FELLSTEAD

The 5 Signals™ Diagnostic Report

Harborline Systems, Inc.

Sample client report - fictional company and simulated evidence

Prepared for demonstration purposes

This report shows the depth, structure, evidence discipline, and cross-signal analysis a Fellstead client can receive after completing The 5 Signals™ Diagnostic. All company data, names, metrics, quotes, documents, and findings in this sample are fictional.

Diagnostic date	September 2026
Company stage	Series A B2B SaaS
ARR	$2.85M
Employees	34
Primary market	U.S. industrial service companies
Report basis	Questionnaire + simulated supporting materials

A diagnostic, not a scorecard

The 5 Signals™ framework is designed to identify the conditions shaping a company's performance, not to reduce a company to a single rating. Each signal is assessed on the basis of the evidence supplied, the internal consistency of the company's own claims, and the relationship between stated strategy and observed performance.

Important distinction

A finding can be significant even when no single metric looks alarming. Many of the most consequential issues in this report are cross-signal contradictions: situations where one part of the company is operating on assumptions that another part of the company does not support.

Evidence discipline

- Founder / management claims are treated as claims unless corroborated by metrics, documents, customer evidence, or repeated operating patterns.
- Documentary evidence is weighted according to recency, relevance, and whether it reflects actual behavior or only stated intent.
- Unknowns are preserved as unknowns. They are not silently filled with industry averages or assumptions.
- Confidence reflects the quality and consistency of available evidence, not confidence in the company itself.

Signal status definitions

Status	Interpretation
Strong	The signal is materially coherent and supported by evidence.
Mixed	Important strengths exist, but one or more contradictions remain unresolved.
Constrained	The signal currently limits performance or increases execution risk.
Weak	Evidence indicates a fundamental problem requiring near-term intervention.

EXECUTIVE SUMMARY

Harborline does not have a product problem. It has a focus and operating-model problem.

Harborline Systems has built a credible product with demonstrable value in a narrow workflow: converting inbound service requests into priced, scheduled jobs for industrial field-service businesses. The company has reached $2.85M ARR, retained several high-value customers, and developed workflow depth that is difficult to reproduce with generic horizontal tools.

The central issue is that Harborline is operating as though it has already proven a broad enterprise platform thesis. The evidence supplied does not support that conclusion. The strongest customer outcomes are concentrated in one use case and one customer profile, while the company continues to sell multiple modules, pursue several adjacent industries, and absorb substantial implementation complexity in order to close larger contracts.

That mismatch is now visible in performance. Growth has continued, but quarterly ARR additions are slowing. New-logo creation has declined for three consecutive quarters. Churn has increased. Sales cycles are longer. Services work is consuming engineering and customer-success capacity. The top five customers account for 53% of ARR, and the largest customer represents 18%.

Core diagnostic conclusion

Harborline is trying to scale a broad company before it has fully proven a narrow one. The most credible near-term path is not to expand the product surface. It is to concentrate the company around the workflow where value, market pull, economics, and product evidence already align.

What should change first

- Reframe the next 12-18 months around a single beachhead: multi-location commercial HVAC and mechanical service companies with approximately $10M-$75M revenue.
- Make quote-to-scheduled-job conversion the primary product and commercial narrative. Treat adjacent modules as supporting capabilities, not separate entry points.
- Stop accepting implementation commitments that require bespoke workflow logic unless they are reusable within the beachhead segment.
- Replace top-line pipeline growth as a primary commercial indicator with qualified-pipeline quality, sales-cycle compression, implementation burden, and activation-to-value metrics.
- Rebuild the operating plan around a more realistic growth case and explicitly manage customer concentration risk before the next institutional round.

COMPANY SNAPSHOT

Harborline Systems at the time of review

Founded	2022
Headquarters	Denver, Colorado
Business model	B2B SaaS + implementation fees
Employees	34
ARR	$2.85M
YoY ARR growth	31%
Gross margin	69% blended / ~79% software-only
Customers	41
Median ACV	$58k
Top customer concentration	18% of ARR
Top 5 concentration	53% of ARR
Cash runway	~15 months at current burn
Primary ICP claimed	Industrial field-service companies, $10M-$250M revenue
Observed strongest segment	Commercial HVAC / mechanical service, $10M-$75M revenue

Five-signal overview

Signal	Status	Confidence	Primary issue
Vision	Mixed	High	Broad platform ambition is ahead of proof and conflicts with resource constraints.
Value	Strong	High	A clear, measurable workflow outcome exists, but the company dilutes it with a broad product story.
Market	Constrained	Medium-High	The market is real, but ICP definition is too broad and channel assumptions are weak.
System	Constrained	High	Custom implementation and diffuse ownership reduce scalability and obscure true margins.
Momentum	Mixed	High	ARR is growing, but the quality and efficiency of growth are deteriorating.

