

## Boyden Report Finds Private Equity's Industrial Holdings Face Challenges Despite Market Growth

**NEW YORK and LONDON, November 12, 2019** – The private equity industry in the industrials has entered a more complicated era, albeit in a prosperous time overall, as firms compete for deals, board and executive talent, and face shifting markets and regulation, according to the [Executive Monitor](#) released today by premier global talent and leadership advisory firm [Boyden](#).

Boyden's [Executive Monitor](#) report, entitled *Private Equity and the Industrial Sector*, explores key trends in private equity, focusing on opportunity, hurdles and disruption within industrial portfolio holdings in manufacturing, energy, automotive, transportation and logistics. The report is based on exclusive Boyden interviews with senior executives from PE firms and portfolio companies as well as Boyden Partners from the U.S. and Europe.

Board composition and executive leadership are among the top concerns of PE firms, investors and portfolio executives. Bringing in the right outside talent and non-executive directors are explored as potential solutions.

"There is a lot more pressure now to have independent boards, especially to meet due diligence criteria and when looking to exit," said [Francesca d'Arcangeli](#), Global Leader of Boyden's Industrial Practice and a Managing Partner of Boyden United Kingdom. "We are seeing more independent, non-executives placed. The bigger the entity, the more likely they are to be hiring an independent board of directors."

"Strategy and procedure are important, but if any of these organizations don't have the right people, they're not going to win," said John Mapes, Partner at [Aurora Capital Partners](#). "The older I get, the more I realize that if it's Aurora, the New England Patriots, or one of our portfolios, it all comes down to people."

In addition, the report addresses the following topics:

- Top disruption factors in the market
- Extreme challenges in automotive and energy exploration & production investments
- Advantages of remaining privately held vs. public listing
- Growing need for in-house human resources departments at PE firms
- Shifting investment strategies and exit cycles

"A firm's exit strategy for its portfolio companies is critical when looking for leadership talent," explained [Tom Zay](#), a Managing Partner of Boyden United States in Houston. "The CEO profile changes based on the exit strategy. If you have a short-term exit strategy, you're looking for a different type of CEO than if you have a five- to seven-year exit strategy."



“Exit cycles are largely extending, and because the industry is generally paying higher multiples than say five to 10 years ago, it’s taking longer to achieve the required returns,” noted Conor Boden, an Advisor to global private equity firm [Advent International](#) who served as the firm’s Head of Portfolio Development from 2007 to June 2019. “Now we’re all having to work harder than before with our management teams to optimize performance and realize the value creation potential of an investment.”

The full Boyden *Executive Monitor* report including a sidebar interview with Advent International’s Boden are available at [boyden.com](#).

### **About Boyden**

Boyden is a premier talent and leadership advisory firm with more than 65 offices in over 40 countries. Our global reach enables us to serve client needs anywhere they conduct business. We connect great companies with great leaders through executive search, interim management and leadership consulting solutions. For further information, please visit [www.boyden.com](#).

### **Contacts:**

#### **Boyden U.S.**

Katie Killip

+1 (212) 850 5620

[katie.killip@fticonsulting.com](mailto:katie.killip@fticonsulting.com)

#### **Boyden U.K.**

Francesca d’Arcangeli

+44 20 3651 6993

[francesca.darcangeli@boyden.com](mailto:francesca.darcangeli@boyden.com)

###