



FOUNDERS ADVISORS HCM Market Insights

Q4 2023

M&A Q4 2023 in Review

Quarterly M&A Highlights

- In North America, M&A activity had a stronger uptick than the global market, as total deal value increased by 35.9% from Q3 and 17.8% year-over-year. For the year, total deal count declined 11% due to higher interest rates and economic uncertainty for much of the year.
- A recent Wall Street Journal article highlighted the trend of more earnouts in M&A deals. Earnouts have become a common component of deal structures over the past years to bridge the gap between sellers' valuation expectations and buyers' willingness to pay.
- In 2023 Global M&A volume turned in its second weakest year in a decade. However, the M&A market showed signs of hitting an upswing as Q4 was the most active quarter by both deal count and total deal value since Q2 2023. This quarter had \$786B in total deal value, a 6.5% increase from Q3, and an estimated 10,441 deals closed, a 3.3% increase from Q3.
- Senior debt pricing surged through the end of 2023, averaging 11.3% in Q4, an increase of 0.8% from Q3. Every deal size cohort saw increases in average senior debt interest.

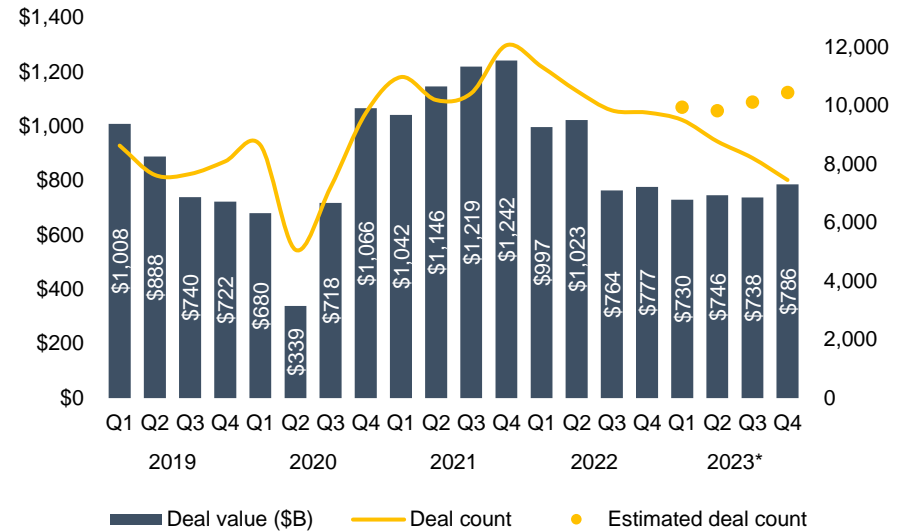
North American M&A Outlook

The Fed put a pause on interest rate increases in the back-half of 2023, with many predicting rate cuts on the horizon. A loosening on monetary policy could provide a boost to M&A activity in the coming year.

Fed easing is expected to begin in March 2024, which will have the most pronounced impact on PEGs. Lower borrowing costs will enable PEGs to put the historic levels of PE dry powder in action.

In 2023, PE-backed exits fell to the lowest level in a nearly a decade. As the M&A landscape picks up in the coming year, an increase in PE-backed exits will lead to a windfall of activity in new platform investments.

Global M&A Deal Volume



HCM Verticals Covered



IT Staffing & Solutions



Healthcare Staffing & Solutions



Professional Staffing



Commercial Staffing



GovCon & IT Services



PEO & HRO



BPO



HCM Software



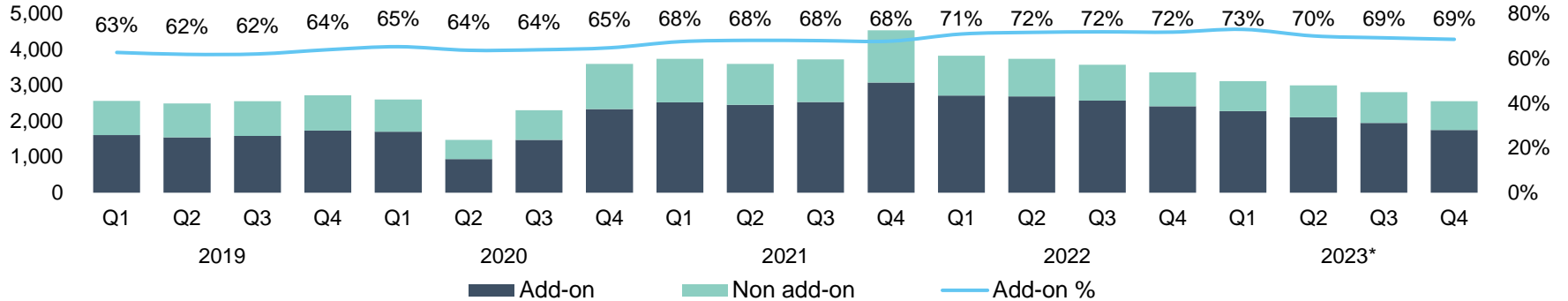
EdTech



Management Consulting

M&A Trends

Global Private Equity Deal Count



EV/EBITDA Multiples (North America & Europe)



Private Equity Trends

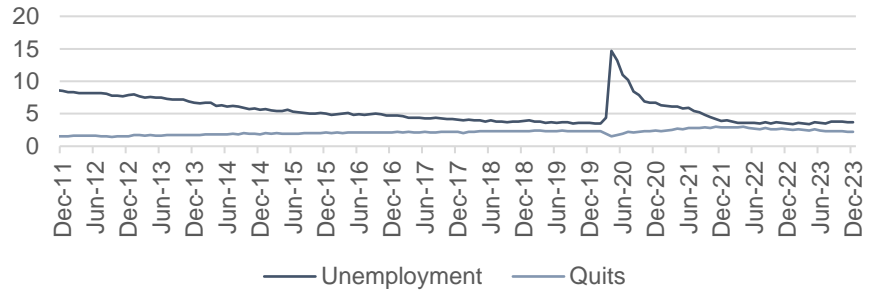
- PEGs have extended the hold time of portfolio companies over the last few years, as the median age of current PE-backed companies has climbed to 4.2 years.
- In response to the high interest rate environment, rollover equity was employed in more than 60% of total M&A transactions. Rollover equity on platform buyouts reached 14.7% in Q4.
- Businesses with \$10M+ EBITDA averaged valuations of 8.2x which was 1.5x greater than businesses with \$3-5M EBITDA.
- Increased interest rates have hit new platform investments the hardest, as PEGs have a more difficult time financing the larger transactions through debt.
- Private Equity has moved toward a buy-and-build strategy through add-on acquisitions to achieve the desired exit valuations.
- The median hold time of PE-backed companies that achieved an exit in 2023 was 6.4 years, a record high.

