



DATA MATURITY IN PE-BACKED COMPANIES | A ROADMAP FOR ENTERPRISE VALUE CREATION AND PRESERVATION

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CONTEXT AND FOUNDATIONS

Why Data Maturity Matters in the PE Environment

In the world of Private Equity, where time-bound investments must drive outsized returns, data plays a dual role:

- ✓ **A lever for value creation** (growth, margin expansion, M&A synergy)
- ✓ **A safeguard for value preservation** (risk mitigation, compliance, and transparency)

Yet, many portfolio companies (PortCos) struggle to realize the full potential of data due to fragmented systems, inconsistent metrics, and poor data quality, all exacerbated by rapid growth and competing priorities. These challenges aren't theoretical; they play out daily across PortCos of all sizes and industries, especially when rapid scaling, acquisitions, or legacy systems collide with the urgency of PE timelines. Consider these examples:

- A roll-up of **regional healthcare providers** had **12 different EHR and billing systems** across entities, each with unique definitions for "active patient." Leadership spent board meetings reconciling numbers rather than discussing outcomes, causing delay in EBITDA forecasting and care model decisions.
- A private equity-backed **clinical trials contract research organization** faced significant challenges with data integration and lacked a cohesive technology strategy. Their current technology-first approach was costly and unlikely to address underlying operational inefficiencies and governance issues.

- After growing acquisitively, a **distributor of construction materials had eight divisions running on eight different ERPs**. A lack of root cause visibility into performance discrepancies among divisions hindered leadership’s ability to manage the business with standardization and efficiency.
- A **B2B SaaS PortCo** expanding into new verticals struggled to **compare sales performance across business units** due to different CRM setups and inconsistent pipeline stage definitions. Management meetings were spent debating conversion rates instead of discussing go-to-market strategy.
- A **manufacturing business** pursuing global expansion had **ERP systems that varied by region**, each with its own SKUs and cost structures. The result: Their executive dashboards showed conflicting COGS metrics, making it difficult for leadership to plan pricing and product rationalization.
- In a **regulated fintech company**, past attempts to build analytics were derailed by **overlooked data privacy and compliance concerns**. Dashboards were then rebuilt from scratch to meet SOC 2 and GDPR standards, wasting time, increasing costs, and delaying insights to the operating team.

Patterns across these challenges point to a common root: misalignment between business strategy and data capability.

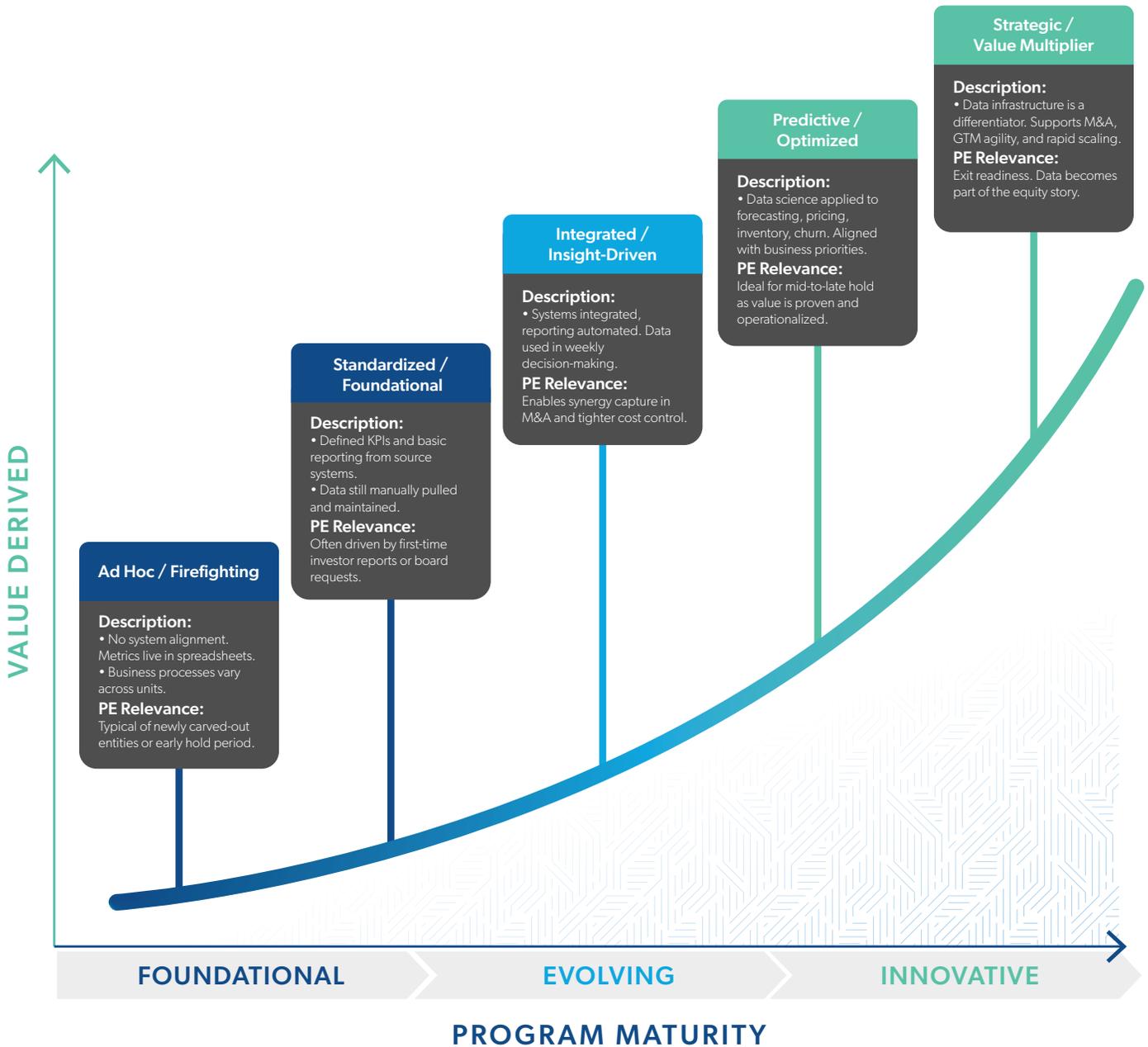
This framework addresses that gap, offering a tailored view of data maturity based on the key drivers of PE value creation. This model maps data maturity to guide improvement across five stages. Unlike generic models, it considers:

