

TWELVE CROSS-PORTFOLIO ACCELERANTS

Leverage opportunities across your
entire Private Equity (PE) portfolio



CROSS-PORTFOLIO PERFORMANCE VISUALIZATION

1

Line up operational performance across all current investments -- starting with data normalization, key performance indicator (KPI) baselines tied to investment thesis, and standardized, easy-to-interpret operational performance dashboards for board meetings, monthly management reviews, and day-to-day progress checks. Cross-portfolio performance visibility provides a standardized scorecard for in-house Operating Partners to collaborate with Management, ensure your investment is progressing as planned, and helps your team to provide precise, timely support within investment partnerships by seeing operations across the entire portfolio. **Benefits** | Timely, Informed Decisions, Risk Mitigation

KNOWLEDGE CONFERENCES



Get Management together to cross-pollinate promising ideas, share ways PE ownership boosts growth, and even allow peers to commiserate a bit on current challenges. This format provides a non-threatening environment for Management to learn from each other. Your Executive Partners will appreciate the introductions, learn from on-going discussions, and gain novel perspectives -- directly from their peers. Most conferences have to be structured with initial introductions provided by PE Leadership. If there's value in the conversations, these peer-to-peer discussions will take on a life of their own and your investment team builds a reputation as a strong connector -- thoughtfully supporting Management's ability to learn new ways. **Benefits** | Management Inspiration & Learning, Risk Mitigation

2



SALES & MARKETING

3

Comparing notes across the portfolio holds the potential to accelerate inbound and outbound lead generation, select investment-worthy marketing Software-as-a-Service (SaaS) applications, share brand development expertise, and accelerate omnichannel content generation. For firms in similar industries or offering complimentary products & services, looking for cross-selling opportunities within combined customer relationship management (CRM) platforms may uncover a hidden pool of new customers, connecting Sales with new referrals. There's also opportunity to further professionalize Sales Teams by introducing customized, industry-specific Top Performer Archetype (TPA) models -- supported by lean business development processes, practical sales metrics, data-driven prospecting, and sales effectiveness training. **Benefits** | Increased Revenue, Comprehensive Sales & Marketing Talent Support

PROJECT MANAGEMENT OFFICE (PMO)



A cross-portfolio PMO prescribes project management discipline and reinforces your own PE collaboration approach -- spanning across varying timelines, deliverables, risk profiles, and resource allocations. One in-house PMO brings all the opportunities, collective wisdom, and risk-mitigating actions into one view. This structure also ensures only the most value-creating engagements see the light of day and all stakeholders (PE Leadership, Management, and Operating Partners) have full disclosure on progress toward investment thesis milestones and problems slowing the team down. A customized cross-portfolio PMO supports Management's productivity by providing sharable business templates and cutting out redundant activities, too. **Benefits** | Disciplined Organizational Learning, Consistent Value Creation, Management & Operating Partner Productivity, Risk Mitigation

4



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SUPPLY CHAIN NETWORK OPTIMIZATION

5

Looking into shared spend categories is a worthy exercise. Portfolio firms may operate in divergent industries with unique go-to-market strategies, and yet, share a few common spend categories with cost savings potential from a strategic sourcing program. Other key supply chain components such as "make vs. buy" models, transportation & fleet management, warehousing & fulfillment protocols, and practical inventory controls could have some interesting common denominators across the portfolio. Most companies are looking to get the best out of their enterprise resource planning (ERP) systems, so, tighter collaboration could be a boon here, too. **Benefits** | Cost Containment, Supply Agility, Risk Mitigation

CROSS-TRAINING PROGRAMS



Another collaboration avenue involves getting the most out of your in-house training teams and outside training partners by distributing permissible training media, opening up computer-based training access, and providing past reference materials to other teams now facing similar challenges. Training may focus on specific functional expertise such as software development skills, welding, or 3D printing rapid prototyping techniques. Perhaps, the teams could benefit from polishing up more generalized skills such as agile project management, talent performance coaching, or lean continuous improvement principles. There might even be cross-training advancements to be had by scheduling non-competing firms to see "a job well done" at another investment. **Benefits** | Skills Proliferation, Employee & Management Productivity, Risk Mitigation