Labor Market Insights & Macro Trends

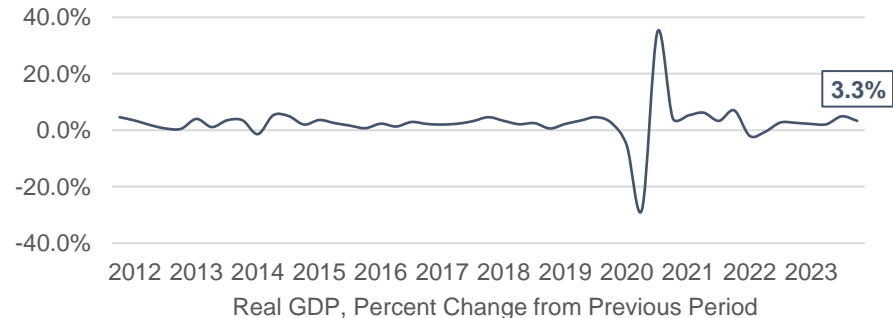
Labor Market Insights

- Total Quits in the US fell by 12% in 2023, a sign that confidence in the labor market has declined among workers as workers are more likely to remain at current positions.¹ Quits in December were at the lowest monthly total in three years.
- Employers laid off just 1% of the workforce in December, outside of the pandemic that is the lowest level in the past 20 years. This trend has led to a slowdown in the number of hires, with 5.62 million hires in December, down from an average of 6.43 million in 2022.¹
- In the back-half of 2023, the labor market was bolstered by a hiring boom in the healthcare and leisure/hospitality sectors. Healthcare accounted for 30% of hires in 2023, as healthcare employment expanded 2.5x faster than all other industries.^{1,6}
- GDP grew by an annualized 3.3% in Q4, beating forecasts of 2% and extending a better-than-expected run in the economy.² Leading economist anticipate a short and shallow recession in the first half of 2024 but thus far the economy has proved resilient.³
- The Fed opted to maintain the fed-funds rate at 5.25% to 5.5% in the most recent policy meeting. Some expected the Fed to pull-forward rate cuts into Q1, as inflation falls quicker than expected, however, the Fed signaled that rate cuts would not occur until later in the year.¹
- An aging population has driven a low labor force participation rate, exacerbating a labor shortage in the U.S. A growing share of the U.S. population are hitting retirement age, with 17% of the population older than 65 in 2022, a number that could crest 30% by 2030.⁴
- The IMF upgraded its growth outlook for the US and China citing faster-than-expected easing of inflation and indicating a “soft landing” was in sight for 2024. This improved outlook was supported by stronger private and public spending, increased labor force participation, mended supply chains, and cheaper energy and commodity prices.⁵

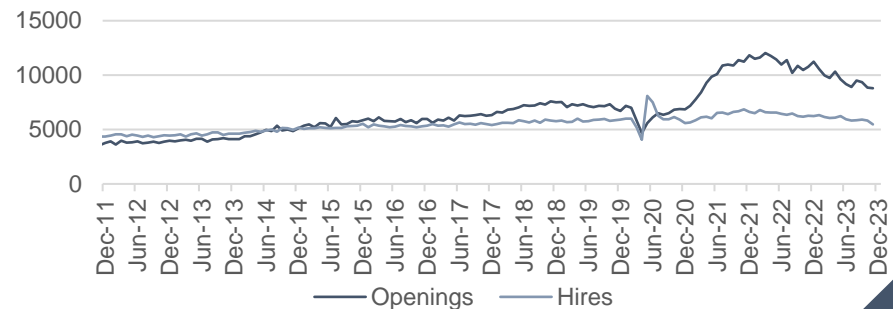
Unemployment (UE) & Quits Rates (%)



U.S. Gross Domestic Product (GDP)



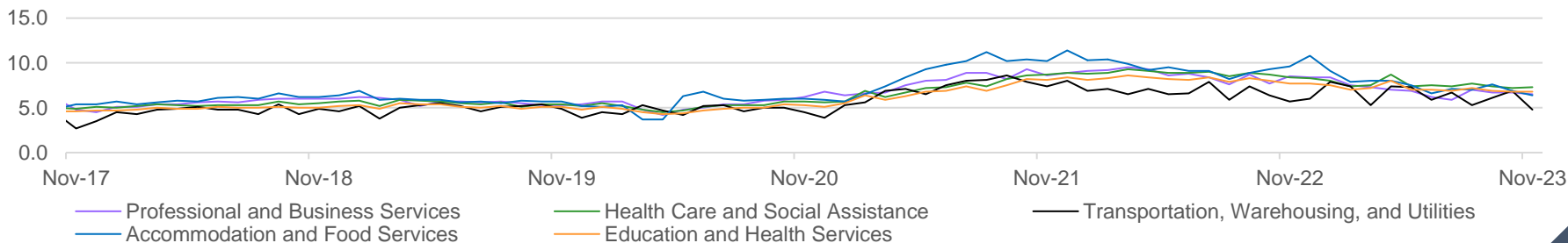
Job Openings and Hires (Thousands)



HCM Market Insights

- Locum Tenens finished out a strong year in Q4, as the segment grew at 12% in 2023 after a 27% growth rate in 2022. The main driver of growth is an imbalance in the labor market, as an aging population meets a shortage of physicians.¹
- Large healthcare security breaches reached a record high of 725 in 2023, exceeding 720 in 2022 and 2x the breach rate of 2018. Lack of adhering to cybersecurity best practices and challenges recruiting skilled IT security professionals are the leading causes.⁴
- A leading upcoming trend since the great resignation for Executive Search will be leveraging AI to reduce the search process through shortlisting and analyzing large sets of data. AI will also impact RPO through the automation of candidate sourcing, rediscovery, and other tasks to improve strategic workforce planning.^{3,6}
- The global HCM market is projected to grow from \$28.9B in 2023 to \$53.6B by 2030, a 9.2% CAGR. North America represents 45.5% of the global HCM market primarily due to the presence of Ceridian HCM, Oracle, IBM, and a host of tier two players combined with heavy domestic investments in cloud-based solutions and workforce automation.⁸
- Deloitte's poll of 14,000 business and HR leaders uncovered that 89% of executives believe their organizations advance sustainability however only 41% of employees agree. Only 43% of employees feel their organizations left them better off than when they started citing work stress and threats of technology replacing jobs as top concerns.⁵
- Manufacturing and skilled labor positions continue to have a shortage of talent in the labor market. This is affecting companies in Aerospace & Defense, which are facing an increase in demand with geopolitical tensions but are struggling to ramp production.²
- The CHIPS Act and Infrastructure Investment and Jobs Act are two pieces of legislature expected to continue driving strong demand for skilled trades, manufacturing, and infrastructure employment for the foreseeable future.
- IT Staffing seems to be on the upswing after a slower 2023. The January SIA IT Staffing report showed a net 2% of IT staffing firms reported growth in December. This is significantly up from a net 15% that reported a decline back in October.¹
- Education sector staffing demand for teachers, specialty education professionals, allied, and nursing health professionals is expected to continue its strong upward growth trend.
- isolved's recent survey of 1100 employees uncovered 84% are satisfied with their jobs, however, 65% suffered from burnout, 59% work when they are sick, 43% would take a pay cut for better work-life balance, and 25% say they work in a toxic environment.⁷
- CRNAs administer more than 50 million anesthetics to patients annually in the US alone. The CRNA job outlook for the advanced practice registered nurse (APRN) workforce, including nurse practitioners, nurse anesthetists, and nurse midwives, is expected to grow 40% through 2031.⁹

Job Openings Rates by Industry (percentage)