- ✓ **Investment Strategy:** Organic vs. acquisition-led growth.
- ✓ **Hold Period:** Data priorities shift from stabilization to scale to readiness for exit.
- ✓ **Business Application Strategy:** Centralized instances vs. federated systems.
- ✓ **Exit Path:** Strategic sale, merger, or IPO.
- ✓ **Other Strategic Initiatives:** ERP deployment, go to market changes, or talent transformation may compete with or complement data efforts.
- ✓ **Historical Lessons:** Previous wins or failures in data projects shape the path forward.

We believe that data maturity must be intentional, not incidental, and that the journey must balance agility with discipline.



AT A GLANCE: THE FIVE LEVELS OF DATA MATURITY

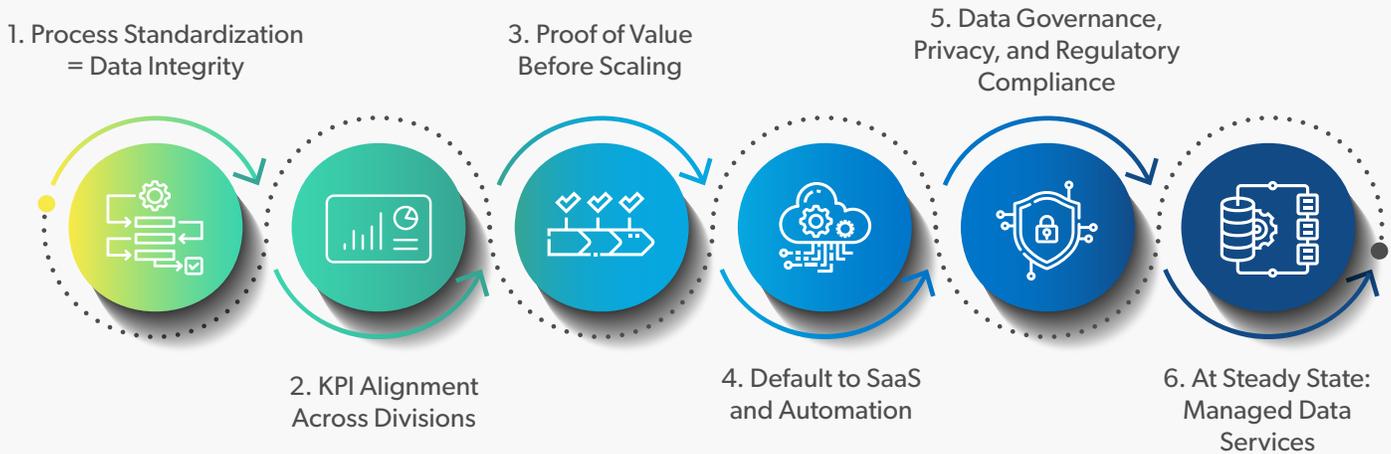


A DEEP DIVE INTO THE FIVE LEVELS OF DATA MATURITY

Level	Description	Value & Risks	How to Advance	GenAI Readiness	PE Relevance
1. Ad Hoc / Firefighting	<ul style="list-style-type: none"> No system alignment. Metrics live in spreadsheets. Business processes vary across units. 	<ul style="list-style-type: none"> Low value. Decisions are reactive and sometimes wrong. No audit trail or trust in KPIs. 	<ul style="list-style-type: none"> Conduct a Strategic Data Roadmap. Focus on process standardization and define which KPIs matter and how to measure them. 	<ul style="list-style-type: none"> Consider GenAI for summarizing qualitative data (e.g., customer feedback, frontline insights) to inform initial hypotheses. 	<ul style="list-style-type: none"> Typical of newly carved-out entities or early hold period.
2. Standardized / Foundational	<ul style="list-style-type: none"> Defined KPIs and basic reporting from source systems. Data still manually pulled and maintained. 	<ul style="list-style-type: none"> Reliable descriptive reporting. Some time savings. But still limited to hindsight. 	<ul style="list-style-type: none"> Start sprint-based implementations to show proof of value. Standardize metric definitions across BUs. 	<ul style="list-style-type: none"> Pilot GenAI for tasks like auto-generating performance summaries or variance analyses in management reports. 	<ul style="list-style-type: none"> Often driven by first-time investor reports or board requests.
3. Integrated / Insight-Driven	<ul style="list-style-type: none"> Systems integrated, reporting automated. Data used in weekly decision-making. 	<ul style="list-style-type: none"> Decisions are faster, better, and consistent. Functional leaders trust insights. 	<ul style="list-style-type: none"> Implement a scalable data platform (preferably SaaS unless regulatory concerns exist). Focus on business use cases. 	<ul style="list-style-type: none"> Introduce GenAI for dynamic Q&A against dashboards and to generate meeting prep materials or executive summaries. 	<ul style="list-style-type: none"> Enables synergy capture in M&A and tighter cost control.
