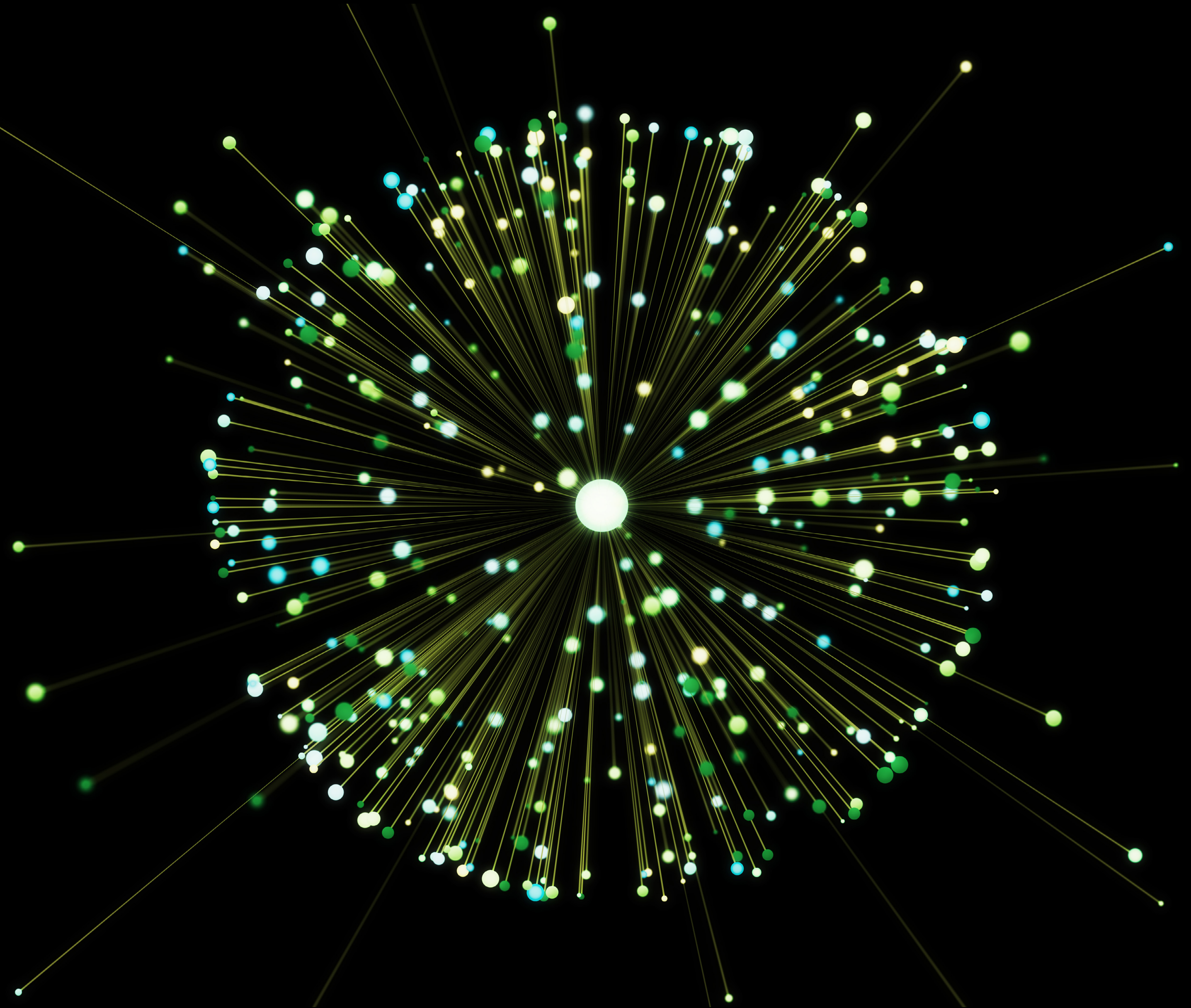


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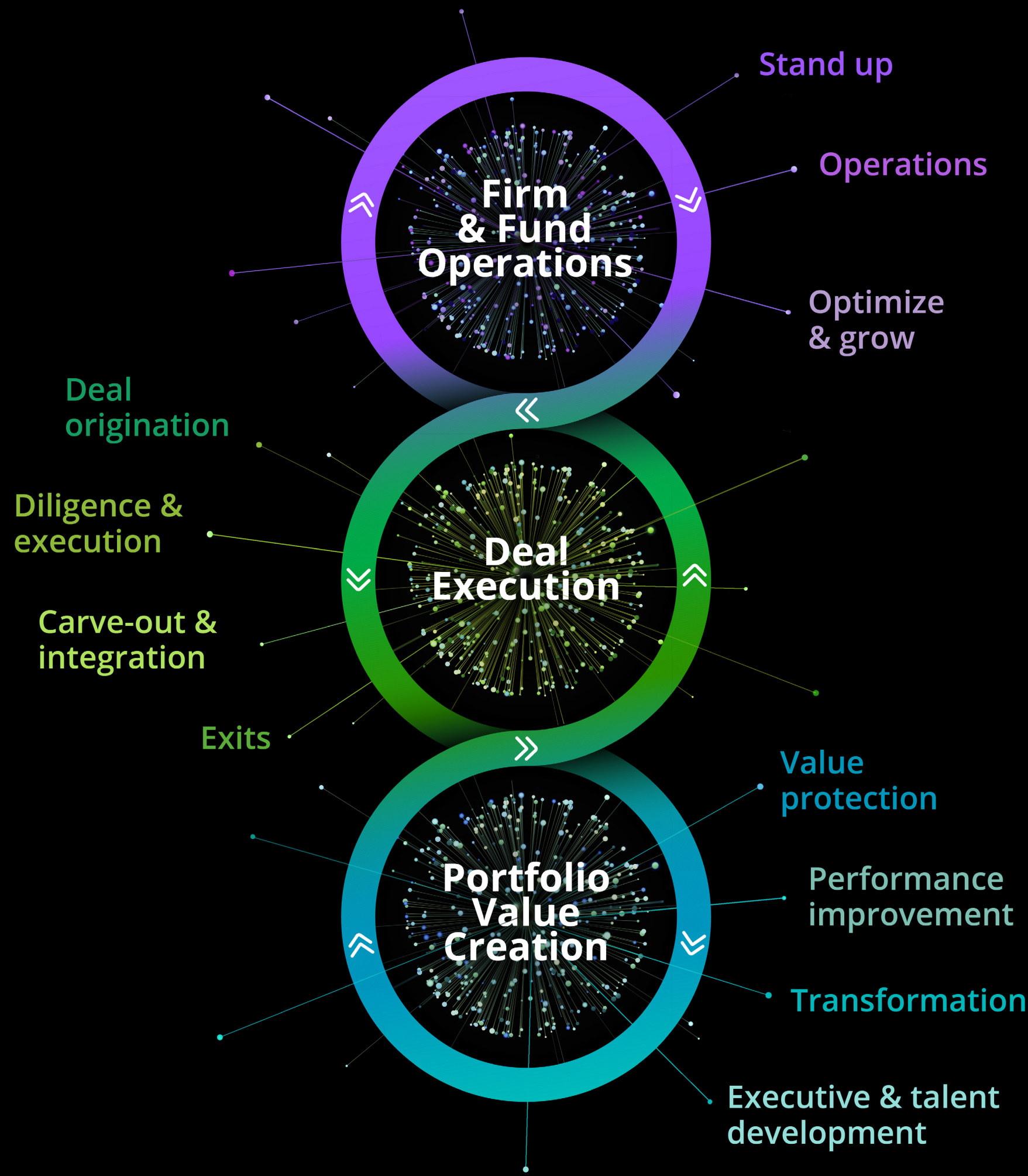
A greater return on ideas

Portfolio Value Creation
Transformation services



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Delivering value – how we support PE firms and their portfolio companies across every stage of the lifecycle.

Our global network of practitioners support private equity firms and their portfolio companies in delivering greater returns across every stage of the investment lifecycle. We apply a proven, global, and multidisciplinary model to deliver fully integrated solutions that bridge the gap between strategy and execution – combining technical expertise with business acumen and industry-specific knowledge.

By clicking on the icons on this page you will be able to access an overview of our services across all areas of private equity. We hope you find this information helpful, and we would be delighted to speak with you should you have any questions or require further information. Please feel free to get in touch with the key contacts for the services you require.