Eight findings that explain most of the current performance pattern

01 The company is selling a platform before it has proven a wedge.

The strongest evidence of value comes from one workflow - quote-to-scheduled-job conversion - yet sales materials lead with a multi-module operating platform. This increases sales complexity and makes differentiation harder to understand.

02 The ICP is defined by industry category, not by operating conditions.

The company groups together businesses with very different buying processes, system maturity, and implementation burdens. Revenue size alone is not a sufficient segmentation variable.

03 Large contracts are producing misleading commercial signals.

Several high-ACV wins required extensive configuration, founder involvement, and non-repeatable integrations. They validate willingness to pay, but not yet scalable acquisition or delivery.

04 Services effort is hidden inside software economics.

Implementation and customer-specific workflow work are distributed across engineering, customer success, and product. Reported gross margin does not fully reveal the delivery burden of new accounts.

05 The company is measuring pipeline quantity more carefully than pipeline quality.

Pipeline coverage remains above 3x target, but late-stage conversion and sales-cycle duration have worsened. The operating cadence treats pipeline growth as reassuring despite declining efficiency.

06 Customer concentration is not just a financial risk; it is influencing roadmap decisions.

The two largest customers account for 29% of ARR and are responsible for a disproportionate share of custom product requests. Roadmap prioritization is increasingly shaped by retention risk rather than segment strategy.

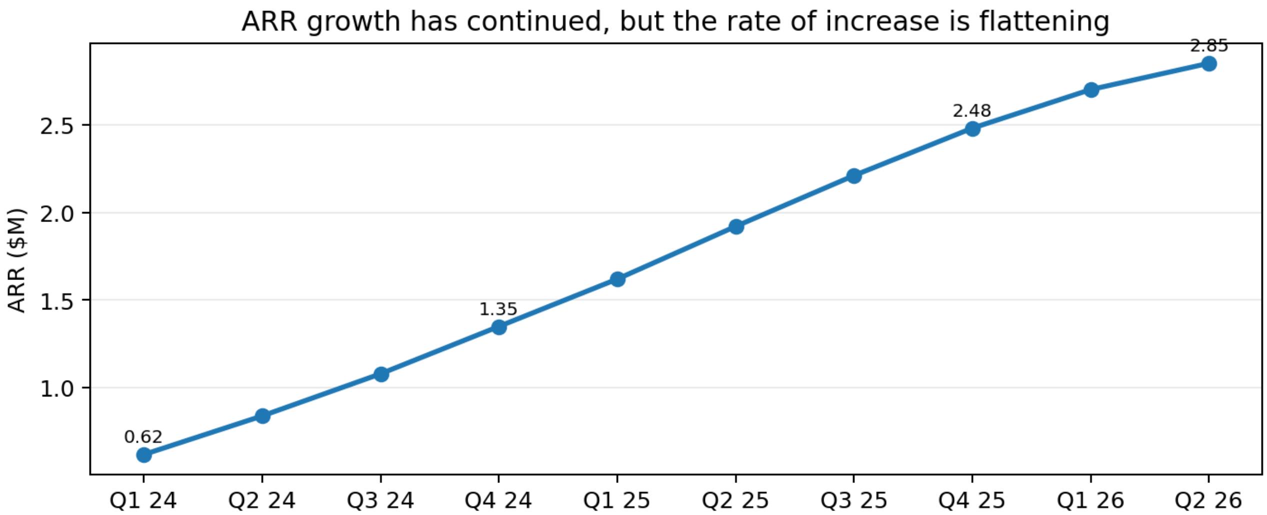
07 The strategic narrative and resource allocation do not match.