4. Predictive / Optimized	<ul style="list-style-type: none"> Data science applied to forecasting, pricing, inventory, churn. Aligned with business priorities. 	<ul style="list-style-type: none"> Competitive edge. Smart growth decisions. Business units proactively respond to signals. 	<ul style="list-style-type: none"> Embed analytics in operations. Introduce self-service BI. Validate data governance framework. 	<ul style="list-style-type: none"> Use GenAI to simulate strategic decisions (e.g., pricing, resource planning), auto-draft insights, and generate scenario playbooks. 	<ul style="list-style-type: none"> Ideal for mid-to-late hold as value is proven and operationalized.
5. Strategic / Value Multiplier	<ul style="list-style-type: none"> Data infrastructure is a differentiator. Supports M&A, GTM agility, and rapid scaling. 	<ul style="list-style-type: none"> Strategic buyer or IPO-ready. High valuation multiple justified. 	<ul style="list-style-type: none"> Adopt Managed Services to reduce run-rate cost and ensure platform continuity. Keep governance tight and forward-looking. 	<ul style="list-style-type: none"> Establish a DataOps + GenAI operating model. GenAI co-pilots can assist with operational decisions, regulatory narrative generation, and ongoing insight delivery across functions. 	<ul style="list-style-type: none"> Exit readiness. Data becomes part of the equity story.



KEY ENABLERS AND GUARDRAILS



1. Process Standardization = Data Integrity = Better Decisions

Technology Alone Isn't the Silver Bullet

Too often, portfolio companies believe that investing in a modern data platform, BI tool, or cloud migration will automatically solve their data challenges. But **technology without process discipline is just shelfware in disguise**. No tool, no matter how powerful, can compensate for broken, inconsistent, or undocumented business processes.

Bad processes create bad data, and bad data leads to misinformed decisions. For example, if two business units define “customer churn” differently, even the most sophisticated dashboard will surface conflicting insights. If sales stages aren't standardized in your CRM, your pipeline forecast will be fiction, not foresight. These are not tech problems. They're process and governance problems.