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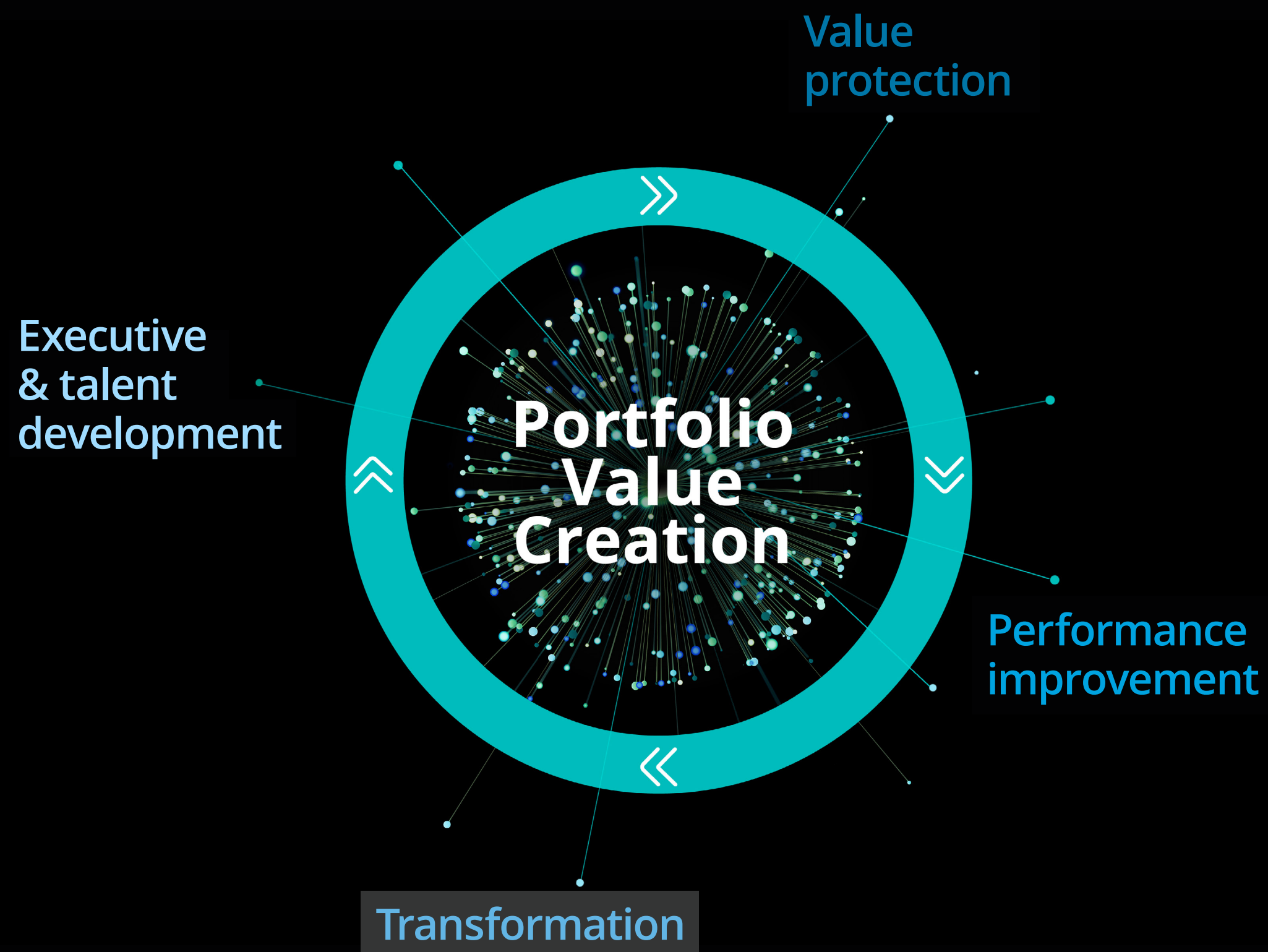
www.deloitte.com/privateequity

Portfolio Value Creation overview

Deloitte Private Equity | Portfolio Value Creation | Transformation

Powering growth and value creation in private equity portfolio companies through integrated solutions, digital expertise, and market-eminent leadership development programs.

Within this document, you will find the details for our Transformation services. To find out more on Deloitte's wider Portfolio Value Creation service offering, click on the service icons below.



