ALEXANDER ASPLUND

THE PRIVATE EQUITY CEO PLAYBOOK

BASED ON 350 IN-DEPTH INTERVIEWS WITH CEOS OF PRIVATE EQUITY-OWNED PORTFOLIO COMPANIES

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ALEXANDER ASPLUND AUTHOR

Alexander is the founder of Accance Business Advisory. He holds an MBA from The Wharton School and an MSc from the Royal Institute of Technology in Stockholm, as well as the ESTP in Paris.

With a 30-year career in strategic and operational consulting, Alexander has specialized in accelerating value creation in the private equity context since 2005. He has supported management teams in 50 private equity-owned portfolio companies in developing and imple menting ambitious value creation programs and initiatives. Alexander has managed 100+ investment analysis projects for 25+ leading private equity rms in the Nordics.

Prior to founding Accance, he worked at The Boston Consulting Group and Celerant Consulting, and for the past 18 years, he has been active in consulting and advisory rms that he either founded or co-founded.

Accance Business Advisory supports management teams on their value creation journey with key services, including:

- **Market, Customer & Business Analysis**
- **Growth Strategy & Value Creation Plans**
- **Margin Expansion & Operational Excellence**
- **Transformation, Vitalization & Implementation Support**
- **Benchmarking & Best Practice Exchange Programs**
- **Governance & Performance Management**

Accance assists private equity investors with key services such as:

- **Commercial Due Diligence Analysis**
- **Value Creation Strategy & Plans**
- **Program Management Office and 100-Day Programs**
- **Exit Preparation**

The Accance team offers services speci cally designed to leverage the best practice lessons outlined in The Private Equity CEO supporting investors and management teams in achieving Champions League-level performance across the key success themes

- **Measure: Performance Measurement & Assessment**
- **Benchmark: Peer Group & Best Practice Benchmarking**
- **Diagnose: Diagnosis & Gap Analysis**
- **Improve: Improvement Strategies & Implementation Support**

“A NEWCOMER TO PRIVATE EQUITY HAS LIMITED ACCESS TO INSIGHT ABOUT THE ROAD AHEAD, BECAUSE THERE IS SO LITTLE SPECIFIC GUIDANCE IN PRINT ABOUT THE PORTFOLIO-COMPANY CEO ROLE.”

— McKinsey & Company, 2021

"AS A NEW CEO WITHOUT PRIOR EXPERIENCE WORKING WITH ACTIVE OWNERS, EVERYTHING IS NEW AND THERE IS SO MUCH I DON'T UNDERSTAND AND SO MUCH TO LEARN. A BEST PRACTICES PLAYBOOK LIKE THIS WOULD HAVE BEEN A FANTASTIC ASSET FOR ME."

INTRODUCTION

EFFECTIVE CEO LEADERSHIP

EFFECTIVE ALIGNMENT & COLLABORATION

CONTENT

INTRODUCTION

» THE PRIVATE EQUITY CEO PLAYBOOK **IS BASED ON IN-DEPTH INTERVIEWS WITH 350 CURRENT AND FORMER CEOS OF PORTFOLIO COMPANIES WITH ACTIVE OWNERS. COLLECTIVELY, THESE CEOS REPRESENT OVER 1,000 YEARS OF HANDS-ON EXPERIENCE WORKING WITH ACTIVE OWNERS.**

A GUIDE TO SUCCESS ON THE VALUE CREATION JOURNEY 1

1.1 A GUIDE TO SUCCESS ON THE VALUE CREATION JOURNEY

The Private Equity CEO Playbook serves as a guide to success on the value creation journey that management teams of portfolio companies undertake alongside their active owners. It presents a straight-forward proposition: by systematically applying the best practice lessons shared by portfolio company CEOs in the Playbook, management teams and owner representatives can signi cantly enhance their chances of realizing their value creation ambitions.

The Private Equity CEO Playbook is based on in-depth interviews with 350 current and former CEOs of portfolio companies with active owners. Collectively, these CEOs represent over 1,000 years of hands-on experience working with active owners. To our knowledge, this represents the largest study of its kind in the world to date.

According to a 2021 article by McKinsey & Company, speci c guidance in print about the portfolio company CEO role is scarce. The Private Equity CEO Playbook aims to bridge this gap and provide concrete guidance on achieving success.

By the standards outlined in the Playbook, only 22% of portfolio companies achieve what we de ne as 'Champions League-level' performance in implementing their respective value creation plans. Additionally, 45% of companies distinctly underperform relative to their potential.

We believe that the overall success of value creation programs could experience an increase of 15–40% at an aggregated level for a portfolio of companies held by an active owner, provided the best practice lessons presented in the Playbook are systematically applied.

In essence, The Private Equity CEO Playbook is designed to support management teams and active owners in attaining a Champions League-level of success in their collaborative pursuit of ambitious value creation goals.

1.2 READING GUIDANCE

The introductory section offers a concise overview of the key takeaways, while the subsequent chapters delve into thematic, in-depth descriptions of the valuable experiences and lessons gleaned from the interviews with the 350 portfolio company CEOs.