To build a sustainable data program that creates measurable value, understand these points.

- **Process and data must mature together.** You can't separate what's being measured from how the work is done.
- **Data governance must be established early**, including ownership, definitions, and validation rules.
- **Data quality frameworks** must be embedded into upstream workflows, not retrofitted later under executive pressure.

Without these foundations in place, even well-intentioned data initiatives will stall, fail, or fall short of ROI expectations. Worse, they can erode trust in the data itself, creating skepticism in the very leadership conversations data is supposed to inform.

That's why the most successful PortCos treat technology as **an enabler**, not **the solution**. They invest in process standardization and governance first, then scale tools and platforms once the business is aligned and ready. This approach ensures that data not only supports day-to-day decisions but also drives long-term value creation and exit readiness.

QUICK STORY: A private equity-backed clinical trials clinical research organization (CRO) was struggling with fragmented data, rising technology costs, and a lack of alignment between operations and strategy. Their tech-first approach overlooked fundamental process inefficiencies and lacked the governance needed for scale. We led a **Strategic Data Roadmap (SDR)** that prioritized deep stakeholder engagement and detailed mapping of core business processes to surface key performance gaps. Our recommendations centered on building the right foundation (standardized process documentation, enterprise data infrastructure) and a data catalog, to drive integration and clarity into KPIs. This work realigned the organization around measurable performance, enabled a cultural shift toward data-informed decisions, and established a scalable path to operational excellence and long-term value creation.

2. KPI Alignment Across Divisions

One of the most overlooked risks in data strategy is the false sense of alignment that comes from using the same KPI names across the business but calculating them in different ways.

Success hinges not just on picking the right KPIs, but achieving consistency in how they're defined, sourced, and calculated across all business units and functions. If one region includes renewals in "new revenue" while another doesn't, or if churn is calculated monthly in one division and quarterly in another, executive dashboards will mislead rather than inform. This creates confusion in operating reviews, mistrust at the board level, and friction between departments.

As companies grow, especially through acquisition, this challenge compounds. Each acquired entity brings its own logic, systems, and definitions. Without intentional standardization, data teams spend more time reconciling reports than delivering insights.

To avoid this, **successful PortCos should adopt a structured KPI alignment and prioritization model**, grounded in two key principles:

Cross-Functional KPI Harmonization

- Bring Finance, Operations, Commercial, and Product teams together for uniform metric definitions.
- Establish a **data dictionary** to ensure consistent logic and naming conventions across dashboards and systems.
- Make this part of onboarding for new teams and acquired entities.

Value x Feasibility Prioritization

- Not all KPIs are created equally. Start by identifying the metrics with the **highest business impact**, those directly tied to strategic levers like revenue growth, margin expansion, or customer retention.
- Next, assess **feasibility**: How easily can this data be accessed, standardized, and automated?
- Plot metrics on a **Value vs. Feasibility Matrix** to identify which to tackle first and where to run sprints to prove impact.

This model ensures that early wins are both **impactful and achievable**, building momentum and credibility across the organization. It also reinforces the idea that **data is not just a reporting function; it's a strategic enabler**.

3. Proof of Value Before Scaling

Many PortCos have been burned by ambitious data initiatives that promised transformational change but delivered bloated timelines, cost overruns, and little to no measurable value. These failures often stem from a **“boil the ocean” mindset**: trying to fix everything, integrate every system, and solve every data issue at once. In a PE-backed environment, where time and capital are constrained, that approach is unsustainable.

Instead, **successful data programs start small, move fast, and scale only after proving value.** Here’s how.

Identify a High-Impact Use Case

Start by partnering with business leaders to pinpoint a use case where **data can clearly drive operational or financial improvement.**

- ✓ Improving sales pipeline forecasting
- ✓ Reducing inventory waste through better demand visibility
- ✓ Enhancing customer retention by targeting churn risks

These use cases are easy to tie back to the investment thesis and demonstrate ROI to the management team and board.

Deliver in Agile Sprints (Weeks, Not Months)

Structure the work in short, focused sprints that produce **tangible outcomes quickly**: a working dashboard, an automated report, or a predictive model. This approach builds momentum and shows the business what’s possible. It also enables course correction early, reducing risk.

Avoid the trap of designing a 12-month roadmap with no outputs for six months. In PE-backed environments, you need **early wins that earn executive trust** and justify further investment.

