



Private Equity Value Creation Starts With People

Introduction

When it comes to value creation in private equity, focus often goes to financials, operational improvement, and market expansion. Yet there's another powerful lever that remains underutilized — the people side. For all the talk about numbers, processes, and playbooks, one key to unlocking sustainable value is how private equity sponsors focus on people, culture, communications, and leadership, especially in the critical first 90 days after a portfolio company acquisition.

KEY TAKEAWAYS



People-Powered Value Creation

Too often, the focus on people is deprioritized and addressed through disconnected workstreams: change management gets handed to a project team, employee communications get split across functions, culture is left to HR, and leadership alignment is assumed, until it isn't.

This fragmented approach ignores a fundamental truth: for employees, there is only one experience — one culture, one set of leaders, one company narrative, one day-to-day reality in which the important stuff either gets done or gets ignored. When [employee experience](#) elements are siloed or pushed down the road, the result is confusion, disengagement, and missed opportunities to capture hearts and minds.

That reality is increasingly recognized by investors themselves. Research published by the PE 150, an industry publication, points to leadership effectiveness as a [top lever](#) for value creation across portfolio companies. The challenge remains, however, in putting that awareness into practice.



Stop Fragmenting the Employee Experience

The real unlock — and the cost savings — comes when private equity sponsors approach the people side of business as a holistic, integrated discipline that connects strategy and execution, leadership and culture, communication and talent. It's both horizontal and vertical within the organization and, instead of parceling responsibilities, imagine a single, consistent team working across the organization (or even the whole portfolio) to connect the dots and drive measurable outcomes.



Build an Integrated People Strategy

This integrated approach is especially critical in the first 90 days post-acquisition, a period that often sets the trajectory for the entire investment. Here's what it looks like in practice:



C-SUITE ALIGNMENT

Facilitating high-impact planning sessions with leadership teams to co-create the business strategy and the [Deep Trust and High Expectations®](#) culture needed to deliver it.



STRATEGIC COMMUNICATIONS

Delivering clear, consistent communications so every employee understands the vision, priorities, and their role in the journey.



CULTURE ACTIVATION

Moving beyond slogans to assess and embed desired cultural tenets and norms into people processes, including policies, performance management, and ways of working.



MANAGER EFFECTIVENESS

Equipping and aligning middle managers to be true change leaders, helping strategy and culture cascade effectively throughout the organization.



WORKFORCE ECONOMICS

Making the financial impact of talent decisions explicit by quantifying workforce costs and embedding them into the 90-day plan, governance, and day-to-day operations.

Win the First 90 Days

Speed and clarity are decisive. According to the [Harvard Business Review](#), employees experienced an average of 10 organization-wide changes per year, while willingness to support change fell from 74% in 2016 to just 43% six years later, a stark signal that early alignment, credible communications, culture activation, and manager enablement can't wait for "later."

Consistency is a game changer. When the same team works across all aspects of the people side of business, they can move faster, spot patterns, and strengthen the likelihood of cohesive, measurable results. Most importantly, they help to ensure the people side of value creation isn't left to chance saving on costly rework, reducing initiative churn and ultimately decreasing time-to-value.