Management describes a move upmarket while the strongest unit economics and fastest implementations are in smaller mid-market accounts. Engineering capacity is simultaneously committed to enterprise features and implementation debt.

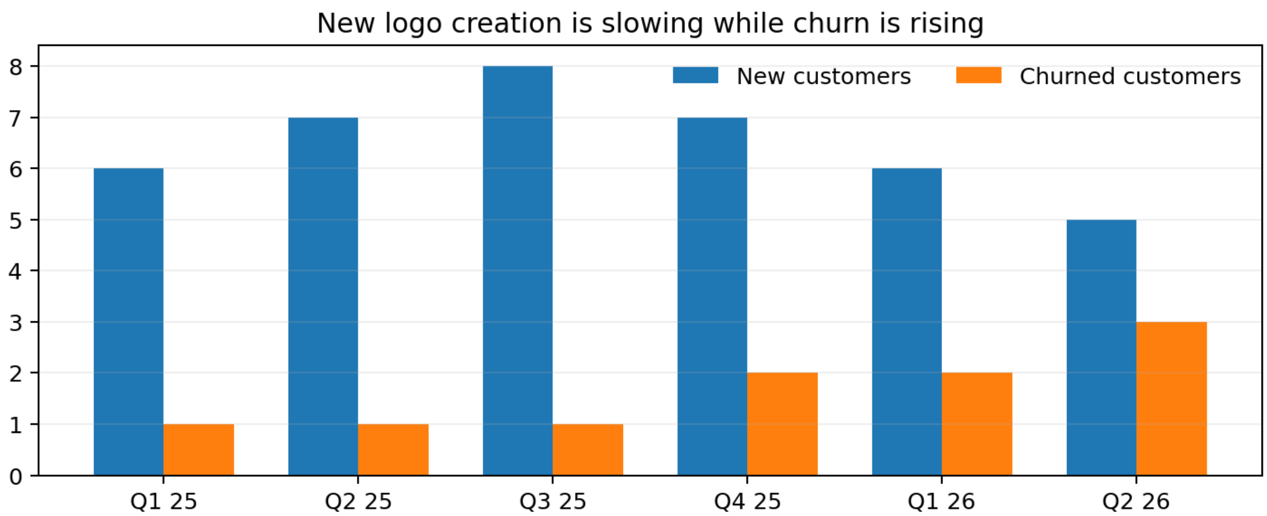
08 Momentum remains positive, but the quality of momentum has changed.

ARR, customers, and usage continue to increase. However, new-logo growth, churn, payback, and implementation time are moving in the wrong direction. The company is growing, but with rising friction.

Growth is continuing, but the pattern underneath it is weakening



Simulated ARR history supplied for this sample diagnostic.



Simulated customer additions and churn.

CROSS-SIGNAL ANALYSIS

The important problems sit between the signals

Signals	Contradiction	Why it matters
Vision ↔ Value	Vision says “operating platform.” Customer evidence says the urgent purchase is faster, more reliable quote-to-job conversion.	The product narrative is broader than the proven value proposition, increasing sales explanation cost and weakening differentiation.
Vision ↔ Market	The company intends to move upmarket, but the most repeatable wins occur below the stated enterprise target.	The strategic direction is being driven partly by ACV aspiration rather than demonstrated segment economics.
Value ↔ System	Customers value rapid deployment and workflow fit, while the current delivery model relies on custom implementation.	The system undermines one of the product’s core value claims: speed to value.
Market ↔ Momentum	The company reports a large addressable market and healthy pipeline, yet qualified win rate and sales-cycle efficiency are declining.	Market size is not the constraint; segment precision and buying friction are.
System ↔ Momentum	Engineering and customer-success capacity are increasingly used to support custom commitments.	Growth is consuming disproportionate internal capacity, reducing product velocity and raising future servicing cost.
Vision ↔ Momentum	Management is planning for continued 50%+ growth while observed annualized growth has moved closer to the low-30% range.	Planning assumptions are now more aggressive than current evidence supports.

Root-cause pattern

Harborline is not facing six unrelated problems. Most observed issues trace back to one structural choice: expanding scope before repeatability is fully established. Narrowing the operating thesis would resolve multiple downstream symptoms at once.