Expand Only After Proving Business Value

Once the initial use case has delivered impact and been adopted by the business, expand logically.

- Reuse the data foundation to enable adjacent use cases.
- Involve additional business units or functions.
- Layer in automation, advanced analytics, or GenAI once fundamentals are in place.

This staged approach ensures that every step up the maturity curve is justified by real outcomes, not just technical achievement.

Quick Story: Following a series of acquisitions, a multi-division industrial firm found itself operating eight different ERPs with no unified view of performance, making it nearly impossible for leadership to manage consistently or identify root causes of inefficiencies. To demonstrate proof of value quickly, we focused on high-impact areas within Quote to Cash and Procure to Pay, aligning on critical KPIs and standardizing data across divisions. Leveraging Matillion and Snowflake, we built a centralized data pipeline and delivered a suite of 30 dashboards to give both corporate and divisional leaders real-time, actionable insights. The result: improved process consistency, proactive customer retention strategies, and a new commodity-based pricing capability projected to drive more than \$5M in annual revenue, validating the business case for broader transformation.



4. Default to SaaS and Automation (Unless Regulated Otherwise)

In the fast-paced world of Private Equity, where time to value and lean operations are paramount, PortCos need solutions that are **portable, scalable, and low-overhead**. That's why a **SaaS-first approach** should be the default when building a modern data ecosystem.

SaaS Delivers What PortCos Need Most:

- **Faster Time to Value**
SaaS platforms are quicker to deploy and require less infrastructure, enabling faster implementation and earlier ROI. This is critical in a hold period where every month matters.
- **Lower Internal Support Burden**
Unlike on-prem or custom-built platforms, SaaS solutions include vendor-managed upgrades, maintenance, and monitoring, freeing up internal teams to focus on insights, not infrastructure.
- **Built for Integration**
Modern SaaS tools are API-first and plug easily into cloud data warehouses, analytics platforms, and enterprise applications. This accelerates time to insight and future-proofs your architecture.
- **Exit-Ready by Design**
Whether the exit is a sale to a strategic buyer or a carve-out, SaaS-based systems are easier to scale, migrate, or divest, creating flexibility when it matters most.

Context Matters. Regulatory Constraints May Require Nuance

Certain industries like health care, financial services, and defense face **non-negotiable regulatory or data residency requirements**. In those cases:

- Review compliance needs up front (e.g., HIPAA, SOC 2, FedRAMP).
- Consider hybrid or private-cloud SaaS options.
- Apply rigorous data governance and encryption protocols.

Still, the starting point should be a **SaaS-first lens**, adjusting only where real constraints exist. Too often, companies default to on-prem or custom stacks out of habit, not necessity, which increases technical debt and limits agility.

5. Data Governance, Privacy, and Regulatory Compliance

As a portfolio company moves up the data maturity curve from manual reporting to advanced analytics and AI, the volume, velocity, and visibility of data increases exponentially. So do the associated risks.

To protect the business, ensure trust in the data, and enable scale, any data strategy must embed the following foundational guardrails, not just at the beginning, but especially from **Level 3 (Operational Reporting) onward**:

Data Governance

- Define who owns the data, who stewards it, and who's accountable for quality and access.
- Implement clear data definitions, metadata management, and lineage tracking to avoid multiple versions of the truth.
- Build governance councils that include both business and technical leaders. To be successful, this can't be IT's job alone.

Data Privacy

- With the proliferation of customer, employee, and transaction data, privacy protections must be intentional, not reactive.
- Design solutions with GDPR, CCPA, and HIPAA in mind, especially if data is shared across platforms, regions, or business units.
- Adopt "privacy by design" principles, where protection is built into architecture, not bolted on after rollout.

Regulatory Compliance

- Know your vertical's landscape: SOX (financial reporting controls), SEC (disclosures), FDA (clinical data), or others may impose specific requirements on data collection, access, audit trails, and retention.
- Ensure your architecture, tools, and workflows support these compliance frameworks without manual workarounds or retrofitting.

Why It Matters for PE and PortCo Leadership

- Lack of governance or non-compliance can derail diligence or reduce valuation at exit.
- Misuse of data damages reputation and erodes trust with customers and investors.
- Regulatory scrutiny is rising, and penalties are increasingly severe, especially in regulated sectors like health care, financial services, and consumer products.

