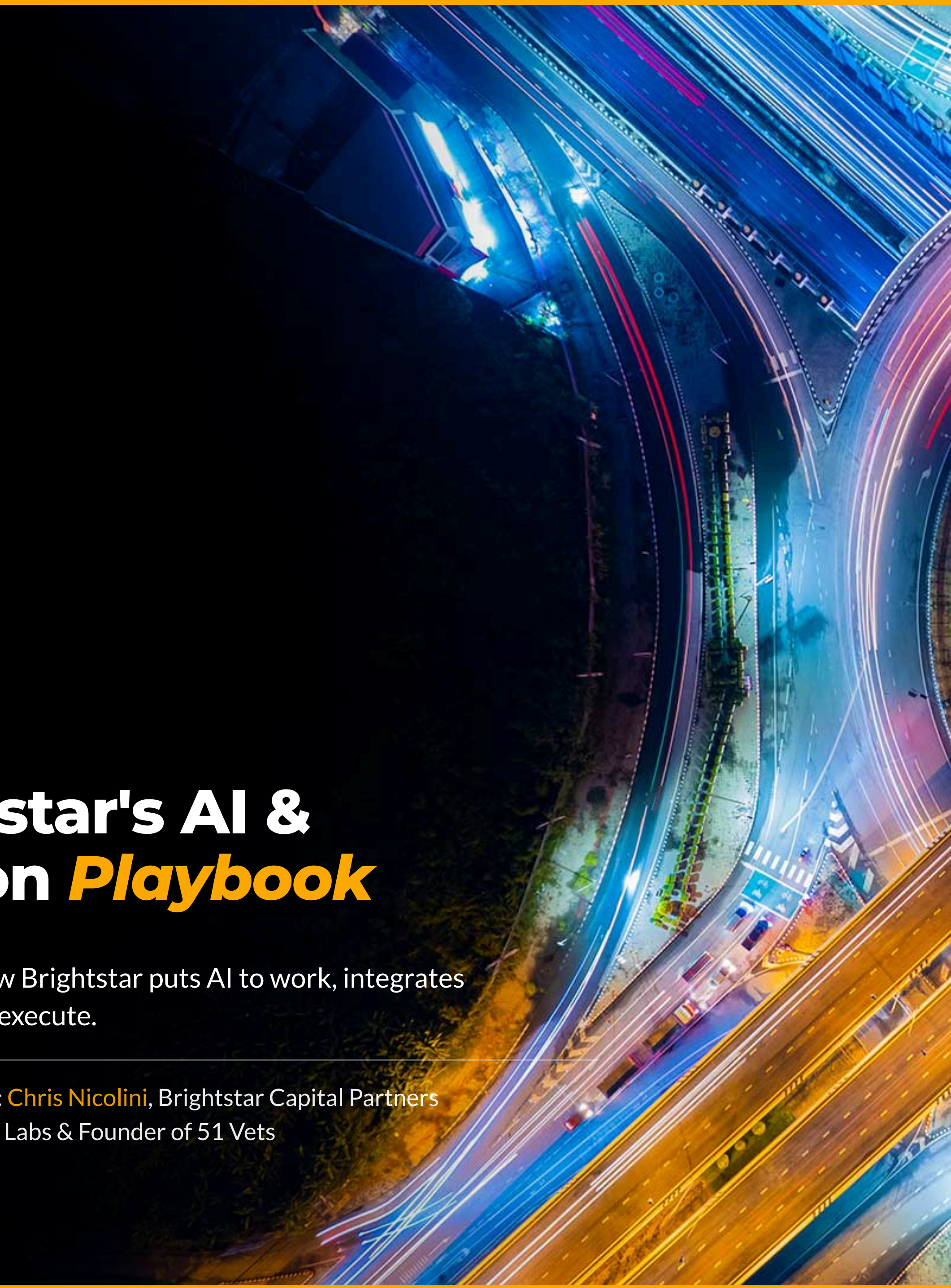
INVESTORS & OPERATORS

A **51 Labs** Podcast
EP. 153 · JULY 2, 2026



COVER STORY

Inside Brightstar's AI & Value Creation *Playbook*

A thirty-year operator's view of how Brightstar puts AI to work, integrates acquisitions, and builds teams that execute.

Based on Investors & Operators Ep. 153: Chris Nicolini, Brightstar Capital Partners
Hosted by Jordan Selleck, Co-CEO of 51 Labs & Founder of 51 Vets

Jordan Selleck
Co-CEO, 51 Labs · Founder, 51 Vets

51 LABS

What AI Adoption Looks Like at Brightstar

Most firms are still experimenting with AI. Brightstar is operationalizing it.