- **Value protection services:** Helping portfolio companies manage risk and compliance to guard their investment value – [discover more here](#).
- **Performance improvement services:** Supporting portfolio companies through a holistic approach to value creation from revenue, cost and margin optimization to cash and working capital management, all underpinned by a focus on data analytics and digital tools – [discover more here](#).
- **Transformation services:** Transformation services aimed at transforming the business, operations and functions to deliver enhanced value. For further information, read on.
- **Executive and talent development services:** Market-eminent talent and leadership development programs tailored to the unique dynamics of private equity ownership and aim to maximize portfolio company leadership effectiveness – [discover more here](#).
- **Alliances:** Deloitte's relationships with some of the world's leading tech companies deliver the value of strategic collaboration through award-winning consulting services to help solve your most complex challenges. Further information to be available soon.
- **Exit services:** Maximizing deal returns requires the same level of focus and deal strategy on the way out as applied on the way in. Further information to be available soon.

Transformation services

Deloitte Private Equity | Portfolio Value Creation | Transformation

Services tailored for portfolio companies to facilitate significant, strategic shifts aimed at transforming the business, operations and functions to deliver enhanced value. With a unique blend of digital, analytical, operational, and ESG transformations, our goal is to optimize every aspect of portfolio companies' business, driving accelerated growth and increased efficiency. Simultaneously, we enhance workforce and customer experiences and strengthen cybersecurity measures, paving the way for sustainable success.

Our dedicated private equity teams can support you with:

01

Digital lead
to cash
transformation

02

Digital ERP
transformation

03

AI/analytics
and data
transformation

04

Workforce
and talent
transformation

05

Sales
transformation

06

Finance
transformation

07

Supply chain
transformation

08

Cybersecurity
transformation

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ESG
transformation

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Carve-out,
stand-up,
integrate and
transform

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Portfolio
rationalization
carve-out

Digital lead to cash transformation

Lead-to-cash (L2C) is a comprehensive business process that begins with customer interest and inquiry (the lead) and culminates in revenue realization (the cash). It encapsulates steps in a company's sales cycle, which could include lead generation, customer acquisition, sales activities, order fulfillment, and revenue recognition. We help portfolio companies in navigating this intricate process through our digital lead to cash transformation services. We leverage advanced digital tools and analytics, coupled with our deep industry knowledge, to streamline and optimize each phase of the L2C process. Our aim is to enhance efficiency, increase customer satisfaction, and drive revenue growth for our clients. By seamlessly integrating the many facets of the sales cycle, we help companies realize their revenue potential more effectively and efficiently.

How we can support

- Digital-driven earnings quality assessment
- Digital-enhanced net working capital optimization
- Net debt analysis using digital tools and platforms
- Data analytics for insights (customer retention, churn, lifetime value, etc.)
- Digital purchase agreement review
- Funds flow management, using lead to cash systems

Digital ERP transformation

A robust ERP system can provide comprehensive visibility into a company's operations. ERP transformations have the potential to significantly boost the value of portfolio companies and help private equity firms realize their investment objectives. By improving operational efficiency, enhancing decision-making through real-time data analytics, and driving growth, ERP systems can effectively support these value creation strategies. We deliver comprehensive ERP services designed to extract maximum value from investments in finance, supply chain, HR, and IT operations. Our industry knowledge, global reach, wide-ranging services, leading collaborations with organizations such as Oracle, SAP, Workday, coupled with a strong track record and focus on business value, position us as a prime choice for ERP services.

How we can support

- Business process strategy
- Technology strategy (including ERP selection)
- ERP implementations (Oracle, SAP, Workday)
- Business operations (finance and supply chain)
- Technology operations
- Post M&A ERP services

AI, data and analytics transformation

In today's data-driven world, effectively leveraging AI, data, and analytics has become a critical success factor for many businesses. Our AI, data and analytics services encompass defining data strategy and governance, implementing data platforms, delivering data use cases and monetization, and offering ongoing support through managed services. We develop analytics capabilities that tie directly to a client's core business strategy, spanning both financial and real assets. These capabilities offer insights into key performance questions at the portfolio company or asset level. By enabling organizational intelligence at many levels, we help private equity firms and their portfolio companies to drive strategic business and technology transformation initiatives that help to unlock growth and profitability.