HCM M&A Trends

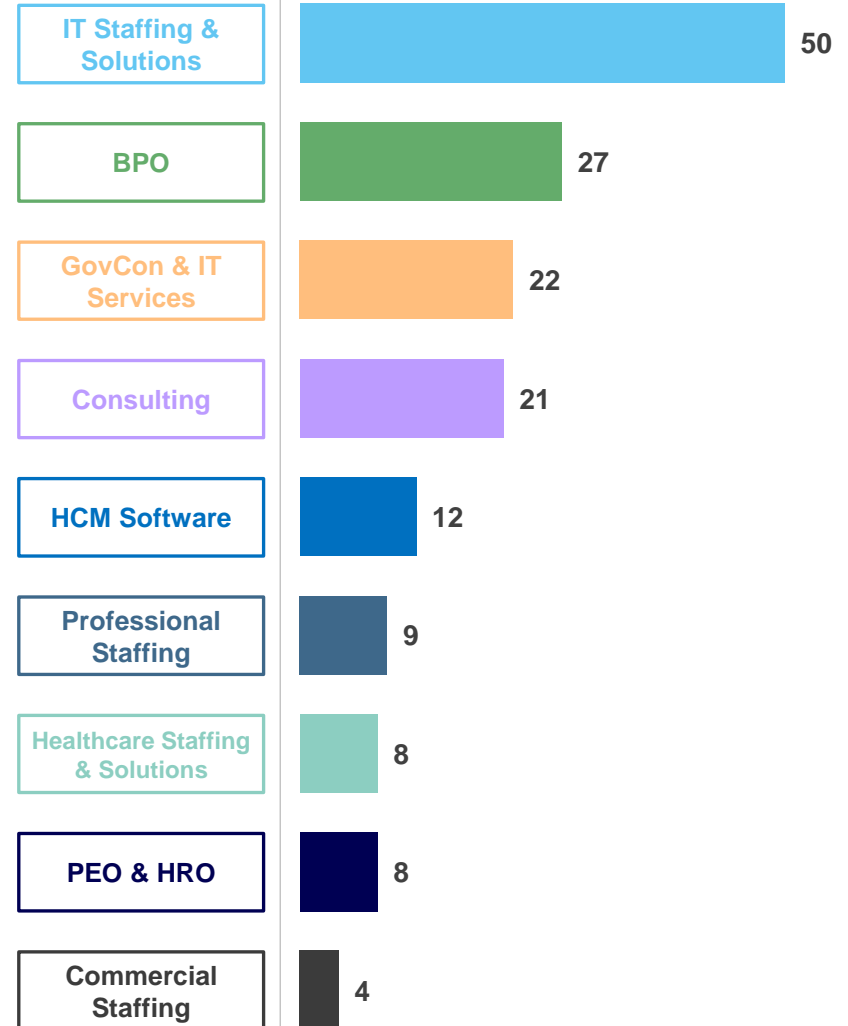
Highlighted Transactions

 <p>has been acquired by</p> <p>GovCon & IT Services Oct-23</p>	 <p>has been acquired by</p> <p>PEO & HRO Oct-23</p>	 <p>has been acquired by</p> <p>IT Staffing & Solutions Sep-23</p>
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Select Q4 Transactions

Date	Target	Buyer	Industry Subgroup
Nov-23			Healthcare Staffing
Nov-23			Consulting
Nov-23			Professional Staffing
Nov-23			PEO & HRO
Oct-23	 Divestment of Cybersecurity & Intelligence Segment		GovCon & IT Services
Oct-23			IT Staffing & Solutions
Oct-23			GovCon & IT Services

Q4 M&A Activity by Vertical* (161 Total)



Notable HCM Private Equity Platforms

Platform	Private Equity Group	Vertical	Notable Add-ons
 Acacium Group	 ONEX	Healthcare Staffing	 Favorite Healthcare Staffing Part of Acacium Group  R&D Partners Part of Acacium Group  SANCTUARY RECRUITMENT  SUMO MEDICAL STAFFING
 ENGAGE PEO EXPECT MORE	 KOHLBERG & COMPANY	PEO & HRO	 yceoHR  FUSION EMPLOYER SERVICES  GenesisHR SOLUTIONS  ZAMP HR WORKING SMARTER
 improving It's what we do.™	 TRINITY HUNT PARTNERS	IT Staffing & Solutions	 bit quill  JUMPANALYTICS  YOPPWORKS  zigatta
 IntelliBridge	 ENLIGHTENMENT CAPITAL	Government Contracting	 U.Group
 Medical Solutions	 Centerbridge  CDPQ	Healthcare Staffing	 C&A INDUSTRIES, INC. Human Capital Management Solutions  HOST HEALTHCARE  MATCHWELL  WorldWide HealthStaff Solutions Ltd.
 SMX	 OCEANSOUND PARTNERS	Government Contracting	 C2S CONSULTING GROUP  CREOAL EXPERIENCE. INTEGRITY. RESULTS.  DATASTRONG  OUTSIDE ANALYTICS
 TALENT GROUPS	 OSCEOLA CAPITAL MANAGEMENT	IT Staffing & Solutions	 ABACUS TECHNICAL SERVICES  edgelink™  Progilisys Think Beyond  QUEEN CONSULTING GROUP
 Vensure Employer Solutions	 STONE POINT CAPITAL	PEO & HRO	 ABS PAYROLL A BONDIT COMPANY  Namely  RESOURCE MANAGEMENT INC.
 ZRG STOP SEARCHING START BUILDING	 RFE INVESTMENT PARTNERS	Executive Search	 HEBLING & ASSOCIATES, INC.  Hub  SEBA  Registry

Why it's Important to be Investment Grade

Key reasons why becoming Investment Grade is important to driving value for all stakeholders



Proves you have a high-quality business



Gives stakeholders the confidence you are driving enterprise value



Makes it easier to recruit talent



Clients find your company more attractive



Positions you to leverage your equity on the buy-side



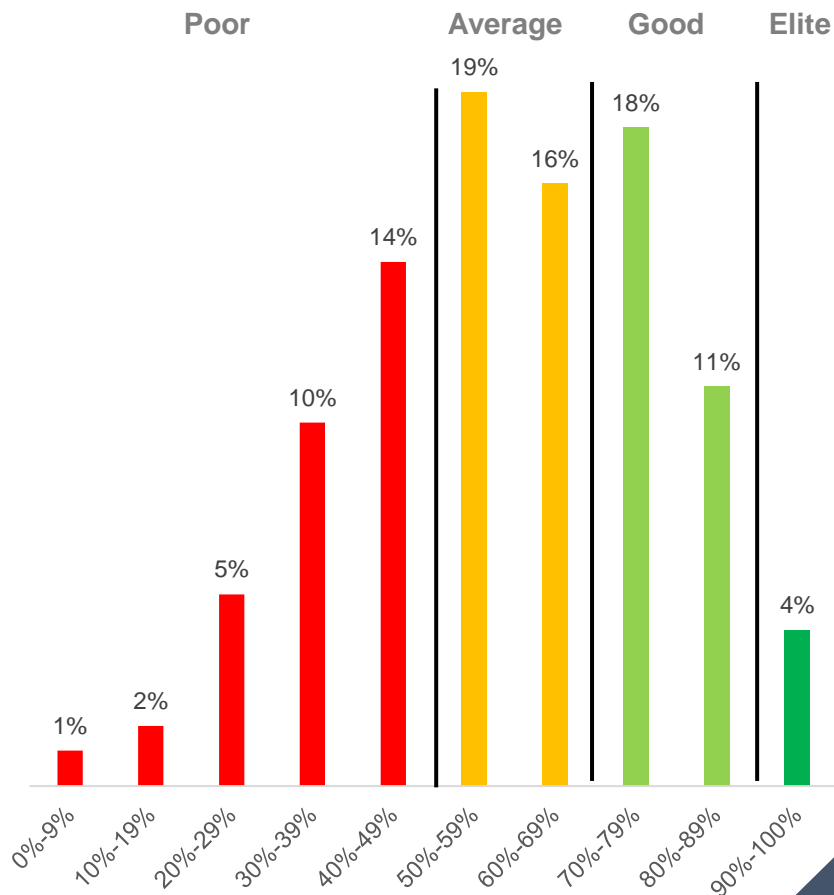
Enables you to negotiate better terms with your bank