When Chris Nicolini joined Brightstar Capital Partners in 2025, he expected what he had seen elsewhere in private equity: scattered tools, isolated experiments, and little day-to-day use. Most of the industry is still at that stage. 86% of dealmakers now use generative AI in M&A, per Deloitte, but only about a fifth of portfolio companies, Bain reports, have turned it into results they can point to.

Brightstar is the exception. Nicolini found a firm that had already built AI into its own workflows: a dedicated AI leader hired from another PE firm, more than 30 agents running across the organization, and a standing process for turning new ideas into working tools.

BRIGHTSTAR'S AI PLAYBOOK

- ✓ Dedicated AI leadership
- ✓ Firm-wide participation
- ✓ Quarterly AI hackathons
- ✓ Focus on specific bottlenecks

BRIGHTSTAR'S AI TOOLS

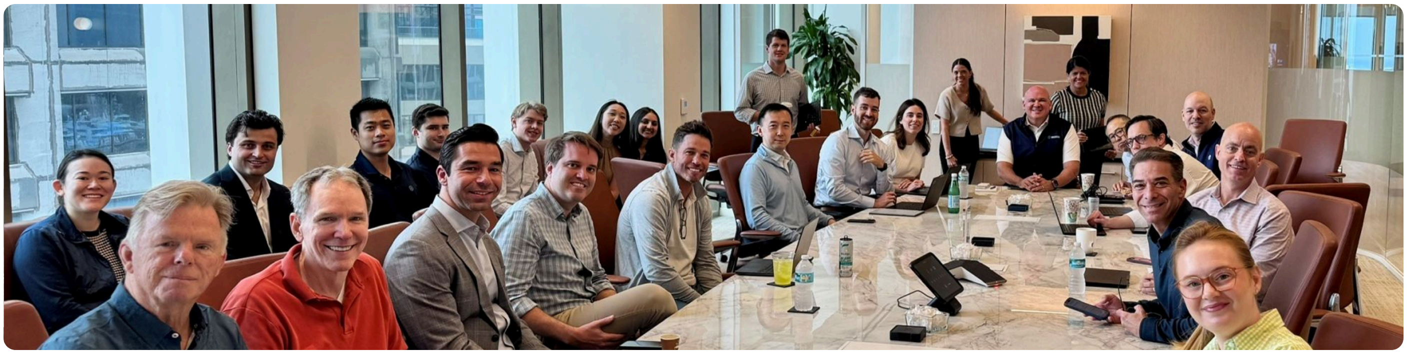
TOOL	FUNCTION	OUTCOME
Model Checker	Reviews financial models and flags potential errors.	Speeds model review roughly 3x and frees the team for judgment over manual checks.
Red-Team Agent	Argues the counter-case against a deal thesis before the investment committee.	Surfaces blind spots before the firm commits.
Sub-Sector Screen	Rates how well a deal's subsector fits the firm's experience.	Turns 600 to 700 deal books a year into faster, cleaner passes.
Daily Brief	Reads each person's calendar, email, and files every morning.	One of 30-plus agents; gets you most of the way prepped before the day starts.

> *"A lot of people thought AI was Claude and ChatGPT. That's the user's entry point. It's useful as an individual and in business, but it barely scratches the surface of what these systems can do with the right package around them."*
>
> — CHRIS NICOLINI

Inside the AI Hackathon

One of Brightstar's more unusual traditions takes place the day after its annual general meeting. Instead of heading home, the firm rides a train from Miami up to its West Palm Beach office and spends a full day building AI tools.

Almost everyone takes part, from administrative staff to the CEO and CFO. Teams of four or five each map a real internal problem and build toward a demo by four o'clock; ten teams presented that afternoon, and the best were judged the following week.



The Brightstar team at one of its firm-wide AI hackathons.

The effort is led by a dedicated AI leader the firm hired from another PE shop. She sets up the hackathons and vets the outside tools Brightstar adopts, separating the finance-specific systems from the generic ones.

Not every project survives, but some reshape the firm. One began as a grader for the modeling test new associates take, then grew into the Model Checker that now scans deal models firm-wide.

HOW IT WORKS

WHEN	The day after the AGM.
WHO	The entire firm.
FORMAT	Teams of 4 to 5, one workday: map, build, present.
CADENCE	Quarterly.
OBJECTIVE	Build practical AI tools.
OUTCOME	Winning concepts move into production.
THE RULE	Same skills in three months, and you have failed.

> *"One of our managing partners said it simply: come to the next hackathon with the same skill set you had three months ago, and you've failed. Your day job is everything you do for the fund. Your night job is learning these tools."*
>
> — CHRIS NICOLINI

Building Repeatable Systems

The hackathon is not really about any one tool. It is about building a repeatable process for innovation. Rather than leaning on a handful of AI enthusiasts, Brightstar built a system that keeps generating, testing, and deploying ideas across the firm.