How we can support

- Data and analytics strategy
- Data modernization, analytics, and reporting
- Data product analytics, delivery and monetization
- Data governance and platforms tooling and vendor selection
- Data and analytics DevOps, GitOps and foundry services

Workforce and talent transformation

Portfolio companies often find themselves in a state of continual transformation, driven by the need to rapidly scale and innovate. This transformation journey is multifaceted, covering various aspects of workforce and talent management, from the optimization of acquisition and retention to the strategic cultivation of leadership and building a dynamic organizational culture. We support portfolio companies in navigating this complex landscape through our dedicated workforce and talent transformation services. Using a blend of cutting-edge tools and deep industry experience, we aim to streamline and optimize each stage of the workforce and talent transformation process. Our goal is to enhance organizational efficiency, increase employee engagement, and ultimately drive business growth for our clients. By strategically addressing the various facets of workforce structure and talent management, we help companies to realize their full potential more effectively and efficiently.

How we can support

- Talent strategy alignment
- Workforce optimization
- Leadership development and succession planning
- Workforce analytics and insights
- Culture transformation
- Performance and learning management

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Sales transformation

Portfolio companies face the challenge of maintaining elevated growth rates, operating more efficiently, and optimizing go-to-market (GTM) investments. We help companies to overcome these challenges through sales transformation. We assist commercial leaders in driving organic growth through GTM optimization. Our approach, specifically tailored for private equity, prioritizes benchmarked and leading practices, focusing on immediate actions to seize the most significant market opportunities.

How we can support

- Sales benchmarking survey and analysis
- GTM strategy and account planning
- Selling motions and process design
- Sales ops model evaluation
- Sales incentives and quotas
- Strategy and program design
- Sales enablement
- AI for sales and sales technology

06

Finance transformation

Portfolio company finance functions are often at the heart of driving the value creation agenda. However, in our experience, these functions are often under-funded and undeveloped. Finance transformation requires the application of broad and deep insights into the numerous forces driving business transformation. We offer a comprehensive solution to this challenge through our multi-disciplinary approach and end-to-end capabilities. Ranging from strategy formulation and design to implementation and operation, we provide a full spectrum of services. Coupled with our extensive industry and sector experience, we are distinctly positioned to help our clients realize and sustain transformation outcomes. Our team leverages technological advancements and data-driven insights to streamline financial processes, increase transparency, and improve decision-making capabilities. We focus on areas such as financial planning and analysis, treasury and cash management, tax planning, and risk management, to name a few.

How we can support

- Finance strategy and operating model design
- Tech strategy and implementation
- Liquidity and cash management optimization
- Internal controls and compliance readiness
- Accounting and reporting transformation
- Business process outsourcing
- Talent/workforce strategy and development

Supply chain transformation

Supply chain transformation opens new avenues for optimization and efficiency. It underscores the importance of robust, efficient, and innovative supply chains as integral to competitive advantage and market leadership. Private equity investors recognize the potential in leveraging transformative strategies and technologies within the supply chain domain to significantly enhance operational efficiency and responsiveness. Our services, backed by deep sector knowledge and data-driven capabilities specific to supply chain transformation, equip portfolio companies to navigate complex supply chain challenges. We provide insights and understanding to help unlock growth and boost profitability.

How we can support

- Due diligence/operational assessment
- Value creation and performance improvement
- Risk management and resilience
- Strategic alignment and integration
- Innovation and technology adoption
- Talent development and org culture

Cybersecurity transformation

In the current digital landscape, the importance of maintaining robust cybersecurity measures cannot be overstated, particularly in the face of ever-evolving cyber threats. These measures are vital not just for safeguarding sensitive data, but also providing for business continuity and protecting the reputation of private equity firms and their portfolio companies. We offer a comprehensive suite of services that encompass the advisory, implementation, and operational aspects of cybersecurity and are designed to assist portfolio companies swiftly and cost-effectively in transforming their cyber and strategic risk posture. By providing support for cybersecurity transformation, we aim to equip portfolio companies with the necessary tools to navigate the complex digital landscape and thrive amidst potential cyber threats.