Makes the ownership journey more fun

Few private companies are truly investment grade

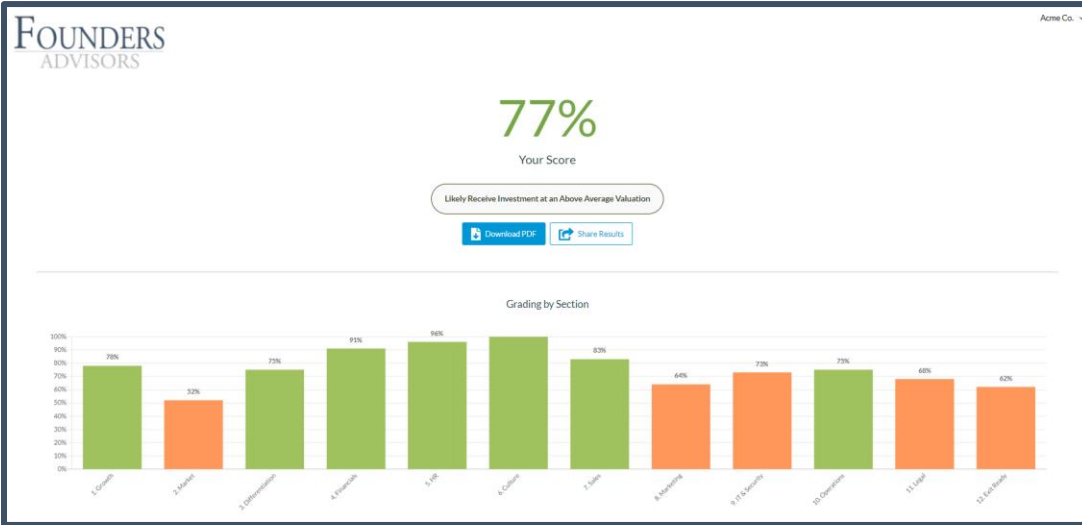
Distribution of Investment Grade Overall Scores



Is My Company Exit Ready?

Identify Key Areas to Maximize Your Company's Enterprise Value in a Sale

Over 2,100 companies have taken our Investment Grade Assessment to identify key areas to maximize their company's enterprise value. Scan below to take your own assessment using our complimentary code.



12 Sections

90+ Questions

17 Minutes

Prescriptive Report & Score

1. Growth, Profitability & Financial Health 70%

Summary

Size/scale is one of the most common reasons that investors pass on an investment opportunity. Scale also impacts valuation potential because investors are willing to pay premiums for companies that have been established as leaders in their space.

How to improve your score

The following action steps are places we recommend you focus to improve your score in this section.

- Look for ways to expand into new geographies, new offerings, or with existing customers.
- Determine if there is an issue with your product-market fit or if customers need more attention to improve retention rates.
- Ensure your cost of goods sold is full-burdened and focus on growing your highest margin revenue streams.

YOUR RESPONSES

Company's last twelve months revenue

- >\$30mm
- ▶ **\$16-30mm**
- \$6-15mm
- \$4-5mm
- \$0-3mm

Feedback

Assuming the large majority of the revenue is recurring, \$16mm-\$30mm in last twelve months revenue would be very attractive to software investors.

Growth

This section is weighted the highest as it is the crux of a healthy business. It is one of the most challenging areas to improve, but we are here to help.

Talk to an Expert

Complimentary Discount Code:
IGA_NE
Price: ~~\$299~~ \$0
Website: <https://app.foundersib.com/auth/sign-up>

Scan Here for Assessment

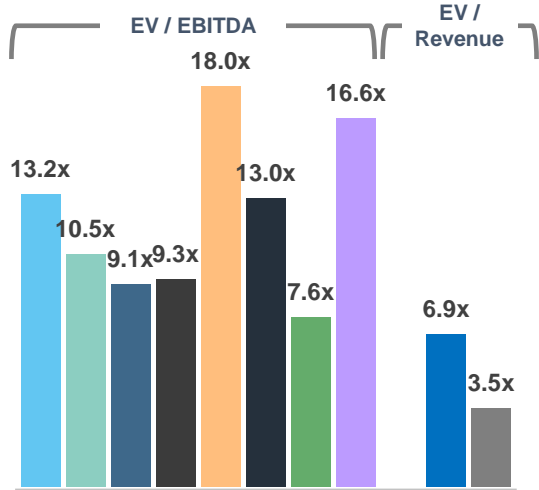


HCM Landscape

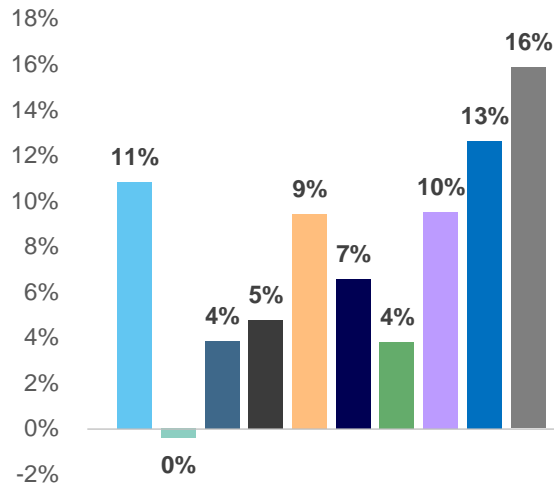


Public Company Valuation Metrics

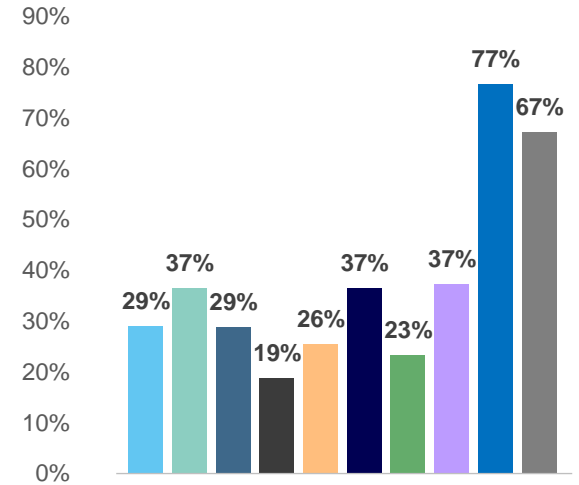
Average Trading Multiple



Average Revenue Growth



Average Gross Margin



Verticals Represented*

IT Staffing & Solutions

Healthcare Staffing & Solutions

Professional Staffing

Commercial Staffing

GovCon & IT Services

PEO & HRO

BPO

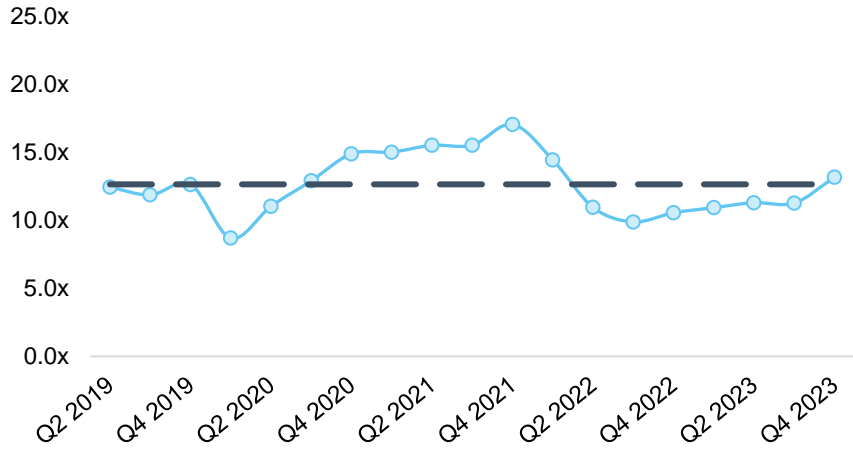
Management Consulting

HCM Software

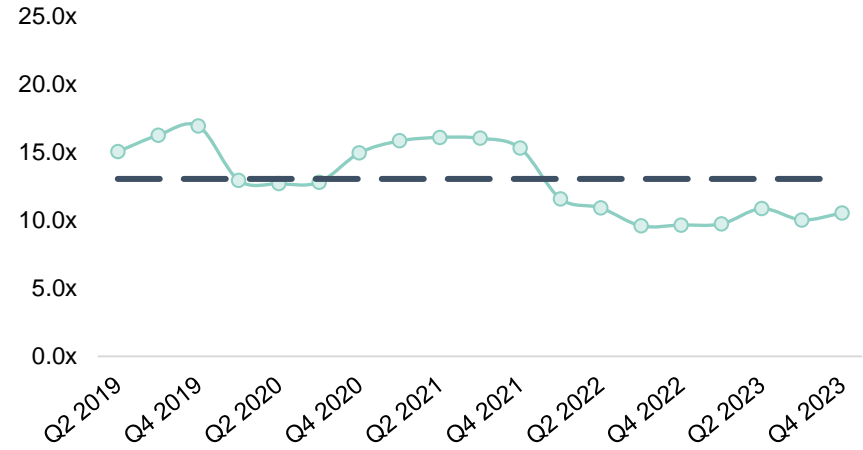
EdTech

Historical Public Valuations by Segment (EV / EBITDA)