By Level 3, a PortCo's data influences decisions across the organization. From that point on, **governance and compliance are not optional**; they're essential. Getting it right early protects enterprise value, creates trust, and avoids costly rework later.

6. At Steady State: Managed Data Services

Once foundational data capabilities are in place (reporting pipelines, governance frameworks, data models, and analytics tools) the challenge becomes **sustaining and scaling** those capabilities without bloating internal teams or losing momentum.

This is where **Data Managed Services** come in. They provide a cost-effective, reliable way to maintain data operations while freeing up internal teams to focus on growth and strategic priorities.

Key Benefits for PE-Backed Companies

✔ **Reduced Internal Headcount Requirements**

Avoid overbuilding internal data teams. Managed Services bring the right talent mix of engineers, analysts, and data stewards on demand, with the flexibility to scale up or down as needed.

✔ **Continuous Improvement**

A good Managed Services partner doesn't just "keep the lights on." They continuously tune performance, expand automation, improve data quality, and evolve your platform as your business changes.

✔ **Exit and Transition Stability**

Whether you're prepping for an exit, merging, or divesting business units, Managed Services create continuity, preserving key institutional knowledge and data operations even if internal teams turn over.

✔ **Cost Predictability**

Managed Services provide a defined monthly or quarterly cost structure, ideal for budgeting during a hold period or preparing financial models for a transaction.

Why It Matters

In the private equity context, sustaining value is just as important as creating it. Managed Services provide operational leverage, continuity, and cost control, enabling leadership to stay focused on top-line growth, market dynamics, and exit execution. They're not a postscript to the strategy. They're integral to keeping that strategy intact and preserving value after it's created.



CLOSING THOUGHTS: UNLOCKING VALUE THROUGH DATA MATURITY

WHY ACT? WHY NOW?

Private equity-backed companies operate under intense pressure to generate meaningful outcomes quickly through organic growth, acquisitions, operational efficiency, or preparation for a strategic exit. Yet too often, data remains underutilized due to fragmented systems, unclear ownership, and inconsistent processes.

Now, with the rise of **Generative AI (GenAI)**, both stakes and opportunities have never been higher. GenAI has the potential to accelerate insight generation, automate knowledge tasks, and create personalized customer and employee experiences. But the effectiveness of these tools depends entirely on the **quality, structure, and availability of your underlying data**.

A clear understanding of your data maturity level enables you to:

- ✓ Align leadership on priorities across operations, finance, sales, and product teams, ensuring informed decisions rather than instinctive ones.
- ✓ Identify and quantify gaps that hinder performance, reporting, or integration.
- ✓ Prioritize initiatives that create measurable impact to focus time and capital where it matters most.
- ✓ Support acquisition integration by creating consistency in KPI definitions, data architecture, and governance practices.
- ✓ De-risk the path to exit with cleaner systems, better analytics, and scalable solutions that buyers expect.
- ✓ Prepare your organization to responsibly adopt GenAI use cases by ensuring the foundation (data governance, quality, lineage, and access) is in place.

Bottom line: Generative AI will widen the gap between data-forward organizations and those still wrestling with basic reporting. Understanding your maturity today is the fastest path to building readiness for tomorrow and unlocking both short-term operational gains and long-term strategic advantage.

HOW RESULTANT HELPS PE FIRMS AND PORTFOLIO COMPANIES

Resultant specializes in helping private equity investors and their portfolio companies translate complex data and technology landscapes into tangible business outcomes. Whether you're early in your hold period or preparing for exit, we meet you where you are.

By assessing and advancing your data maturity, you unlock smarter decisions, faster integrations, and greater enterprise value.



Strategic Data Roadmaps to baseline your maturity and develop a roadmap tailored to your business model and investment strategy

Sprint-based implementation of data platforms, analytics use cases, and KPI alignment to demonstrate proof of value early and often

Modern data architecture design focused on SaaS-first, scalable tools for ease of use, portability, and speed to insights

Ongoing Data Managed Services to reduce operational overhead while maintaining and enhancing your data ecosystem

Integrated approach to data governance, privacy, and compliance, ensuring your solutions meet today's regulatory expectations

ABOUT RESULTANT

We know solutions are more valuable, transformative, and meaningful when reached together. That's why we build teams comprised of experts in your field who understand the challenges and landscapes you navigate in addition to technology experts. Through outcomes built on solutions rooted in data analytics, technology, and digital transformations, Resultant serves as a true partner by solving problems with our clients, rather than for them.