13**	Pitch clarity, investor relations, trust record, meeting conversion, personal branding. Reflects the organisation's capacity to attract capital, talent, and partners.
I	**INNOVATE** *Adaptive & Creative Capability* **10 KPIs · I01–I10**	Intellectual depth, market signal integration, prototyping speed, applied learning velocity. Measures the posture of learning rather than the accuracy of predictions.
C	**COMMIT** *Execution & Delivery Culture* **15 KPIs · C01–C15**	OKR completion, decision quality, financial tracking, customer NPS, scalability planning. Measures reliable conversion of strategic intent into operational result.

The four pillars are assessed through 51 Key Performance Indicators, selected through a rigorous four-criterion methodology: empirical grounding in the startup failure literature, observational tractability (self-assessable without external audit), stage relevance, and discriminative validity across high- and low-performing organisations.

3. Stage Calibration: The Core Innovation

The central methodological contribution of EPIC Compass is stage calibration. A Pre-Seed founder is not assessed against the same standard as a Series B organisation. The same KPI — delegation, for example — is evaluated differently at each stage: what constitutes effective delegation at Pre-Seed looks nothing like what constitutes effective delegation at Series B.

Stage calibration operates at three levels:

- Weight adjustment — each KPI carries a stage-specific weight, reflecting its differential importance to survival and growth at that stage.
- Question formulation — the same underlying construct is operationalised differently at each stage, shifting from first-person singular ('I…') at Pre-Seed to institutional formulations ('The organisation operates…') at Series B+.
- KPI activation — KPIs below their minimum stage threshold receive zero weight and are excluded from the assessment, ensuring founders are not penalised for capabilities not yet required by their stage.

> *"Assessing a Pre-Seed founder on Series B competencies is not merely unhelpful — it is actively misleading. Valid measurement requires stage-relative standards."*

Stage	Name	ARR Threshold	Team Size	Primary Focus
01	**Pre-Seed**	< €10K ARR	1–3 people	Founder capacity, ambiguity tolerance, raw execution.
02	**Seed**	€10K – €1M ARR	3–15 people	Product–market fit, early team dynamics, investor communication.
03	**Series A**	€1M – €5M ARR	15–50 people	Leadership team transition, repeatable revenue model, governance.
04	**Series B+**	€5M – €20M ARR	50–200 people	Scaling systems, accountability culture, multi-function leadership.
05	**Licorne**	> €20M ARR	200+ people	Institutional culture, international operations, full governance.

4. What the Assessment Delivers

A complete EPIC Compass assessment takes approximately 20 minutes. Every founder who completes it receives a structured report containing:

Report Component	Content
Global EPIC Score	Composite score out of 100, with full pillar breakdown — calibrated against the organisation's maturity stage.
5 Priority Gaps	The organisational gaps most likely to slow growth or hurt the next raise, ranked by impact — each with a concrete action plan.
Cohort Benchmark	Where the organisation stands relative to indicative averages for its stage across all four pillars.
Demonstrated Strengths	KPIs already at peak performance — and how to convert them into competitive advantages in investor conversations.

5. For Investors: Risk Management Across the Full Lifecycle

EPIC Connect gives investors access to a standardised organisational health signal at every stage where leadership and team risk matters.

Due Diligence	Before committing capital: a structured 51-KPI scorecard, stage-calibrated and comparable across opportunities. Financial models tell you where a startup is going. EPIC tells you whether the team can get it there.
Deal Flow	Access startups that have already completed an EPIC assessment — with an organisational health score attached. Evaluate leadership maturity before the first meeting.
Portfolio Monitoring	Track organisational health across portfolio companies quarterly. Surface leadership drift and execution deterioration months before they appear in financial reporting.
Follow-on Decisions	Compare a portfolio company's current EPIC score against its score at initial investment. Has the organisation actually matured since first investment — or only grown in headcount?

6. Validation & Scientific Foundations

EPIC Compass is not a consulting framework — it is a measurement instrument designed with the rigour of a psychometric tool. The KPI bank and scoring architecture were developed through four sequential filters:

1. Empirical grounding — each KPI is supported by peer-reviewed research on venture performance or failure causation.
2. Observational tractability — assessable without third-party verification or proprietary data access.

3. Stage relevance — each KPI is active only at the stages where it has documented predictive value.
4. Discriminative validity — each KPI distinguishes meaningfully between high- and low-performing organisations.

The instrument draws on a synthesis of CB Insights failure post-mortem data (110+ startups), the Startup Genome longitudinal dataset, and academic work including Szathmári, Kása & Radácsi (2024), Colombo & Grilli (2005), and the Upper Echelons Theory (Hambrick & Mason, 1984). The full validation roadmap — covering content validity, construct validity, predictive validity, and reliability — is documented in the complete working paper.

EPIC Compass is in active deployment. The instrument improves with every assessment completed. The long-term objective is to constitute the reference organisational risk rating for early-stage ventures in Europe — the equivalent of a credit score for founders.

7. Access & Next Steps

Try EPIC Compass (free)	compass.epic-alliance.io — self-assessment, instant report, 20 minutes.
Investor access	connect.epic-alliance.io — access assessed startups and portfolio tracking.
Full working paper	team@epic-alliance.io — available to qualified partners and academic collaborators.
Partnership enquiries	team@epic-alliance.io — investor networks, accelerators, ecosystem integration.

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Framework documented and dated. Full working paper available on request to qualified partners.