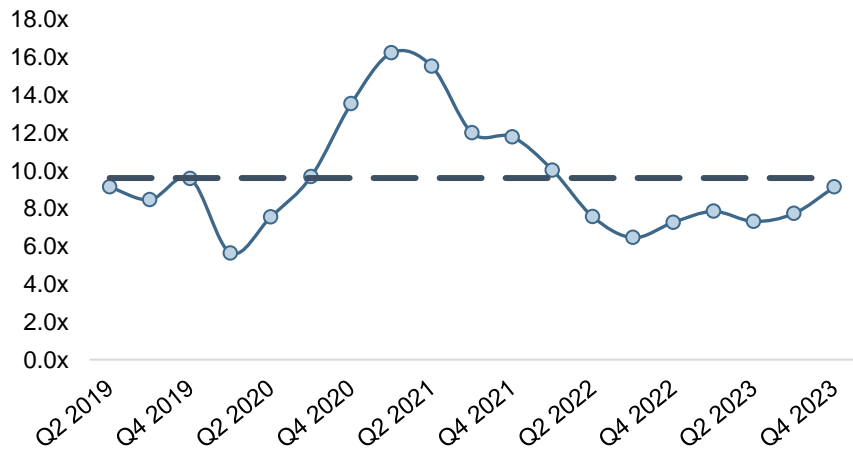
IT Staffing & Solutions



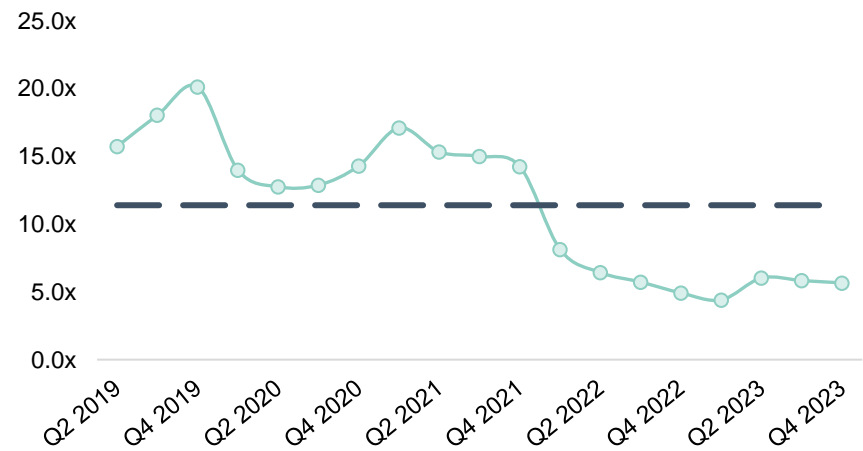
Healthcare Staffing & Solutions



Professional Staffing

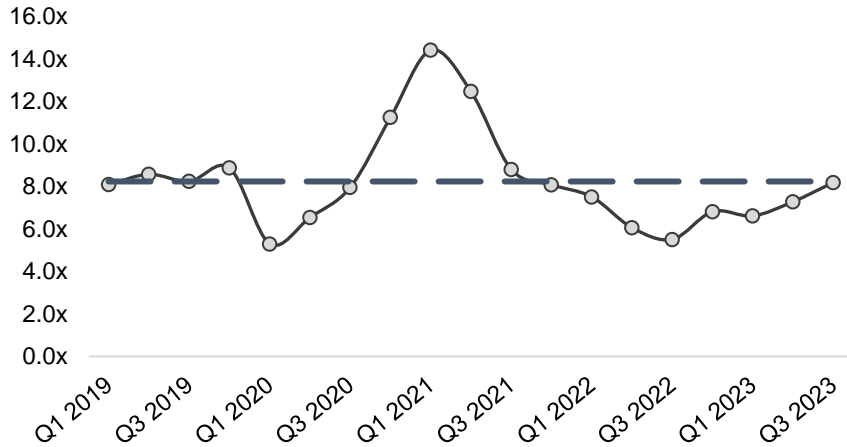


Healthcare Staffing Only

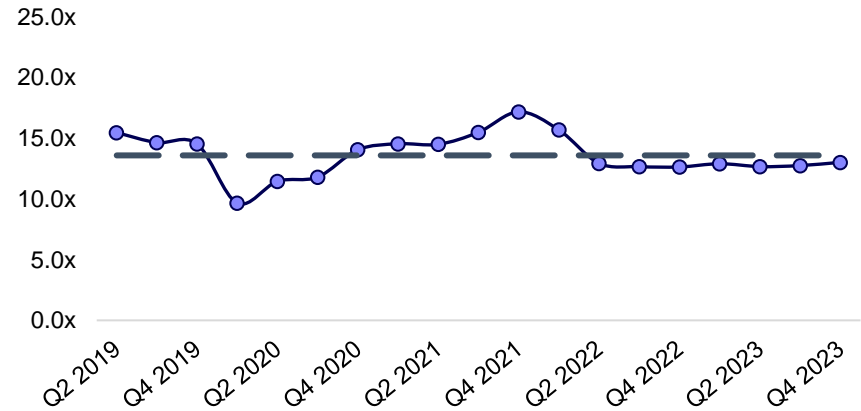


Historical Public Valuations by Segment (EV / EBITDA)

