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PrivateEquityCXO and Falcon Partners Recognize 2024's Top 50 Private Equity Firms for Executives

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PrivateEquityCXO and Falcon Partners have announced 2024's Top 50 Private Equity Firms whose governance style, engagement, and fit best enable portfolio company executives to succeed. Winners were determined through first-hand insight from more than a thousand sponsor-backed executives highlighting their experiences and rating funds on the **Nine Dimensions of Governance Fit**®, a strategic framework that guides executives and sponsors in achieving optimal partnerships more likely to result in higher ROI.

Since the writing of last year's report, choppy economic activity, uncertain political environments, and tight credit markets have continued to pressure valuations and slow investment and realization activity. Addressing these challenges requires exceptional talent management strategies and now more than ever, robust alignment between sponsors and management teams is essential.

Beyond recognizing the Top 50 Firms, the report delves into data-driven insights that reveal why governance fit between a portfolio company executive and sponsor is the most critical element in the success of an investment. This fact is not lost on today's leading sponsors given that 80% of talent-centric portfolio companies hit their first-year targets and achieved a 2.5x return on their investment. In addition to many other insights, the report reveals:

- 59% of executives listed a strong investment thesis as the most important attribute of any PE sponsor.
- A pragmatic approach to an investment is the strongest determining factor in executive talent retention with 92% of executives unwilling to return to sponsors who fail to account for economic realities in their investment strategy.

"Governance fit is perhaps the most critical element in determining whether a partnership between executives and a sponsor will drive maximal company growth. When it comes to human capital, the stakes are high," says Falcon Partner Lindsay Guzowski. "It's nearly impossible to have a successful investment if you don't have the right management team players on the field. Any executive or sponsor who takes the data in this report to heart will have a significant head start in achieving alignment and its associated performance benefits."

Discover the winners of 2024's Top 50 Private Equity Firms for Executives and unlock vital insights into establishing alignment that fuels success in private equity. Access the full report <u>here</u>.

This research is one of many ways PE-CXO and Falcon are working to ensure the future of private equity by cultivating elite PE portfolio company leadership.

About PrivateEquityCXO

PrivateEquityCXO is a digital membership and resource platform built exclusively for private equity-backed executives. With 26k+ members, it is the world's largest community of PE-backed executives. Our mission is to expand the pool of executives fit for roles in private equity portfolio companies and to help leaders build better companies, create more wealth, and drive superior returns. <u>PE-CXO.com</u> gives members access to some of the most coveted portfolio company and fund-level executive jobs. For more information, visit <u>PE-CXO.com</u> or email us at <u>contact@pe-cxo.com</u>.

About Falcon Partners

Falcon Partners LLC (Falcon) is a leading retained search firm with an exclusive focus on serving private equity firms and their portfolio companies. Falcon recruits transformational portfolio company C-suite leaders who drive MOIC and IRR. Their mission is to ensure clients have a competitive talent advantage in the pursuit of value creation. For more information, visit <u>Falcon-pe.com</u> or email us at <u>contact@falcon-pe.com</u>.