SIGNAL 01 / VISION

Vision: coherent ambition, insufficiently constrained strategy

Management describes Harborline as “the operating system for industrial service businesses.” The long-term ambition is coherent: replace fragmented point solutions with a unified layer connecting intake, quoting, scheduling, field execution, and customer communication. The problem is not the ambition itself. The problem is that the current strategy does not define what must be true before the company expands from a wedge into a platform.

What appears strong

- Founder intent is consistent across questionnaire responses and planning materials.
- The company understands the operational fragmentation of its target customers and has direct domain knowledge.
- There is a plausible long-term platform path if a repeatable beachhead is established first.
- The leadership team can articulate meaningful customer workflow pain rather than relying on generic “AI transformation” language.

What is constraining the signal

- No explicit sequencing rule defines when Harborline has earned the right to add a new module or segment.
- The strategic plan contains simultaneous priorities: move upmarket, expand modules, improve margins, reduce implementation time, enter two adjacent service verticals, and prepare for a Series B.
- The company does not currently distinguish “long-term destination” from “next 12-month strategy.”
- Non-goals are absent. As a result, commercial exceptions become de facto strategy.

Evidence reviewed

Evidence	Observation	Weight
Founder questionnaire	Platform ambition repeated consistently; near-term sequencing unclear.	High
2026 strategic plan	Six strategic priorities with no explicit hierarchy.	High
Board planning slides	Enterprise expansion framed as primary growth lever.	Medium-High
Product roadmap	Significant roadmap share tied to large-account requests.	High

Vision diagnosis

Assessment

Vision is not weak; it is under-constrained. Harborline needs a strategy that narrows the path without shrinking the ambition. The most important strategic artifact missing today is a sequencing thesis: what the company must prove in the beachhead before broadening market or product scope.

Recommended decisions

- Define the 12-18 month strategy as “win and systematize quote-to-scheduled-job in commercial HVAC / mechanical service.”
- Create explicit expansion gates for new modules, verticals, and enterprise features.
- Publish a short non-goals list for the next two quarters.
- Separate long-term platform narrative from current operating thesis in board and company planning.

Value: the strongest signal, but the company is obscuring it

The clearest evidence in the diagnostic is customer value. Harborline performs best when it reduces the time and coordination required to move an inbound service opportunity from request to priced, scheduled job. Customers describe fewer handoffs, faster quote turnaround, improved visibility, and less administrative rework. The problem is not proving that value exists; it is keeping the product and commercial story centered on it.

Observed value proposition

Current evidence-backed promise

For multi-location commercial service companies, Harborline reduces the operational friction between inbound demand, quoting, approval, and scheduling - helping teams convert more service opportunities without adding equivalent administrative headcount.

Evidence of value

Evidence	Simulated observation	Interpretation
Customer interviews (6)	5 of 6 spontaneously described faster quote turnaround as the primary benefit.	Strong proof of salience
Usage data	Highest weekly active usage is concentrated in intake, quoting, and scheduling workflows.	Behavior supports stated value
Case study A	Median quote cycle reportedly reduced from 3.8 days to 1.6 days.	Compelling but single-account evidence
Case study B	Administrative headcount avoided during 22% service-volume growth.	Strong economic story; needs tighter attribution
Renewal notes	Accounts with full quote workflow adoption show materially stronger retention.	High-value correlation

Where value gets diluted

- Sales presentations introduce six modules before establishing the primary economic outcome.
- Different sales representatives describe different “core” use cases.
- Enterprise prospects are often sold future roadmap value, increasing expectation risk.
- The website emphasizes breadth (“one platform”) more than the operational moment where the customer first experiences value.

Value diagnosis

Assessment

Harborline already has a credible wedge. The company should treat this as an asset to protect. Broadening the story before the wedge is fully systematized is reducing, not increasing, perceived value.

Recommended actions

- Rewrite positioning around one primary operational outcome and one target buyer.
- Define the “first 30 days of value” and measure time-to-first-value for every new account.
- Use secondary modules as proof of expansion potential after the wedge is established.
- Build a standardized evidence library: before/after workflow time, conversion, administrative effort, and customer references.

Market: real demand, but the company is treating a category as an ICP

Harborline defines its market as industrial field-service companies with $10M-$250M revenue. That category is large enough to support the business, but it is not operationally specific enough to guide sales, product, or implementation choices. Within the stated range, customers differ materially in service mix, branch structure, procurement maturity, existing systems, dispatch complexity, and willingness to standardize workflows.