The same logic runs through everything Nicolini does. Whether the challenge is talent, M&A integration, pricing, or technology, value creation lasts only when it stops depending on individual effort and starts running on repeatable systems.

Earning a Founder's Trust

With founders, the system is a sequence. Nicolini spends his first hundred days listening, fixes a tactical problem the team hates, and only then earns the standing to drive bigger change.

LISTEN → LEARN → SOLVE A PROBLEM → EARN TRUST → DRIVE CHANGE

The Hiring Flywheel

Hiring runs the same way. Early in his career, Nicolini turned a Navy training pipeline near a South Carolina plant into a recruiting engine, growing a maintenance team from two people to twenty-five as the first hires brought the next.

HOW TO BUILD A HIRING FLYWHEEL

FIND THE SOURCE	Tap an adjacent talent pool others overlook, like a training pipeline near your site.
MAKE IT REPEATABLE	Define the skill profile so you evaluate every candidate the same way.
EARN REFERRALS	Strong first hires bring the next ones, and word of mouth compounds.
BUILD A FUNCTION	Make hiring a system the company owns, not a one-time scramble.

Drawn from how Nicolini turned one overlooked talent pool into a self-sustaining hiring engine.

Strategy Is Alignment

After dozens of acquisitions, integrations, and turnarounds, Nicolini keeps returning to the same conclusion: most initiatives fail when the people who must execute them never buy into the plan.

He has seen it across deals of every size, from two-person tuck-ins to GE's $13.5 billion acquisition of Alstom, where a 150-person technology team in France had to be folded into his organization. The most common cause of a failed integration, he says, is simple: the team never aligns behind a clear picture of what the combined company is becoming.

Early in his career, he thought strategy was the plan itself. Today he sees it differently.

> *"Strategy is not just the plan. It's making sure the team that has to execute it understands it, believes it, and is ready. Without that, you don't really have a strategy."*
>
> — CHRIS NICOLINI

Alignment is not the same as consensus. Input from everyone matters, but at some point the leader has to decide. At GE, Nicolini watched the chase for consensus stretch simple decisions out for months. In a smaller company, speed is the advantage, and the discipline is knowing when to stop gathering input and move.

> *"Input from everyone is important, but they don't always need a say in the final decision. Once you have the input, you need the will, the confidence, and the decisiveness to make it."*
>
> — CHRIS NICOLINI

The pattern repeats. The hackathon works because the whole firm shows up. The hiring flywheel worked because the first recruits brought the next. Founders accept hard changes once an operator has earned their trust. Different examples, one principle: alignment is what carries an idea all the way through to execution.

BEFORE LAUNCHING ANY MAJOR INITIATIVE

- ✓ Do people understand the plan?
- ✓ Do they believe in it?
- ✓ Do they know their role?
- ✓ Are incentives aligned?

Brightstar Capital Partners invests at the intersection of capital, opportunity, and people.

BRIGHTSTAR
CAPITAL PARTNERS

THE THESIS

Operating Discipline Is the New Source of Returns

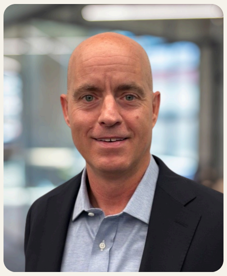
Cheap debt and rising multiples no longer drive private equity returns. Winning firms operate a business to its number, with AI as the newest lever, and the discipline to use it well, earning trust and aligning teams, is what Nicolini has spent thirty years building.

5% → 12%

The new math. The average annual EBITDA growth a typical buyout now needs to hit its return target, versus roughly 5% in the 2010s. *Bain Global Private Equity Report, 2026.*

> ***New tools won't matter without the discipline to use them well.***

The Operator



- Managing Director, Value Creation, Brightstar Capital Partners
- Nearly 30 years as an operator, from startups to the Fortune 10
- U.S. Army armor officer and West Point graduate
- Led GE's global technology infrastructure through its $13.5B Alstom acquisition
- Earlier, nine years leading value creation at ABRY Partners

BRIGHTSTAR, BY THE NUMBERS

AUM	Roughly $5 billion.
FLAGSHIP	Fund III closed at $1.26 billion in 2024.
PORTFOLIO	About 19,000 employees and $6 billion in aggregate revenue.
DEAL SIZE	Companies with $5M to $100M in EBITDA.

The Operators PE Is Missing

51 Vets connects private equity with veteran operators who think in alignment, mission, and repeatable systems, like the former Navy SEAL at Brightstar who introduced Chris to this conversation.

Learn more at 51vets.org

Based on Episode 153 of the Investors & Operators podcast.
Investors & Operators is brought to you by 51 Labs, a full-service marketing agency for PE firms, portfolio companies, investment banks, venture capital firms, and hedge funds.