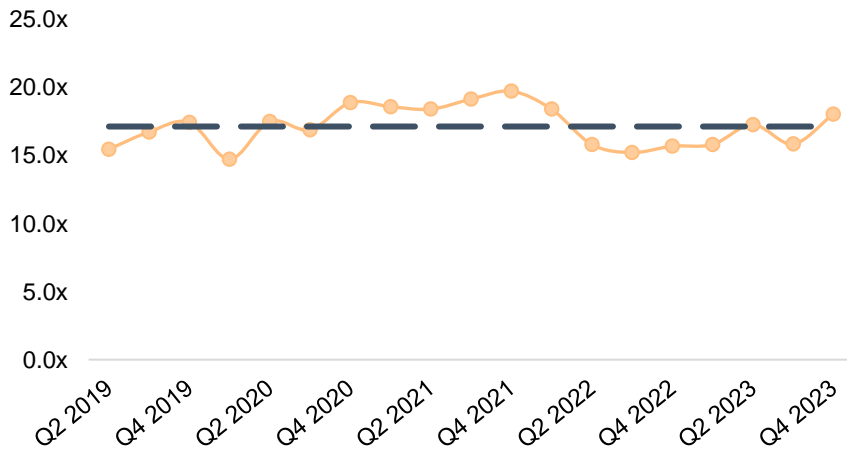
Commercial Staffing



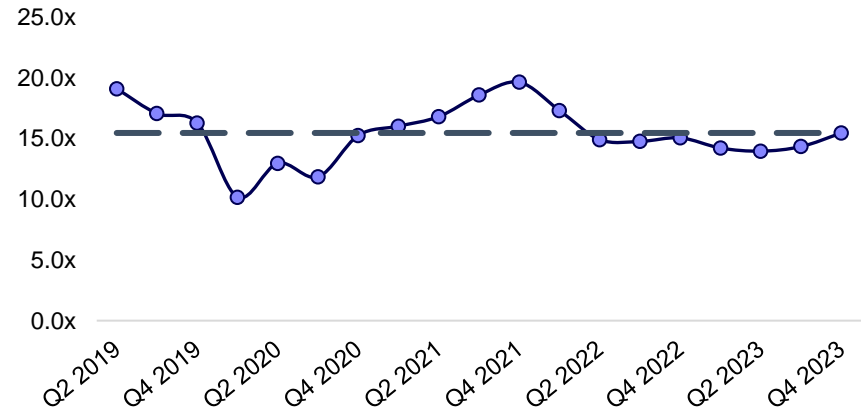
PEO & HRO



GovCon & IT Services

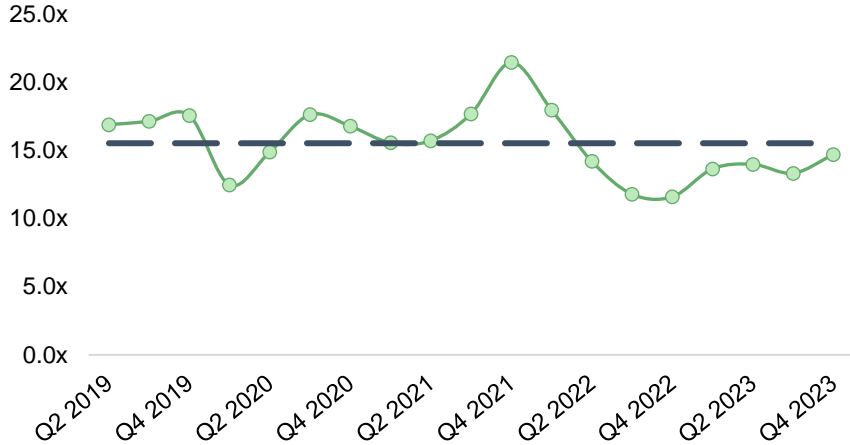


PEO Only

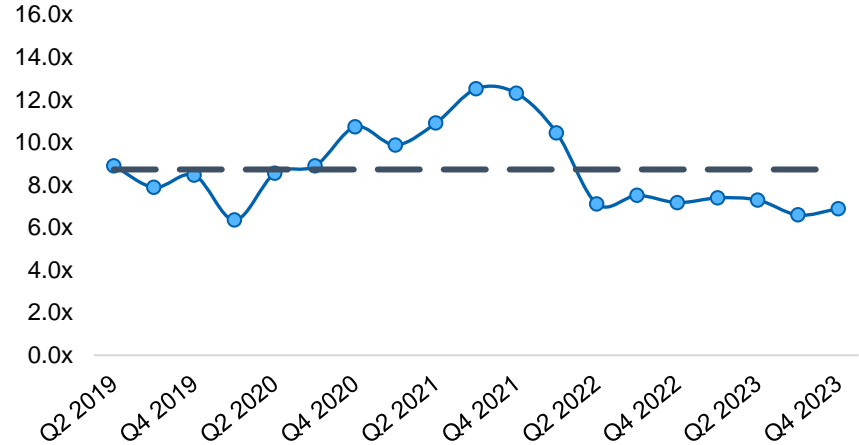


Historical Public Valuations by Segment (EV / EBITDA)

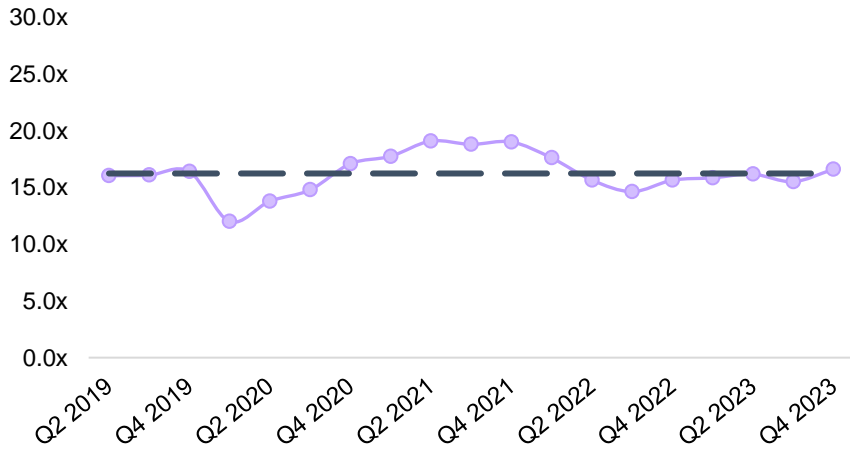
BPO



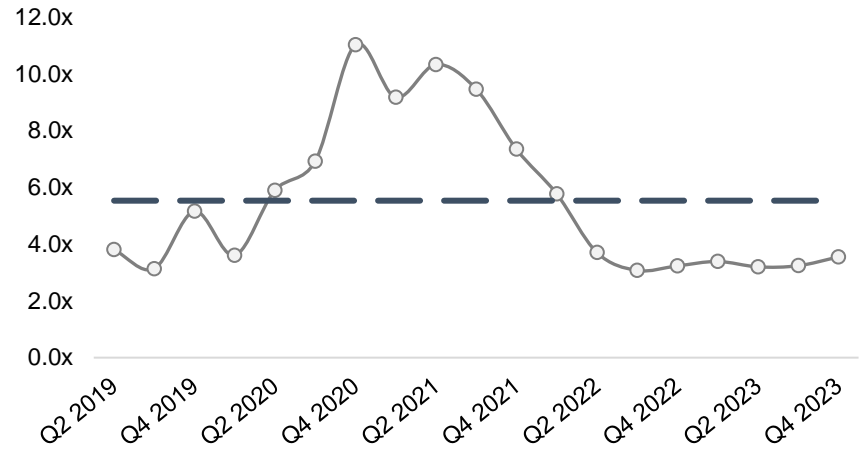
HCM Software (EV/Revenue)



Management Consulting



EdTech (EV/Revenue)



Public Equities Index

IT Staffing & Solutions

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
Accenture	99%	216,761	64,588	10,010	4%	33%	15%	3.4x	21.7x
Allgeier	66%	323	526	59	6%	25%	11%	0.6x	5.3x
ASGN	98%	5,495	4,527	472	1%	29%	10%	1.2x	11.6x
Bechtel	96%	6,528	6,717	532	9%	18%	8%	1.0x	12.3x
Calian Group	87%	542	488	44	13%	31%	9%	1.1x	12.3x
Capgemini	97%	39,314	23,787	3,289	13%	27%	14%	1.7x	12.0x
CGI Group	98%	26,474	10,590	1,996	11%	16%	19%	2.5x	13.3x
Cognizant Technology Solutions	98%	36,949	19,434	3,231	0%	34%	17%	1.9x	11.4x
Cyient	93%	2,996	831	149	36%	42%	18%	3.6x	20.1x
DXC Technology	76%	8,666	14,039	703	-9%	22%	5%	0.6x	12.3x
Genpact	71%	7,296	4,433	724	2%	35%	16%	1.6x	10.1x
Globant	95%	10,093	2,006	N/A	20%	36%	N/A	5.0x	32.3x
Impellam Group	91%	424	2,456	48	39%	10%	2%	0.2x	10.9x
Insight Enterprises	95%	6,201	9,442	460	-10%	18%	5%	0.7x	13.5x
Mphasis	98%	6,057	1,628	309	0%	43%	19%	3.7x	19.6x
Neurones	97%	983	740	151	14%	61%	20%	1.3x	6.5x
NTT Data	87%	38,595	30,218	4,329	55%	27%	14%	1.3x	8.9x
Perficient	68%	2,630	918	174	4%	38%	19%	2.9x	15.1x
SAIC	91%	8,556	7,675	932	2%	12%	12%	1.1x	9.2x
SThree	90%	664	1,860	107	19%	26%	6%	0.3x	6.2x
TechnoPro Holdings	83%	2,722	1,472	178	10%	26%	12%	1.8x	15.3x
The Hackett Group	92%	656	289	55	-1%	40%	19%	2.2x	12.0x
Wipro	99%	27,579	11,153	N/A	8%	30%	N/A	2.5x	12.7x
Wistron Information	77%	283	274	24	12%	20%	9%	1.0x	11.9x
Min		283	274	24	-10%	10%	2%	0.2x	5.3x
Median		6,129	3,444	385	8%	28%	13%	1.5x	12.1x
Mean		19,033	9,170	1,272	11%	29%	13%	1.8x	13.2x
Max		216,761	64,588	10,010	55%	61%	20%	5.0x	32.3x