Observed best-fit segment

Vertical	Commercial HVAC / mechanical service
Revenue	$10M-$75M
Locations	2-12 branches
Primary buyer	VP Operations / COO
Economic pain	Quote delay, administrative coordination, inconsistent branch workflow
Existing stack	Accounting/ERP + field service + spreadsheets/email
Sales cycle	~60-100 days in best-fit cases
Implementation profile	Repeatable with limited workflow customization

Market risks

- The current ICP includes segments where Harborline competes against entrenched vertical suites and segments where buyers expect extensive enterprise integration.
- The company has not quantified how often its strongest pain point occurs within the broad target market.
- Channel strategy is underdeveloped. Referral partners exist, but there is no evidence yet of a repeatable partner acquisition motion.
- Procurement complexity increases sharply in larger accounts, while product differentiation becomes less obvious against enterprise incumbents.

Market diagnosis

Assessment

The company does not need a larger market thesis. It needs a more selective one. A narrower beachhead would improve messaging, qualification, implementation repeatability, customer references, and roadmap coherence simultaneously.

Recommended validation

- Re-score the last 24 months of opportunities by operating profile, not just industry and revenue.
- Compare win rate, sales cycle, implementation hours, ACV, retention, and expansion by segment.
- Interview 10 lost best-fit prospects to isolate buying objections separate from product gaps.
- Test whether “quote-to-job conversion” is a category-level pain or concentrated in specific operating models.

System: current delivery mechanics are limiting scale

Harborline’s operating system has evolved around winning and retaining individual customers rather than maximizing repeatability. This was rational in the earliest stage. At the current scale, however, the same behaviors are creating hidden cost, slower product velocity, and unclear ownership.

Primary system constraints

Area	Observed condition	Effect
Implementation	Median implementation increased from ~29 to ~47 days over the last four quarters.	Delays revenue recognition and customer value realization.
Engineering	Approximately 27% of recent sprint capacity tied to customer-specific commitments or integration support.	Reduces roadmap throughput.
Customer success	CSMs coordinate configuration and workflow design outside a standardized implementation playbook.	Creates variable delivery cost.
Gross margin	Company reports 69% blended GM, but internal labor supporting implementation is not fully separated.	Economic scalability is difficult to assess.
Decision rights	Founder remains involved in large deal scoping and roadmap exceptions.	Increases key-person dependency and slows decisions.

The implementation trap

Large contracts are attractive because they increase ARR quickly. But if each large account introduces special integrations, workflow exceptions, or roadmap commitments, the company can appear to be moving upmarket while actually becoming a bespoke software-and-services business. Harborline is not yet at that endpoint, but the current pattern is directionally consistent with it.

Critical system question

Can Harborline deploy the core product to a new best-fit customer with materially the same implementation method, configuration model, and product surface - without founder intervention or engineering exceptions? Today, the evidence suggests “not consistently.”

Recommended actions

- Create a standard implementation boundary: included, configurable, custom, and unsupported.
- Measure implementation hours by function and account, not only calendar duration.
- Require economic review for customer-specific engineering commitments before contracts are signed.
- Define product-management authority for roadmap exceptions and remove founder default escalation.
- Restate gross margin with customer-specific delivery labor visible as a separate line of analysis.

Momentum: positive headline growth, declining growth quality

Harborline has genuine momentum. ARR has increased, the company has meaningful customers, and adoption of the core workflow is real. The concern is not that momentum has disappeared; it is that several leading indicators now suggest the existing growth model is becoming less efficient.

Momentum evidence

Metric	Earlier pattern	Current pattern	Interpretation
YoY ARR growth	~60%+	31%	Growth remains positive but has compressed materially.
New logos / quarter	7-8	5	Acquisition pace is slowing.
Logo churn / quarter	~1	3	Retention pressure is increasing.
Median sales cycle	~74 days	~112 days	Commercial friction is rising.
CAC payback	~11 months	~17 months	Acquisition efficiency is deteriorating.
Implementation time	~29 days	~47 days	Time-to-value is moving in the wrong direction.
Expansion revenue	Growing	Flat	Broader platform thesis is not yet showing strong expansion behavior.

