ChangeMaker®

PRIVATE EQUITY

The next euro of return comes from the engine room.

Why the next source of return sits in the operating business, and how one shared standard across all holdings makes it measurable.

— THE SITUATION

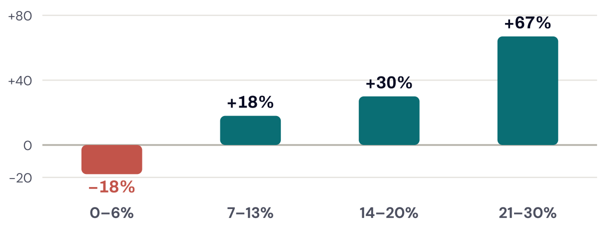
Worldwide, roughly **32,000 unsold portfolio companies** sit on the books, a record stock of $3.8tn. Distributions to investors, measured against NAV, are at a record low for the fourth year running, and the average holding period to exit has risen past seven years. The way out runs through the operating business: Bain sums it up as “12 is the new 5”, the operational ambition per deal has more than doubled.

— THE VALUE-LEVER SHIFT

Where around 5% EBITDA growth per year used to be enough, today **10–12%** is needed, with debt at 8–9% and multiples stagnating. Across more than 13,000 deals, 3.3x more value came from revenue and margin than from multiple expansion, and GPs that steer operationally rather than financially achieve 2–3 percentage points higher IRR.

The TRS effect: value creation is a team sport.

The biggest untapped value lever sits in no data room: how many employees actually carry the transformation. A McKinsey analysis of 60 companies shows a clear spread in 24-month excess TRS, from -18% where 0–6% of the workforce is involved to **+67% in the group with 21–30% involvement**. That is a relationship, not guaranteed causality, but it ties directly to the sale price, and it can be managed.



24-month excess return (TRS) by share of engaged employees. n = 60. Source: McKinsey

— WHAT CHANGEMAKER DOES ACROSS THE PORTFOLIO

- **One standard across the entire portfolio.** Project templates, team workplaces and automated reporting work the same way in every holding, whether carve-out, buy-and-build or consolidation case.
- **Confidence level and financial impact on the measure itself.** Every measure carries an owner, a deadline, a confidence level and its financial impact.
- **ISO 27001, hosting within the German legal domain, GDPR compliant.** The mandatory questions are settled before the conversation turns to benefits.
- **Reporting for every level, automatically.** From operational detail views to the executive overview for the investment committee, live from the data, with no consolidation round.
- **Productive in around 10 days.** Setup, data import and training are handled by our team, and the customizing sits inside the license, not a separate consulting project.
- **You do not have to remember any of it.** Behavioral design and templates carry the mechanics, your customizer makes the up-front decisions.

— FROM A CLIENT PROGRAM

A ChangeMaker® client program at a basic-materials group steered **€65m in annual cost savings** across 140 measures, with the team rollout completed in 10 days. Every week of delay in that program would have meant more than €1m in lost run rate. Sanitized case study with real KPIs. changemaker.ai/en/cases/grundstoff-konzern-65-mio-kosten

150x

shareholder return relative to license cost, an order of magnitude, not a return promise. From the installed base: more than €8bn in value driven forward, more than 20,000 measures steered, more than 100 supported transformations.

See the TRS effect on your own portfolio, on real data structures.

changemaker.ai/en/demo

Figures are taken from third-party studies (Bain, McKinsey, StepStone, PwC, Grant Thornton); the TRS relationship is an average across 60 companies and not a promised return. Full source list at changemaker.ai/en/transformation/private-equity-value-creation/