



# WHY IT'S TIME TO RETHINK PRIVATE EQUITY DUE DILIGENCE

## VIDEO TRANSCRIPT

### **Neto Alexander:**

"This year, when we went out and spoke to more than 250 of you to better understand what's on your mind and what you're seeing, we think about investment partners across markets—North America, LATAM, Europe, Asia Pacific, etc.—and across a variety of fund types and fund sizes and fund strategies."

"More than 75% of you confirmed that you are seeing, and the deals that you're working on, are more complex in nature. And in fact, that you're expecting that kind of complexity to continue going forward."

"You also talk to us a lot about where you're spending your time and your energy, and what was consistent from last year—and even increasing furthermore—is that you're spending a lot of time, energy and focus around value creation."

"So that's about driving top-line growth, looking for ways to drive margin expansion and total enterprise reinvention. And that's gone up to 79% of the time that you're spending into energy, into focus that you have, over the past 12 months. And that's also something that we expect to continue going forward."

### **Marty Glenn:**

"Look, two years probably don't make a trend, but it's certainly a trajectory, right? And in the current complexities that exist in the market today, and we don't see them changing. Right?"

"So, the same things that we saw, and I talked with you about last year, complexity and deal archetypes. Right. Pursuing the focus on really driving deeper operational value and exploring new approaches."

"Guess what? That all still continues to exist, right? So, when you think about what we wanted to look at this year, we wanted to again focus on three main questions."

"But I think when you look at how you drive value, right. And some of the evidence that we saw last year, we thought we needed to move upstream in the deal process and start to explore what is value creation planning? How is it happening? Is it really driving the value and intended outcomes that your LPs demand and expect, and are you able to get there?"

Copyright © 2024 Accenture  
All rights reserved.

Accenture and its logo  
are registered trademarks  
of Accenture.



**Marty Glenn (continued)**

“And of course, precursor to value creation planning is good due diligence. What's happening in due diligence? Is technology having an impact?”

“So, we looked at due diligence, we looked at technology, how that can improve speed and quality, and then how pre-deal work can really enhance value creation planning and deliver the returns that are expected.”

“So those were three things we looked at in in very deep detail. You know, and it's not just us wanting to look at it. There's a movement afoot, right? And there's a very strong correlation, actually, between how detailed and specific value creation plans are and the outcomes that you deliver.”