What is still encouraging

- Core workflow usage remains strong among retained best-fit accounts.
- Referenceability is high in the commercial HVAC cohort.
- Gross retention is not yet structurally broken; churn is concentrated in specific customer profiles.
- Pipeline remains sufficient to test a narrower qualification model without immediately starving sales.

Momentum diagnosis

Assessment

The company should treat the next two quarters as a quality-of-growth reset, not a race to restore the old growth rate. If segment focus improves conversion, implementation burden, retention, and payback, headline growth can re-accelerate on a healthier base.

INTEGRATED PRIORITIES

What to do now, next, and later

Priority	Timing	Owner	Success evidence
Commit to a beachhead operating thesis	Now - 2 weeks	CEO + leadership	One ICP definition used across product, sales, success, and planning.
Rebuild pipeline qualification around best-fit operating conditions	Now - 30 days	CRO / Sales	Higher qualified win rate; fewer low-fit late-stage deals.
Standardize implementation boundary	Now - 45 days	COO / Product	Lower implementation variance; fewer engineering exceptions.
Reposition commercial narrative around the wedge	Now - 45 days	Marketing + Sales	Shorter explanation cycle; higher first-meeting-to-qualified-opportunity conversion.
Restate customer economics by segment	Next - 60 days	Finance	Segment-level ACV, GM, CAC payback, implementation cost, retention visible.
Reduce roadmap capture by concentrated customers	Next - 60 days	Product	Roadmap share linked to reusable segment strategy increases.
Create expansion gates	Next - 90 days	CEO + Board	New module / vertical decisions tied to explicit proof thresholds.
Prepare new financing narrative only after operating reset	Later	CEO + Finance	Fundraising story supported by improving growth quality, not only TAM and pipeline.

What not to do

- Do not respond to slowing growth by adding more verticals before segment economics are understood.
- Do not use enterprise ACV as proof that the upmarket motion is working if implementation burden is not included.
- Do not launch additional modules as separate acquisition hooks until the primary wedge is demonstrably repeatable.
- Do not treat a 3x pipeline coverage ratio as reassuring without examining conversion, age, and implementation fit.
- Do not optimize for a fundraising narrative at the expense of resolving the operating contradictions identified here.

Convert the diagnosis into falsifiable operating tests

The purpose of the next 90 days is not to “implement the report.” It is to test whether the diagnostic thesis is correct. Each action below should produce evidence that either strengthens or weakens the recommended direction.

Days	Test	Action	Decision rule
0-30	Beachhead economics	Reclassify all active customers and last 24 months of opportunities using operating-profile variables.	Proceed if best-fit segment shows materially better win rate, implementation burden, retention, and/or payback.
0-30	Value concentration	Review product usage and customer interviews to identify the first workflow associated with measurable value.	Proceed if quote-to-job workflow remains dominant across usage and customer language.
15-45	Qualification discipline	Apply stricter ICP rules to new opportunities and track disqualified pipeline separately.	Proceed if qualified conversion improves without unacceptable pipeline starvation.
15-60	Implementation standardization	Run new best-fit accounts through a standardized implementation boundary.	Proceed if time-to-value and engineering exceptions decline.
30-75	Positioning test	Use one wedge-led message across outbound, website, and sales discovery.	Proceed if meeting-to-qualified-opportunity conversion and message recall improve.
45-90	Expansion logic	Define explicit proof gates before approving a new module or vertical.	Proceed if roadmap decisions become less account-driven and more segment-driven.

Review cadence

- Weekly: track qualified pipeline, sales-cycle age, implementation exceptions, and time-to-value.
- Monthly: review segment economics, churn reasons, product usage concentration, and roadmap allocation.
- At day 45: interim review of whether the beachhead thesis is improving operating indicators.
- At day 90: decide whether to deepen the beachhead strategy, revise it, or reject it based on evidence.