How we can support

- Cyber strategy and cyber assessments
- Managed extended detection and response
- Identity and access management
- Zero trust (never trust, always verify)
- Digital risk protection
- Privacy and data protection
- M&A cyber (end-to-end due diligence through integration/divestiture)
- Cloud security management
- Application security (SAP, Oracle, Workday, others)
- Third-party risk management as-a-service
- Product security
- Cyber resilience, crisis management, incident response

ESG transformation

As the financial landscape continues to evolve, businesses are recognizing the importance of incorporating environmental, social, and governance (ESG) considerations into their strategies, our ESG teams provide services across the stages of the deal lifecycle as well as at the portfolio company and fund levels. Our approach includes identifying material ESG topics, building strategies to manage ESG data, planning for decarbonization, performing climate change scenario analyses, and determining the actions necessary to enhance ESG performance. Our deep sector knowledge helps enable private equity portfolio companies to make informed ESG management decisions and create value leveraging ESG activities from acquisition through divestiture.

How we can support

- Buy-side ESG due diligence, covering risks and ESG value creation
- Portfolio company ESG performance benchmarking against regulator and investor expectations
- ESG strategy development, including ESG value creation opportunities and climate change scenario analysis
- ESG equity narrative and exit readiness
- ESG vendor due diligence

Carve-out, stand-up, integrate and transform

In the intricate world of private equity, portfolio companies often need to navigate strategic divestitures and acquisitions to optimize their business portfolio. Essential to this journey is a careful carve-out or acquisition strategy that not only safeguards business value but also lays the groundwork for future growth. Our carve-out services provide an end-to-end solution for clients looking to acquire a carve-out business or divest part of their existing operations. We work collaboratively with portfolio companies to conduct comprehensive due diligence, encompassing financial, tax, and operational areas. This due diligence supports our clients in their assessment of business valuation, development of an efficient deal structure, and inclusion of safeguards in various deal agreements to protect the business from disruption and value leakage. We then assist in planning and executing a smooth day one transaction close, leading to fully separated businesses. Our deep sector knowledge, carve-out tools and accelerators, and alliance relationships with leading software companies and service providers help enable portfolio companies to achieve right-sized, yet scalable footprints.

How we can support

- Financial due diligence
- Tax structuring
- Standalone and one-time costs assessment
- Deal agreement support
- Day one planning
- TSA exit planning
- Functional op model transformation (strategy and execution)
- Managed services (Deloitte or third-party)

Portfolio rationalization carve-out

In the competitive landscape of private equity, portfolio companies may seek strategic divestitures to unlock value and refocus their business strategies. Successful carve-outs, however, require careful planning and execution to minimize stranded costs and maximize the value of the divested businesses. We provide end-to-end carve-out services to guide portfolio companies through this complex process. On the sell-side, we collaborate with portfolio companies to define transaction perimeters that help to minimize stranded costs. We help identify value creation opportunities that can enhance asset valuation and build a sell-side vendor due diligence packages, including quality of earnings, standalone costs analysis, and a transition services schedule. We also provide input to deal agreements, operationalize transition services agreements (TSAs), and plan and execute TSA exits to help reduce or eliminate stranded costs. Leveraging our deep sector knowledge and extensive carve-out experience, portfolio companies can become ready sellers and realize greater value from their divested business.

How we can support

- Quality of earnings
- Tax structuring
- Standalone and one-time costs assessment
- Deal agreement support
- Day one planning
- TSA exit planning
- Sell-side value creation
- Stranded costs analysis and reduction/elimination

Related services

Please click links in the table below to explore the breadth of Portfolio Value Creation services we offer. Please get in touch should you require further information.

Covered in this document			
Value protection	Performance improvement	Transformation	Executive and talent development
<ul style="list-style-type: none">Accounting advisoryGovernance, risk and controlsTax complianceTreasury advisoryCross-portfolio valuation servicesCybersecurityESG advisoryIPO readinessSOX readinessPurchase accountingPE-backed audit	<ul style="list-style-type: none">Cash and working capitalRevenue operationsFinance operations improvementCost optimizationAI, data and analyticsTax optimization	<ul style="list-style-type: none">Digital lead to cash transformationDigital ERP TransformationAI/analytics and data transformationWorkforce and talent transformationSales transformationFinance transformationSupply chain transformationCybersecurity transformationESG transformationCarve-out, stand-up, integrate and transformPortfolio rationalization carve-out	<ul style="list-style-type: none">Executive accelerators

NAVIGATION

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