6



TALENT MANAGEMENT

7

Perhaps, there's a chance to merge talent pools across the portfolio, broaden executive searches, and more quickly fill crucial open positions. Or, the spark may come by shoring up a firm's talent infrastructure by sharing highlights of successful onboarding programs, trade school and university partnership contacts, employee promotion & retention strategies, or even compensation structure benchmarking. Talent management is imperative in building up management capabilities to meet relentless market challenges, ensuring employees are happy & healthy, and ultimately driving the portfolio firm to meet the needs of increasingly finicky customers with lots of choice. **Benefits** | Healthy Company Culture, Increased Productivity, Employee Retention

ACQUISITION INTEGRATION PLAYBOOKS



Investors and Management can help each other out by sharing the highs and lows of assimilating a new business into a platform company and applying lessons learned to future acquired firms. If your PE firm does not already have a formalized "Acquisition Playbook", Investors and Management -- speaking from experience -- provide building blocks to smoothing out the acquisition approach, staying ahead of problems, and accelerating integration tactics gleaned from collective past experience. Essential concerns like retaining a healthy company culture, keeping customers happy, implementing value creation initiatives, and integrating a hodge-podge of technologies are always messier in practice than originally planned. Leveraging collective integration experiences can guard against getting lost in expensive rabbit holes. **Benefits** | M&A Risk Reduction, Consistent Value Creation, Transparency Between PE Investors and Management Teams

8





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INFORMATION TECHNOLOGY (IT) SHARED SERVICES

Coordinate technology stack deployments and upgrades more efficiently through a portfolio-spanning shared services program. This set-up ensures each management team benefits from security best practices, efficient technology spending, SaaS trials, hardware allocations, and technical expertise -- right out of the gate. Each team's technical knowledge could expand beyond any one portfolio company. Tedious but necessary processes like tech training, how-to libraries, operating procedures, and tech architecture blueprints can be shared across the portfolio, too. Shared services could also be involved with setting up timely, reliable operational & financial reporting structures. Clean, trustworthy data is always relished by Operating Partners charged with value creation. A shared services structure may open up your tech ecosystem to help secure the right digital experts, coders, and sales & marketing automation platforms, too. [Benefits](#) | Cost Containment, Shared Knowledge, Licensing Discounts, In-House Tech Agility



CONTINUOUS IMPROVEMENT PROGRAMS

Most likely, PE firms with in-house Operating Partners already embrace continuous improvement (CI). This bodes well for the portfolio since Operating Partners may possess supportive industry expertise (business services, manufacturing, etc.) to draw upon, crucial functional expertise (sales & marketing, human resources, etc.), or even executive experience in line with the company's growth stage (former CEO, serial entrepreneur, etc.) -- all this can be marshalled to support Management. To help Operating Partners be their most effective, we recommend developing a robust, CI roadmap that can be customized to the needs of each new acquisition and aligned with internal CI infrastructure. An in-house CI team can help analyze operational upside, develop integration playbooks & 100-day plans, manage value creation projects, drive organizational upgrades, and even prepare for divestiture. [Benefits](#) | Skills Proliferation, Accelerated Value Creation



ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) MANAGEMENT

With increasing consciousness focused on improving environmental and social contributions, your portfolio may benefit from having a shared team of ESG experts on hand to proactively fix weaknesses -- before employees, consumers, governments, and lobbyists find them. A cross-portfolio ESG team may get involved with impacts such as energy savings programs, packaging innovations, ethical sourcing alternatives, equitable talent management, public relations effectiveness, and even sentiment surveys. An in-house ESG team sends a signal to partner companies and the investment community at large that investment approach, firm values, and ESG progressiveness help shape the portfolio. [Benefits](#) | Built-In ESG Principles & Practices, Exogenous Cost Clarity, Risk Mitigation



DIGITAL TRANSFORMATIONS

Finally, your portfolio teams may already house a fragmented but invaluable network of creators, technologists, and marketing mavens who could help to improve digital presence and brand power across the portfolio. With digital transformations occurring at varying degrees of speed and intensity across industries (coupled with a proliferation of digital platforms and software applications to choose from), it may make sense to pool expertise and share lessons across portfolio firms. Weighty tech spend decisions may include selecting e-commerce platforms, content management systems, marketing automation software, and tech implementation partners. Digital process decisions may touch on ways to personalize customer experiences, streamline administrative processes, maintain brand cohesion across customer interaction channels, integrate supply chain-related data, or even source creative marketing campaigns by leveraging employee energy & expertise. Digital transformations never really end; so, it may pay to establish a team of in-house digital experts. [Benefits](#) | Cost Containment, Increased Marketing Productivity, Shared Digital Expertise