Public Equities Index

Healthcare Staffing & Solutions*

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
AMN Healthcare Services	66%	3,777	4,096	579	-25%	33%	14%	0.9x	6.5x
Calian Group	87%	542	488	44	13%	31%	9%	1.1x	12.3x
Cross Country Healthcare	71%	787	2,234	164	-21%	22%	7%	0.4x	4.8x
HealthStream	98%	768	277	57	5%	66%	20%	2.8x	13.6x
Huron Consulting Group	91%	2,326	1,337	150	25%	30%	11%	1.7x	15.5x
Min		542	277	44	-25%	22%	7%	0.4x	4.8x
Median		787	1,337	150	5%	31%	11%	1.1x	12.3x
Mean		1,640	1,686	199	0%	37%	12%	1.4x	10.5x
Healthcare Staffing Mean		2,282	3,165	372	-23%	28%	11%	0.6x	5.7x
Max		3,777	4,096	579	25%	66%	20%	2.8x	15.5x

Public Equities Index

Professional Staffing

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
Adecco Group	99%	11,754	25,672	838	5%	21%	3%	0.5x	14.0x
BGSF	59%	173	317	22	10%	36%	7%	0.5x	8.0x
Brunel International	86%	648	1,223	85	13%	21%	7%	0.5x	7.7x
Freelance.com	54%	265	872	29	24%	4%	3%	0.3x	8.6x
Hays	86%	2,271	9,120	317	15%	17%	3%	0.2x	7.2x
Heidrick & Struggles	84%	337	1,009	91	-10%	26%	9%	0.3x	3.7x
Kforce	95%	1,373	1,588	78	-7%	28%	5%	0.9x	17.6x
Korn Ferry	99%	3,015	2,815	252	0%	89%	9%	1.1x	12.0x
ManpowerGroup	86%	4,587	19,093	479	-6%	18%	3%	0.2x	9.6x
Openjobmetis	100%	251	799	28	-3%	7%	4%	0.3x	9.0x
PageGroup	97%	2,045	2,462	245	10%	52%	10%	0.8x	8.4x
Randstad	93%	12,365	28,009	1,359	-4%	21%	5%	0.4x	9.0x
Resources Connection	76%	382	742	61	-10%	40%	8%	0.5x	6.2x
Robert Half International	98%	8,796	6,647	691	-9%	41%	10%	1.3x	12.7x
Robert Walters Group	82%	418	1,334	77	7%	38%	6%	0.3x	5.4x
SThree	90%	664	1,860	107	19%	26%	6%	0.3x	6.2x
Synergie	100%	669	3,135	163	5%	11%	5%	0.2x	4.1x
TechnoPro Holdings	83%	2,722	1,472	178	10%	26%	12%	1.8x	15.3x
Min		173	317	22	-10%	4%	3%	0.2x	3.7x
Median		1,021	1,724	135	5%	26%	6%	0.4x	8.5x
Mean		2,930	6,009	283	4%	29%	6%	0.6x	9.1x
Max		12,365	28,009	1,359	24%	89%	12%	1.8x	17.6x

Public Equities Index

Commercial Staffing

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
Adecco Group	99%	11,754	25,672	838	5%	21%	3%	0.5x	14.0x
Barrett Business Services	97%	657	1,065	73	2%	22%	7%	0.6x	9.0x
GDI Integrated Facility Services	74%	961	1,780	95	19%	19%	5%	0.5x	10.0x
Groupe Crit	95%	566	2,568	144	11%	5%	6%	0.2x	3.9x
Impellam Group	91%	424	2,456	48	39%	10%	2%	0.2x	10.9x
Kelly Services	98%	710	4,837	72	-3%	20%	1%	0.1x	9.8x
ManpowerGroup	86%	4,587	19,093	479	-6%	18%	3%	0.2x	9.6x
Openjobmetis	100%	251	799	28	-3%	7%	4%	0.3x	9.0x
Randstad	93%	12,365	28,009	1,359	-4%	21%	5%	0.4x	9.0x
Robert Walters Group	82%	418	1,334	77	7%	38%	6%	0.3x	5.4x
TrueBlue	74%	495	1,972	18	-15%	27%	1%	0.3x	12.1x
Min		251	799	18	-15%	5%	1%	0.1x	3.9x
Median		657	2,456	77	2%	20%	4%	0.3x	9.6x
Mean		3,017	8,144	294	5%	19%	4%	0.3x	9.3x
Max		12,365	28,009	1,359	39%	38%	7%	0.6x	14.0x

Public Equities Index

GovCon & IT Services

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
ASGN	98%	5,495	4,527	472	1%	29%	10%	1.2x	11.6x
Booz Allen Hamilton	97%	19,776	10,031	717	14%	54%	7%	2.0x	27.6x
CACI International	90%	9,211	6,947	714	10%	8%	10%	1.3x	12.9x
Calian Group	87%	542	488	44	13%	31%	9%	1.1x	12.3x
ICF International	92%	3,263	1,960	180	16%	36%	9%	1.7x	18.1x
Leidos Holdings	97%	19,403	15,155	857	7%	14%	6%	1.3x	22.6x
Maximus	93%	6,479	4,905	444	6%	21%	9%	1.3x	14.6x
Parsons	97%	7,444	5,052	386	25%	21%	8%	1.5x	19.3x
SAIC	91%	8,556	7,675	932	2%	12%	12%	1.1x	9.2x
Synergie	100%	669	3,135	163	5%	11%	5%	0.2x	4.1x
Tyler Technologies	98%	18,259	1,923	387	5%	44%	20%	9.5x	46.0x
Min		542	488	44	1%	8%	5%	0.2x	4.1x
Median		7,444	4,905	444	7%	21%	9%	1.3x	14.6x
Mean		9,009	5,618	481	9%	26%	10%	2.0x	18.0x
Max		19,776	15,155	932	25%	54%	20%	9.5x	46.0x

Public Equities Index

PEO & HRO*

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
Alight Solutions	84%	7,247	3,392	377	11%	33%	11%	2.1x	19.2x
Aon	84%	62,241	13,131	3,968	6%	48%	30%	4.7x	15.7x
Automatic Data Processing	91%	97,704	17,435	4,330	6%	42%	25%	5.6x	22.6x
Barrett Business Services	97%	657	1,065	73	2%	22%	7%	0.6x	9.0x
Brunel International	86%	648	1,223	85	13%	21%	7%	0.5x	7.7x
CBIZ	99%	3,730	1,559	222	15%	15%	14%	2.4x	16.8x
HireRight	96%	1,558	731	143	-12%	47%	20%	2.1x	10.9x
Insperty	89%	4,099	40,579	289	19%	17%	1%	0.6x	14.2x
Paychex	92%	42,326	5,030	2,283	6%	72%	45%	8.2x	18.5x
Qualicorp	54%	467	368	121	-12%	77%	33%	1.3x	3.0x
Synergie	100%	669	3,135	163	5%	11%	5%	0.2x	4.1x
TriNet Group	96%	6,898	4,903	559	0%	22%	11%	1.4x	12.9x
Willis Towers Watson	93%	29,644	9,237	2,027	4%	40%	22%	3.2x	14.6x
WNS	67%	3,108	1,282	240	8%	36%	19%	2.4x	12.9x
Min		467	288	73	-12%	11%	1%	0.2x	3.0x
Median		3,914	3,135	240	6%	36%	19%	2.1x	13.5x
Mean		18,643	6,891	999	7%	36%	19%	2.5x	13.0x
PEO Mean		30,337	13,802	1,507	7%	35%	18%	3.3x	15.4x
Max		97,704	40,579	4,330	26%	77%	45%	8.2x	22.6x

