

The Fable

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THE SITUATION

Shay Davis knew that it was too soon for him to get fired. Six months was not enough time for even the most aggressive private equity firm to axe a recently promoted CEO. But it wasn't too soon for them to start thinking about it.

Golden Gate Security wasn't exactly failing under Shay's brief period of leadership. The company, headquartered in Emeryville, a mostly commercial town on the eastern shore of the San Francisco Bay, was still growing, albeit more slowly than most other regional security companies in the west. Profit margins were solid, but they looked anemic compared to those of All-American Alarm, the massive and most aggressive national company in the home and small business security market.

The Motive

Shay figured that the private equity guys would give him another nine months to jump-start Golden Gate, but he wasn't going to wait that long. After climbing the ladder for more than two decades and finally making it to the top, he wasn't about to let all those years of hard work go to waste.

So he decided to throw his pride out the window and make a painful phone call.