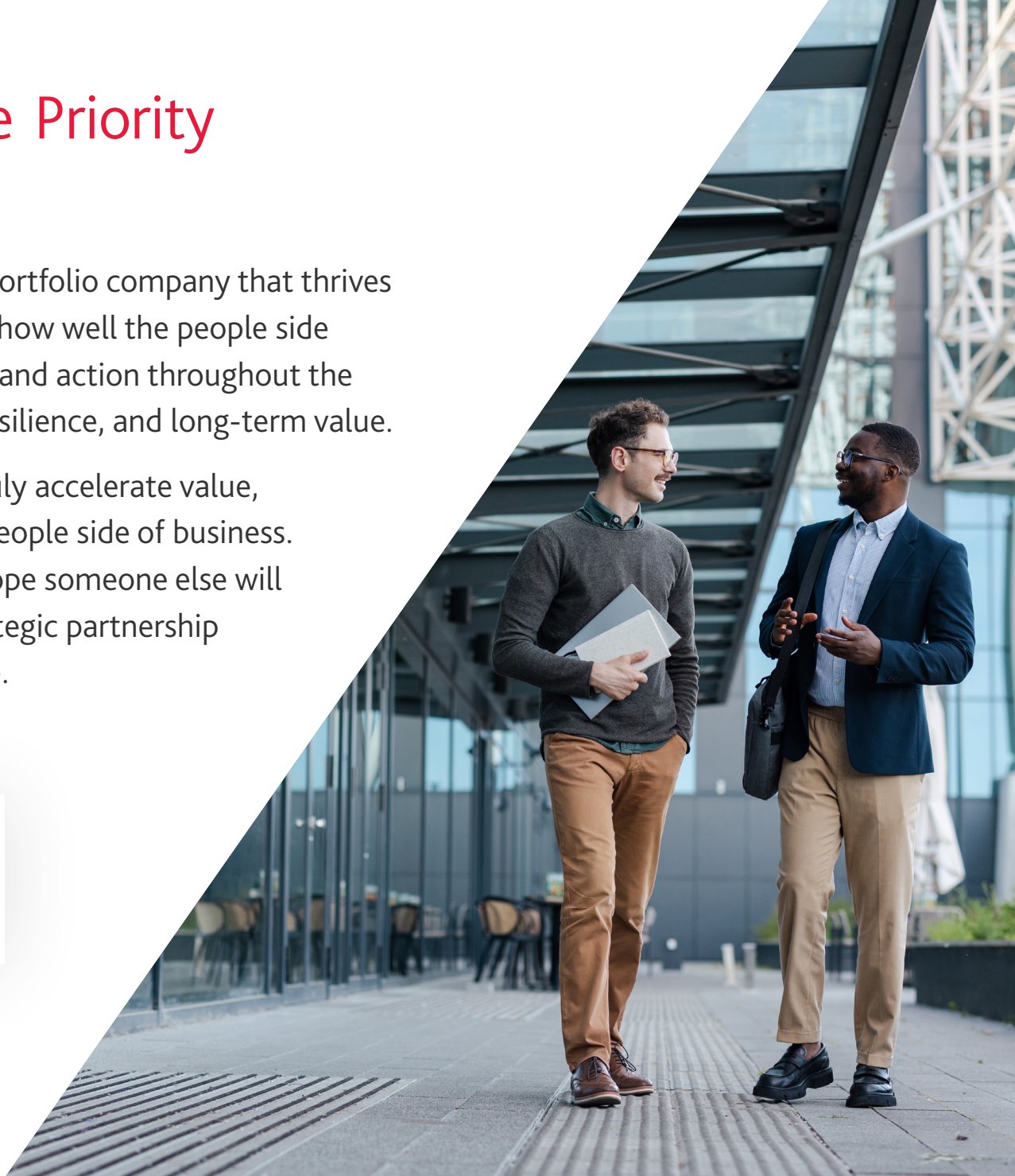
Make People a Day-One Priority

In our experience, the difference between a portfolio company that thrives and one that struggles often comes down to how well the people side is managed in those first 90 days. Alignment and action throughout the organization are essential to unlock speed, resilience, and long-term value.

If you're a private equity leader looking to truly accelerate value, it's time to reimagine your approach to the people side of business. Don't delegate it. Don't fragment it. Don't hope someone else will just figure it out. Invest in an integrated, strategic partnership that can deliver results — starting on day one.

Ready to unlock the full value of your next acquisition?

Reach out to [BDO's People Strategy & Solutions team](#) to learn how we can help sponsors turn the people side of business into a true accelerator.





CONTACT US



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HAVE QUESTIONS OR WANT TO LEARN MORE? CONTACT US!

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