Public Equities Index

BPO

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
Advantage Solutions (Irvine)	89%	3,042	4,248	(1,279)	7%	13%	-30%	0.7x	N/A
Brunel International	86%	648	1,223	85	13%	21%	7%	0.5x	7.7x
Concentrix (US)	65%	8,402	6,554	963	7%	36%	15%	1.3x	8.7x
Conduent	74%	2,016	3,755	(325)	-4%	22%	-9%	0.5x	N/A
Capita	52%	1,230	3,577	191	-3%	24%	5%	0.3x	6.5x
CBIZ	99%	3,730	1,559	222	15%	15%	14%	2.4x	16.8x
ExlService Holdings	86%	5,086	1,591	305	19%	37%	19%	3.2x	16.7x
Genpact	71%	7,296	4,433	724	2%	35%	16%	1.6x	10.1x
Icon (Consulting Services)	98%	27,152	8,016	1,452	5%	29%	18%	3.4x	18.7x
Impellam Group	91%	424	2,456	48	39%	10%	2%	0.2x	10.9x
IQVIA	96%	54,743	14,855	3,116	4%	35%	21%	3.7x	17.6x
Neurones	97%	983	740	151	14%	61%	20%	1.3x	6.5x
Plexus Company	94%	3,187	4,210	259	10%	9%	6%	0.8x	12.3x
TaskUs	59%	1,365	932	155	-1%	42%	17%	1.5x	8.8x
Teleperformance	48%	11,583	8,547	1,691	7%	32%	20%	1.4x	6.9x
TTEC Holdings	40%	1,997	2,495	255	4%	23%	10%	0.8x	7.8x
Willis Towers Watson	93%	29,644	9,237	2,027	4%	40%	22%	3.2x	14.6x
Wipro	98%	27,579	11,153	N/A	8%	30%	N/A	2.5x	12.7x
WNS	67%	3,108	1,282	240	8%	36%	19%	2.4x	12.9x
Min		424	288	(1,279)	-4%	9%	-30%	0.2x	6.5x
Median		3,187	3,666	240	7%	31%	16%	1.4x	10.9x
Mean		10,169	4,558	547	9%	30%	12%	1.7x	11.5x
Max		54,743	14,855	3,116	39%	61%	37%	3.7x	18.7x

Public Equities Index

Management Consulting

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
Accenture	99%	216,761	64,588	10,010	4%	33%	15%	3.4x	21.7x
Arthur J. Gallagher & Company	89%	54,622	8,988	2,333	14%	42%	26%	5.7x	23.4x
Booz Allen Hamilton	97%	19,776	10,031	717	14%	54%	7%	2.0x	27.6x
Brunel International	86%	648	1,223	85	13%	21%	7%	0.5x	7.7x
BTS Group	82%	538	248	37	11%	N/A	15%	2.2x	14.6x
CRA International	77%	808	607	77	5%	30%	13%	1.3x	10.4x
ExlService Holdings	86%	5,086	1,591	305	19%	37%	19%	3.2x	16.7x
FTI Consulting	86%	7,373	3,339	381	14%	32%	11%	2.2x	19.4x
Gartner	96%	36,905	5,826	1,468	10%	68%	25%	6.3x	25.1x
Huron Consulting Group	91%	2,326	1,337	150	25%	30%	11%	1.7x	15.5x
Marsh & McLennan Companies	93%	106,296	22,266	5,825	7%	42%	26%	4.8x	18.2x
Maximus	93%	6,479	4,905	444	6%	21%	9%	1.3x	14.6x
Perficient	68%	2,630	918	174	4%	38%	19%	2.9x	15.1x
Resources Connection	76%	382	742	61	-10%	40%	8%	0.5x	6.2x
WNS	67%	3,108	1,282	240	8%	36%	19%	2.4x	12.9x
Min		382	248	37	-10%	21%	7%	0.5x	6.2x
Median		5,086	1,591	305	10%	37%	15%	2.2x	15.5x
Mean		30,916	8,526	1,487	10%	37%	15%	2.7x	16.6x
Max		216,761	64,588	10,010	25%	68%	26%	6.3x	27.6x

Public Equities Index

HCM Software

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
Ceridian HCM	84%	11,215	1,450	203	22%	42%	14%	7.7x	55.4x
HealthStream	98%	768	277	57	5%	66%	20%	2.8x	13.6x
Intuit	99%	179,134	14,749	4,171	11%	78%	28%	12.1x	42.9x
New Work (Holding Companies)	43%	436	330	96	1%	N/A	29%	1.3x	4.5x
Oracle	83%	370,430	51,628	19,753	12%	72%	38%	7.2x	18.8x
Paychex	92%	42,326	5,030	2,283	6%	72%	45%	8.2x	18.5x
Paycom Software	55%	11,473	1,630	585	26%	84%	36%	7.0x	19.6x
Paycor HCM	78%	3,795	537	51	20%	66%	9%	6.6x	74.7x
Paylocity	70%	9,025	1,239	260	34%	69%	21%	7.3x	34.7x
SAP	96%	179,187	34,308	6,568	9%	71%	19%	5.4x	23.8x
Seek (Human Capital Services)	99%	7,328	824	319	10%	99%	39%	8.9x	22.9x
Sage Group	98%	15,927	2,675	517	12%	93%	19%	6.0x	30.8x
Workday	99%	69,000	6,983	293	17%	75%	4%	9.9x	N/A
Min		436	277	51	1%	42%	4%	1.3x	4.5x
Median		11,473	1,630	319	12%	72%	21%	7.2x	23.4x
Mean		69,234	9,358	2,704	14%	74%	25%	7.0x	30.0x
Max		370,430	51,628	19,753	34%	99%	45%	12.1x	74.7x

Public Equities Index

EdTech

Name	% of 52 Week High	EV	Revenue	EBITDA	Revenue Growth	Gross Margin	EBITDA Margin	EV / LTM Revenue	EV / LTM EBITDA
2U	9%	1,036	926	(95)	-5%	71%	-10%	1.1x	N/A
BTS Group	82%	538	248	37	11%	N/A	15%	2.2x	14.6x
Coursera	91%	2,242	609	(152)	23%	54%	-25%	3.7x	N/A
Docebo	91%	1,298	171	(2)	27%	81%	-1%	7.6x	N/A
FranklinCovey	87%	562	281	36	7%	76%	13%	2.0x	15.7x
Instructure	86%	4,109	520	141	13%	65%	27%	7.9x	29.1x
Learning Technologies Group	54%	968	726	119	33%	N/A	16%	1.3x	8.1x
Udemy	92%	1,788	705	(129)	18%	57%	-18%	2.5x	N/A
Min		538	171	(152)	-5%	54%	-25%	1.1x	8.1x
Median		1,167	564	17	15%	68%	6%	2.4x	15.1x
Mean		1,568	523	(6)	16%	67%	2%	3.5x	16.9x
Max		4,109	926	141	33%	81%	27%	7.9x	29.1x

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Relevant Transactions



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