METRICS THAT MATTER NEXT

Replace aggregate reassurance with decision-relevant measures

Metric	Why Fellstead would watch it
Qualified win rate by segment	Whether the chosen beachhead is actually easier to sell to.
Median sales cycle by segment	Whether focus reduces buying friction.
Implementation hours by account and function	Whether delivery is becoming repeatable.
Time to first measurable value	Whether the customer experiences the promised outcome quickly.
Engineering exception rate	Whether commercial growth is creating bespoke product debt.
Gross retention by segment	Whether fit predicts durability.
CAC payback by segment	Whether acquisition economics support scale.
Expansion rate after core workflow adoption	Whether the platform thesis is emerging from the wedge.
Roadmap capacity tied to reusable segment needs	Whether product direction is becoming strategic rather than account-driven.
Top-5 ARR concentration	Whether customer concentration risk is improving or worsening.

Do not over-instrument

Harborline does not need a larger dashboard. It needs a smaller set of measures tied directly to strategic questions. Every metric above should exist because it informs a decision, not because it is conventionally tracked by SaaS companies.

Decisions that deserve explicit re-evaluation as new evidence appears

Decision	Trigger to revisit	Evidence to inspect
Move further upmarket	Revisit if best-fit mid-market economics materially outperform enterprise economics after full delivery cost.	Enterprise sales cycle, implementation hours, margin, retention, expansion.
Build additional workflow modules	Revisit only after the core workflow reaches predefined activation, retention, and repeatability thresholds.	Core adoption, time-to-value, expansion pull, roadmap capacity.
Enter adjacent field-service verticals	Revisit if current beachhead shows saturation or if adjacent demand is demonstrated without materially different delivery requirements.	Segment win rate, TAM within beachhead, implementation variance.
Raise Series B	Revisit when the company can show improving growth quality and a credible scaling mechanism.	Net new ARR, payback, churn, implementation burden, concentration.
Accept strategic customer customization	Revisit case by case only when the capability is reusable or economically priced as services.	Engineering effort, reusability, contract economics, roadmap cost.

Why this matters

The purpose of the watchlist is to prevent old assumptions from becoming permanent strategy. A decision that was rational six months ago can become wrong as the company changes. The highest-value form of company memory is not remembering the decision; it is remembering the reasoning and the conditions under which the decision was made.

What this sample diagnosis is based on

For demonstration, the following evidence set is simulated. A real Fellstead report would identify the actual materials supplied by the client and preserve important gaps where evidence is unavailable.

Source	Coverage	Diagnostic use	Confidence
Founder / leadership questionnaire	Strategy, market, system, momentum	Primary management claims and stated intent	High
Pitch deck	Narrative, market, differentiation, metrics	Compare external story to internal evidence	Medium
KPI snapshot	ARR, churn, sales cycle, usage	Momentum and quality-of-growth analysis	High
P&L summary	Margin, burn, runway	Economic and system analysis	Medium-High
Product roadmap	Product priorities and commitments	Vision-system coherence	High
Six customer interview summaries	Value, adoption, buying behavior	Customer evidence and value salience	Medium-High
Pipeline export summary	Conversion, age, segment	Market and momentum analysis	High
Implementation tracker	Duration, exceptions, ownership	System scalability analysis	High

Important unknowns

- Net revenue retention by customer cohort was not available in a fully reconciled form.
- Implementation labor has not been consistently time-tracked across functions.
- Lost-deal reasons are mostly salesperson-entered and may reflect attribution bias.
- Customer interview evidence is stronger for retained customers than churned customers.
- The size of the beachhead market has not yet been independently validated in this sample.

Confidence statement

Overall diagnostic confidence: Medium-High. The major cross-signal pattern is supported by multiple independent evidence types. Several economic conclusions should be re-tested once implementation labor and cohort retention are fully reconciled.

NEXT VALIDATION QUESTIONS

Questions management should be able to answer after the next operating cycle

01. Which customer operating profile has the best combined win rate, implementation burden, retention, and payback - not simply the highest ACV?

02. What percentage of new customers can reach first measurable value without engineering involvement?

03. Which product workflow is most predictive of renewal and expansion?

04. How much of engineering capacity is consumed by commitments that are not reusable across the target segment?

05. If Harborline stopped pursuing accounts above $75M revenue for one quarter, what would actually be lost - pipeline volume, ACV, strategic learning, or mostly complexity?

06. What evidence would prove that the company has earned the right to expand beyond the beachhead?

07. How much of current churn is a product problem versus a customer-fit problem?

08. Which customer requests are shaping the roadmap primarily because of revenue concentration risk?

09. What growth rate is achievable under a plan that does not assume improving conversion, retention, and implementation simultaneously?

