

## Private Equity Imperatives — ESG, Effective Due Diligence and FP&A (July 2021)

Today’s private equity leaders must manage multiple priorities and risks at the same time to keep pace with the transformational changes in the recovery economy. Given the speed of change, incremental improvements are no longer enough. These leaders must embrace new investments, evolve their internal and portfolio company organizational models, and build new capabilities quickly and concurrently to drive value.

In this issue, we share exclusive articles (links to the content included) about the biggest imperatives for private equity owners and portfolio companies in today’s fast-paced environment.

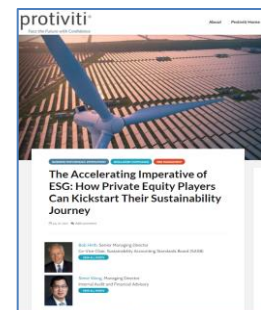
### The Accelerating Imperative of ESG: How Private Equity Players Can Kickstart Their Sustainability Journey

Over the past 18 months, a confluence of factors, including strong institutional investor interest in sustainable investing (particularly from pension funds) and rising public consciousness fueled by the pandemic and social unrest, as well as various regulatory actions, has driven a number of large private funds to channel capital into green asset funds, among other ESG-friendly initiatives.

Still, many smaller and mid-size private equity firms and portfolio companies are trying to catch up to their larger counterparts as they struggle to make sense of the disparate and confusing range of ESG (environmental, social and governance) investment strategies. These companies want simple answers to crucial questions such as “How do you build an ESG program?” “What

are some general considerations?” and “What standards and frameworks are available to support our ESG objectives?”

*Read this [blog](#) for the answers and more.*



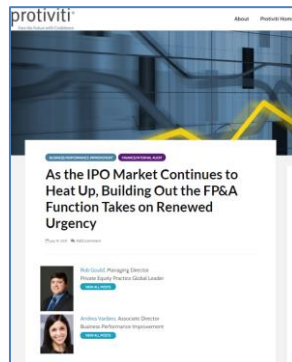
### As the IPO Market Continues to Heat Up, Building Out the FP&A Function Takes on Renewed Urgency

The U.S. IPO market in particular is booming, and private equity owners who held off during last year’s pandemonium are back in pursuit of exit strategies. Given that the momentum around IPOs is expected to persist throughout the remainder of 2021 and beyond, private equity owners should ensure that the management teams of their portfolio

companies have the right level of financial planning and analysis expertise to build a sound FP&A function.

This exclusive article explains the critical steps required to build an effective FP&A function, supported by a skilled team, clean and accessible data, adequate technologies and robust processes.

[Click here to read more.](#)



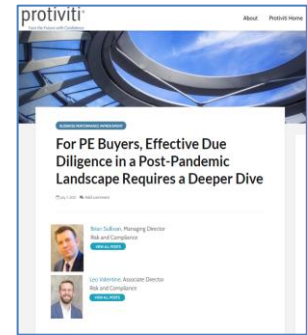
## For PE Buyers, Effective Due Diligence in a Post-Pandemic Landscape Requires a Deeper Dive

Innovative and intensive due diligence have become more critical than ever for private equity buyers hunting for attractive new deals and those seeking to stabilize portfolio companies impacted by COVID-19 disruptions.

Dealmakers are under significant pressure to source deals and identify the strengths and weaknesses of targeted assets with increased speed and efficiency and without compromising quality. While the pipeline for private equity players has never been more attractive, one of the biggest challenges of the hunt is sorting through pandemic-related impacts and developments (some of which are not so obvious) that could obscure potential weaknesses and ultimately lead to a nonperforming asset.

This timely insight details the practical challenges — and opportunities — in the due diligence process, as well as key considerations to building a well-rounded due diligence approach.

[Click here to read this insightful article.](#)



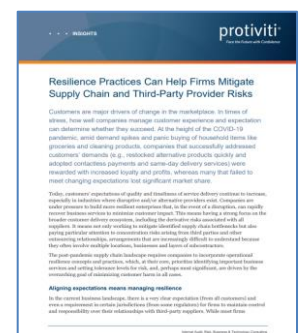
## Resilience Practices Can Help Firms Mitigate Supply Chain and Third-Party Provider Risks - Top of Mind Compliance Issues for 2021

Supply shocks are occurring more frequently and can originate from half the world away, cripple commerce across multiple industries, and disrupt the operations of businesses of all types and sizes, with dire financial, brand and reputational implications.

These incidents have highlighted the need for broad implementation of operational resilience practices and detailed and continuous monitoring of suppliers as well as concentration risks.

This article covers practical actions that all organizations, including private equity firms and portfolio companies, should consider to help mitigate supply chain and third-party provider risks.

[Click here to read more.](#)



## We Are Here to Help

These are just a few areas of expertise in which Protiviti professionals excel. Private equity firms that need additional assistance or insight should not hesitate to seek guidance in these unprecedented and challenging times.

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