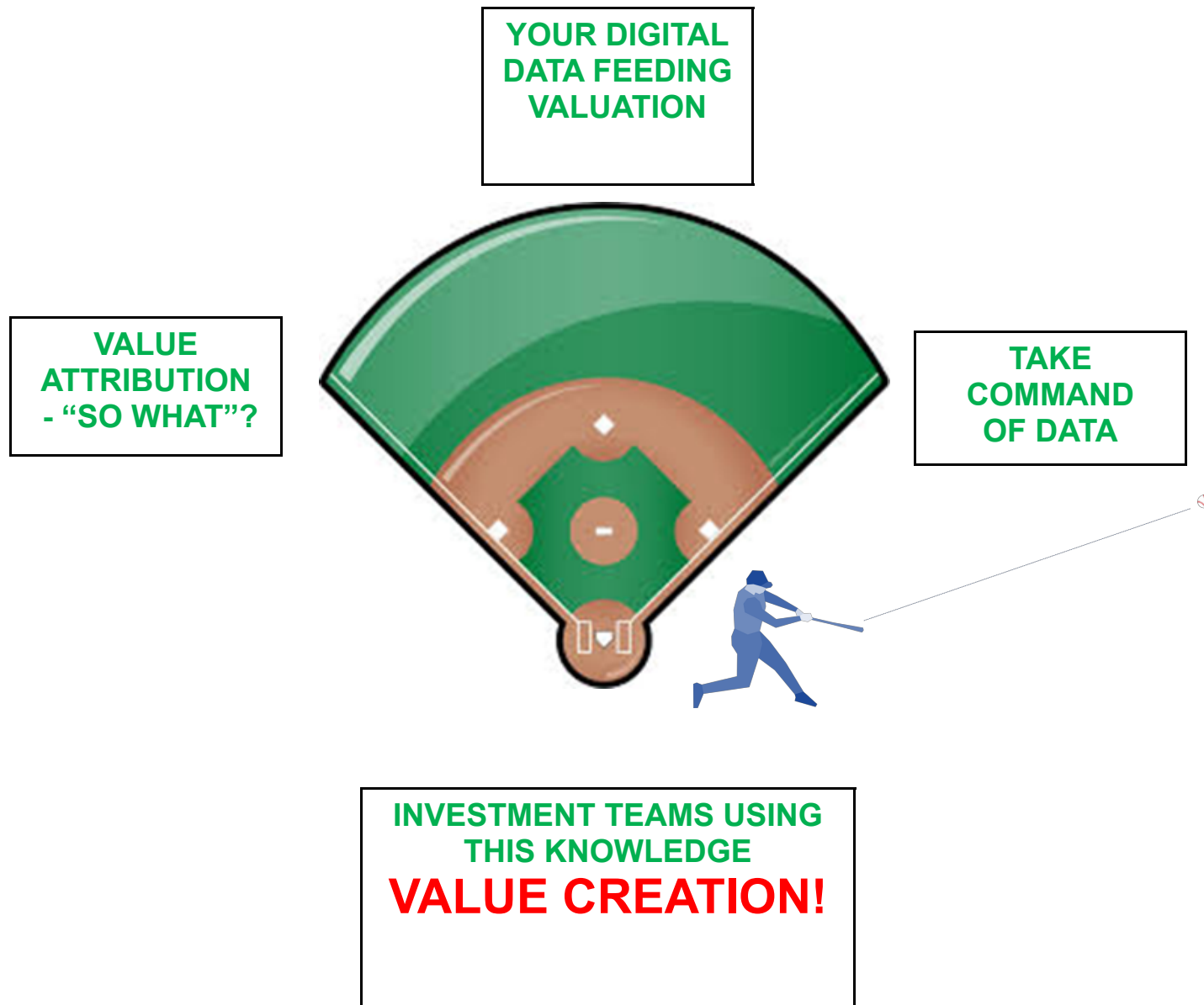


Sophisticated Valuation Software will take a PE Manager from the bench to a Home Run.



To 300 Attendees: *Where do you stand on your Valuation game?*



**YOUR DIGITAL  
DATA FEEDING  
VALUATION**

iLevel feeding Excel  
Models or iVal

21% on  
Second  
Base

21% Have Reached Second Base

**VALUE  
ATTRIBUTION  
- "SO WHAT"?**

Valuation results  
used to understand  
the strategy behind  
investments and  
identify tactics

13% on  
Third  
Base

**TAKE  
COMMAND  
OF DATA**

Capturing Data  
Efficiently on iLevel

15% on  
First  
Base

**INVESTMENT TEAMS USING  
THIS KNOWLEDGE  
VALUE CREATION!**

13% at  
Value  
Creation

38% still  
on the  
Bench

38% Are Still on the Bench

## INTERACT 2019 - VALUATION PANEL POLLING QUESTION

### **38% Are Still on the Bench**

More than one in three private market participants (38%) have not yet begun their journey towards data-driven valuation. These firms are running valuations using manual processes and spreadsheets, and their main goals are to get valuations done on time and without challenge.

### **15% Have Reached First Base**

Only 15% of participants have reached first base, which means they have begun the process of getting digital command of the data flow. This initial step involves digitizing the data and consolidating it into a single, validated source of truth.

### **21% Have Reached Second Base**

More than one in five participants (21%) report reaching second base, which means they not only maintain their portfolio data in a digital, cloud format, but are able to flow that data into their valuation process.

At this point, the firm is focused on using valuation data to track investment performance and escalate risks about the portfolio and certain investments. They are using valuation technology to automate the production of a standard valuation report that is as accurate and nuanced as one that would be produced by a portfolio valuation consultant.

### **13% Have Reached Third Base**

Only 13% of participants report that they have reached third base, which means that they are able to extract learnings such as value attribution to inform the valuation process going forward. Their use of technology is more advanced, and they are able to integrate richer data sets that support the objective measure of fair value using trade data, minute-by-minute debt pricing and developing country risk metrics.

### **13% Have Hit a A Home Run**

Another 13% of participants are demonstrating a best-practice approach to valuation. These early adopters have invested in data collection and analytics that enable them to make informed decisions about which companies to invest more or less in—and, in the case of LPs and fund of funds, which GPs to invest more or less in—and investment teams are using this knowledge to drive value creation.

# FUND TRANSPARENCY ADVISORY

## THE ROLE OF TECHNOLOGY IN THE VALUATION PROCESS

In the context of valuation we think of technology in 3 separate horizons: data management, valuation analysis and reporting standards