10. What would management choose not to do for the next six months if focus were treated as a strategic asset rather than a constraint?

Three plausible paths from the current position

Scenario	What Harborline does	Likely near-term effect	Primary risk
A - Continue broad expansion	Pursue enterprise, adjacent verticals, and multiple modules concurrently.	Potential for occasional large wins and higher nominal ACV.	Longer sales cycles, more customization, rising burn, lower product velocity.
B - Focused beachhead reset	Concentrate on strongest segment and workflow; standardize delivery; improve growth quality.	Potentially slower headline pipeline initially, but better conversion, retention, and repeatability.	Management may interpret short-term narrowing as loss of ambition.
C - Services-assisted enterprise model	Lean into customization and charge explicitly for implementation / strategic services.	Could improve economics of complex accounts and support enterprise revenue.	Changes the business model and may reduce software scalability / valuation narrative.

Fellstead view

Scenario B is the most internally coherent with the evidence supplied. Scenario C may become rational if enterprise demand proves durable and the company is willing to acknowledge a different economic model. Scenario A contains the greatest risk because it preserves the contradictions already visible across Vision, Market, System, and Momentum.

If only one page is used internally, use this one

Current state

Harborline has real product value and a credible long-term platform opportunity. The company is not failing. It is experiencing the consequences of broadening scope faster than repeatability has developed.

Decision for the next two quarters

Operate the company as a focused workflow business with platform optionality, rather than as a broad platform that still depends on customer-specific execution.

Three commitments

- One beachhead ICP used across sales, product, implementation, and planning.
- One primary value proposition centered on quote-to-scheduled-job conversion.
- One economic model that makes customer-specific delivery effort visible before growth decisions are made.

Three measures of whether the reset is working

- Qualified win rate rises while sales-cycle duration falls.
- Implementation time and engineering exceptions decline.
- Retention and CAC payback improve in the selected segment.

What would change the recommendation

If reconciled segment economics show that enterprise customers produce superior retention and margin even after full implementation cost, or if the narrow workflow does not predict stronger retention and repeatability, the focused-beachhead thesis should be revised. The recommendation is a testable hypothesis, not a permanent doctrine.

APPENDIX A

The 5 Signals™ framework

Fellstead evaluates a company as an interconnected system. The five signals are intentionally broad enough to cover the major conditions shaping performance, while remaining distinct enough to expose contradictions between them.

Signal	Core question	Typical coverage
Vision	What is the company trying to become, and what choices define the path?	Purpose, founder intent, strategic thesis, priorities, trade-offs, assumptions, constraints, sequencing.
Value	Why should a customer care, pay, adopt, and remain?	Problem, need, use case, buyer, value proposition, differentiation, pricing, proof of value, retention logic.
Market	Where does the company compete, and what external conditions shape demand?	Category, ICP, segmentation, competition, buying process, channels, regulation, trends, timing.
System	How does the business actually work?	Business model, economics, team, product, operations, processes, metrics, legal / risk, scalability.
Momentum	What does the evidence say is happening over time?	Traction, revenue, growth, retention, pipeline, conversion, velocity, learning, fundraising, trends.

Method principle

Separate symptoms from causes

A weak metric is not automatically a root cause. Fellstead looks for the relationship between observed outcomes and the strategic, market, value, and operating conditions that produce them.

APPENDIX B

Sample report note and limitations

This document is a fictional sample created to demonstrate the format and analytical depth of a Fellstead diagnostic. Harborline Systems, Inc. is not a real client. All names, figures, interview observations, financial metrics, operating details, charts, and conclusions are simulated.

A real diagnostic would be based on the information provided by the client and any supporting materials made available for review. The depth of conclusions depends on the quality, completeness, and consistency of available evidence.

Fellstead diagnostics are analytical products. They are not legal, tax, accounting, investment, or other regulated professional advice, and they do not guarantee business, financing, operational, or investment outcomes.

About Fellstead

Fellstead develops structured company intelligence for understanding where a business stands, what is holding it back, and where it may be heading. The 5 Signals™ Diagnostic evaluates a company across Vision, Value, Market, System, and Momentum. Fellstead is operated by Solten Ventures LLC.

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