“Quality means doing it right when no one is watching.”

Katerina Borissova | August 18, 2026

There is an old metaphor for failure that every builder eventually learns to fear: the castle built on sand. From a distance, it can look magnificent: towers, walls, ambition made visible. What the eye cannot see is the ground underneath that determines whether the structure is still standing after the next storm. A firm's public strategy alone rarely determines whether it survives a real market cycle. What determines that is the discipline operating beneath it. Unglamorous, repetitive and largely invisible to anyone outside the building, yet precisely the thing every serious allocator is trying to assess during due diligence.

Operations research has a name for this kind of discipline: lean management. It is the idea that an organization’s quality is measured not by its stated ambitions, but by maximizing customer value while minimizing waste. I encountered the term formally at university, in a case study on a shipping line's use of it to eliminate scheduling waste across a container network. The company was incidental to the lesson; the definition was not. Lean asks a specific question of any process: does the system correct itself before an error compounds, or only after the fact, once it has already become expensive? I have spent the past month as an intern at Banyan Partners, a Shanghai-based, China-focused value investment firm, and it is here that I have watched the question answered consistently in the affirmative.

The Architecture of Discipline

Banyan's investment process runs on five stages: idea generation, stock selection, portfolio construction, risk management, and exit. On paper, this is unremarkable, most disciplined managers could sketch something similar. What is less common is how continuously each stage actually operates. Idea generation, for instance, is not a periodic exercise; it runs on an automated financial-statement screen across all 5,000-plus listed China A-shares, refreshed the moment new quarterly filings become available, paired with a private-equity-style qualitative overlay that asks whether a business, not just a balance sheet, deserves conviction. Risk management operates on the same logic in miniature: individual-stock research functions as the primary control, and short positions carry a strict stop-loss discipline rather than a quarterly review. Errors are meant to surface at the smallest unit of work: a single filing, a single position, rather than accumulate until a portfolio review forces the issue.

This is, in effect, just-in-time thinking applied to research: meet the market's demand for a defensible view instantly, with the fewest possible defects, and treat “good enough” as a temporary state rather than a finish line. It is a more exacting standard than it sounds, because it requires a firm to be honest about being wrong quickly and often, in a business where being wrong is expensive and being seen to be wrong is worse.

Where the Process Meets the Room

The clearest place I have watched this operate is in how the investment team interrogates its own ideas. It was fascinating to see risk management procedures enacted in real time. An analyst presents a company, walks past the obvious narrative, and lands on the assumptions holding it up. What follows is not a courtesy round of nodding. It is cross-examination: risks surfaced, context widened, and where warranted conviction killed on the spot rather than carried forward out of momentum or the sunk cost of three weeks' work. Everyone in the room has the floor, and nobody's read is exempt from challenge. The effect is a team that moves quickly without becoming careless, precisely because speed and rigor are treated as the same muscle rather than a trade-off between them.

The same instinct governs smaller, less visible work. Client-facing materials are revisited on a weekly, occasionally daily basis. Not because something is broken, but because the firm treats “finished” as a claim that expires. Changes are scoped against clear requirements before anyone touches implementation, and communicated openly once they land rather than absorbed quietly. It is a minor habit on its own, but its cumulative effect is essential.

Extending the System

I was fortunate enough to test whether any of this discipline was genuine, rather than simply observe it from across the room. Alongside a fellow intern, I helped take two projects from a rough idea to a finished product over a few weeks: Banyan Academy, a fully online course for early-stage investors, and a tool that now helps generate the firm's day-to-day marketing content. Neither project began as a specification. Xin

Wu handed us a problem to think about, not a brief to execute, and the actual shape of each project only became clear through the process of building it.

This is the same operating principle described above, applied to something other than a stock. Progress came not from planning harder up front but from short, honest cycles: build something rough, bring it into the room, have it taken apart, adjust, bring it back. Requirements shifted nearly every week as the real shape of the problem became clearer through that back-and-forth, and every shift was said aloud rather than absorbed silently, the same intolerance for quiet scope drift that governs the firm's client materials. What genuinely struck me was not solely the rigor itself, but the willingness to entrust extensive projects to two interns and let us own the process end to end, including the versions of the work that were half-baked. Most organizations prefer to see a deliverable once it is already defensible. Banyan's instinct was closer to the opposite: surface the rough draft early enough. It was the constant optimization and sparring that ultimately enabled us to deliver tailored Telegram AI Agents and three fully functioning websites. This is, after all, the entire premise of lean management, applied for once to people rather than inventory.

Relationships as Infrastructure

There is a handwritten note from David Swensen printed on a mug on my desk as I write this. Stripped down, it makes a simple claim: that the actual edge in this business is not a model or a strategy, but relationships. Banyan's version of that principle is not confined to the investment team's internal culture, though it begins there, in the trust extended to two interns and a feedback culture built on direct sparring rather than deference. I experienced its external half as well: reaching out to prospective partners and institutional allocators, introducing the firm, and explaining how its offering can flex around a given investor's actual mandate rather than forcing the investor into a single fixed product. Custom separately managed accounts and tailored solutions are not a footnote in Banyan's pitch; they are a direct expression of the same relationship-first instinct Swensen described, aimed outward. The posture in client outreach is closer to teaching than selling. The intent is a genuine insight and reframe for the person on the other end of the call or Email, not merely a pitch.

None of the above matters to a global allocator if the plumbing underneath it cannot be verified, and this is where operational rigor stops being a cultural nice-to-have and becomes a hard requirement. A China-dedicated manager courting international capital carries a heavier compliance load than most domestic

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strategies: cross-border fund structuring, jurisdiction-specific disclosure, and communication protocols that shift meaningfully by region.

None of those internal routines show up in a pitch deck as unique selling points. They are, however, part of what determines whether a firm can be trusted with capital across a full market cycle, rather than only through the years when the strategy happens to be working; they are the ground, the castle is ultimately built on.