

THINKING ABOUT A ROLE IN A PE BACKED BUSINESS?

I've been asked about this a lot recently, top leaders catch wind of huge payouts, then wonder, "What's stopping me?" Might work out. Or flop especially if the setting doesn't suit you.

Here's what it actually looks like.

Equity

This is the headline. Get in when it counts, hit their targets while pushing results forward then the upside can be life changing.

Usually you'll see:

- A real piece of equity
- Sweet equity for senior hires
- Earn-out tied to exit value
- A chance at a "second bite" if the business moves into a new cycle

Keep calm when seeing huge figures, grasp the specifics first.

Pace

Things shift quickly. Choices get made, no endless talks dragging on for two months with no results. When you thrive working at speed and thinking fast, it's a good place to be.

Understanding

PE firms usually come with a game plan, tweak it, grow it or rebuild it from scratch. This kind of direction feels like a weight off the shoulders for many bosses. One clear goal at a time keeps everyone focused without confusion piling up down the line.

The areas folks usually ignore:-

It's high pressure

Average effort doesn't cut it. Each three months matters whether you're ready or not. The next few years? More like running full speed from day one.

It's messy

Faster speed means stuff fails. What matters changes fast. First, you're working on X then out of nowhere, it's all about Y for weeks. Adapt quick or get left behind.

Accountability is real

Promise a thing, do the thing. Hit trouble? Speak up fast. Own your moves, no excuses. Some love this. Some can't stand it.

You could feel on your own

Some private equity companies lack a complete management setup. Other times, you're the one holding it together. Folks count on you to create clarity, steady progress, plus solid outcomes.

Every PE case works differently

This is overlooked way more than everything else.

You might walk right into:

- Growth (needs to get bigger)
- Turnaround (Fixing what's gone wrong)
- Buy & Build (Acquisitions and integration)
- Exit prep (Fix things quickly before selling)

Different situations. Yet each brings its own pressure. While some require focus, others need quick thinking.

Money beyond equity

Shares grab attention, yet on a daily basis, it's the actual money that keeps things running like wages or bonuses instead of stock options

- Base- usually less than corporate rates
- Bonus (usually tied closely to EBITDA)
- LTIP vs sweet equity
- Or perhaps they'll expect a co-investor

It's important to fully understand the quantum.

Personal impact

People underestimate this.

PE life affects:

- Your time
- Your family
- Your headspace
- Your energy

Weekly board updates, endless reporting on top of tight deadlines can wear you down. Maybe pause a sec before replying with a yes.

Board reality

Quick pace. Tough, probing questions - fewer tales, just stats.

They aren't after a story. Instead, they're looking for tools that work, real results, proof you can see.

If you like being stretched, this'll feel great. Otherwise, it might be rough.

Check this stuff first before you agree

1. Where do they stand right now?

New money going in? Market's halfway through? Getting ready to divest?

Your workload might go up or down - it really hinges on this. Stress levels? They're tied to it too. The good side? That's connected as well.

2. What's really being repaired or built?

Growth, margin, turnaround?

Figure out what's really wrong. Taking random stabs at it? That tends to backfire.

3. Are the CEO, Chair and PE partner aligned?

If these three don't line up, every little thing after feels tougher than needed.

4. What does winning look like?

Year one. Mid-cycle. Exit.

If they can't explain it simply, it could be a red flag.

5. Here's what actually matters about the equity situation?

Vesting, hurdles, valuation, dilution scenarios.

This needs to be clear, not ambiguous.

Things to Ask

- What's the investment story in one sentence?
- What's holding things back most at the moment?
- What's the cash position?
- How many senior people left or arrived in the last two years?
- What if we don't hit goals in two straight quarters?

Basic questions can show plenty.

People who ought to skip this

If you want steady results, clear outcomes, or help from a large firm, this might feel frustrating instead. But if flexibility matters more than structure, it could still work out fine just depends on your priorities.

If you care more about agreement than getting things done, you'll run out of steam quick.

A job backed by private equity might shift your path especially if you like fast pace, taking charge, or owning outcomes. Not many places allow you to craft something solid while seeing clear returns from your effort.

Take it slow, don't rush in. Get clear on where things stand. Know what's expected from you. Figure out how equity works here. Then see if this chance lines up with your real goals.

When these match up, could be a smart play and you'll want to do it again and again.