

## **Private Equity Hiring Trends – Q1 2017**

2017 Q1 begins with a 0.11 percent increase in Private Equity and Venture Capital employment opportunities. While this small increase may seem unimpressive at first blush, it does represent a positive swing of 10 percent from 2016 Q4 results.

### **Private Equity and Venture Capital Employment Trends: 2014 Q3 – 2017 Q1**

Venture Capital saw \$16.5 billion invested in 2017 Q1 and, according to *Pitchbook*, the exit market is showing promise with 15 VC backed companies filing an IPO during Q1.

Moreover, more than one-half of Q1 deal value was invested on the West Coast, which no doubt contributed to the 4 percent increase in California job openings.

### **Private Equity and Venture Capital Employment Trends by Job Category: 2014 Q3 – 2017 Q1**

Accounting and Control job openings halted their slide in 2017 Q1, showing neither a gain nor a loss in the number of job openings. The Investment group, the Legal group and the Marketing and Investor Relations group did not fare so well, declining 2.82 percent, 27.5 percent, and 16.45 percent, respectively.

2017 Q1's big winner was the 'Other' group, which saw an employment index increase of 45.92 percent.

### **Job Search Digest Index of Private Equity and Venture Capital Employment by Top 5 Job Title Groups: 2014 Q3 – 2017 Q1**

Private Equity and Venture Capital employment opportunities in 2017 Q1 was marked by increased employment opportunities in 3 of 5 job title groups. The 2 groups to experience declines in demand this quarter are the Attorney/Counselor/Solicitor group and the Accountant / Jr./Sr. Accountant / Financial Reporting groups, which declined 30.40 percent and 33.27 percent respectively.

Fund Operations saw the largest increase in Q1 at 25.83 percent. The Associate / Sr. Associate / PE Associate / VC Associate group and Jr/Sr Analyst /Analyst / Investment Analyst group declined a modest 4.40 and 5.11 percent, respectively.

### **Private Equity and Venture Capital Employment Trends for the Top 6 Geographies**

Three of six geographies tracked by *Job Search Digest* suffered declines in job openings, the largest of which occurred in the UK, which experienced a 23 percent drop in available positions. New York was handed its fourth running quarterly decline of 16 percent, while Europe (Other) declined 14.6 percent.

The California index rose by 4.01 percent. U. S.(Other) gained almost 25 percent and Asia experienced a strong rebound, gaining 19 percent.

## Private Equity and Venture Capital Employment Distribution by Geographic Area

North American job openings increased by 8.57 percent in 2017 Q1, building on 2016 Q4 gains of 12.90 percent.

### *Global Map*

Europe, Australia and New Zealand, and the United Kingdom experienced downturns in job openings, in 2017 Q1, falling 14.8 percent, 21.71 percent, and 23 percent, respectively.

North America, Asia, and “Other”, reported increases of 8.57 percent, 18.91 percent, and 3.83 percent, respectively.

*Pitchbook's* 2017 Q1 report on Mergers and Acquisitions confirms that North America is at the top of the leader board, with 2026 deals, followed by Europe with 1611 deals, and the remaining 264 deals were spread throughout the rest of the world.

### *U.S. Map*

California and U.S. (Other) employment indexes have experienced continued job opportunity growth in the past 2 quarters, while New York has experienced significant declines in the same period.

The robust tech sector of Silicon Valley and, more broadly, the West Coast and increased activity in the energy sector has positively impacted Texas and the Dakotas.

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## Private Equity Hiring Trends – Q2 2017

Overall, Private Equity and Venture Capital job openings increased 2.61 percent in 2017's second quarter. This marks 2 back-to-back quarters of positive movement in the index. Fed rate hikes have occurred in each of the first 2 quarters of 2017, possibly tamping down employment index growth, as PE and VC firms become more cautious.

### Private Equity and Venture Capital Employment Trends: 2014 Q3 – 2017 Q2

Private Equity fund raising in 2017 Q2 eclipsed Q1 results (\$76.1 billion), reaching \$106.2 billion, according to *Pitchbook*.

The 2017 Q2 deal count of 1333 took a precipitous 23.3 percent drop from 2017 Q1's deal count of 1738. Private Equity exits also fell just over 15 percent in 2017 Q2 as compared to 2017 Q1. However, capital exited exceeded 2017 Q1 by more than \$9 billion, according to *Pitchbook* data.

### Private Equity and Venture Capital Employment Trends by Job Category: 2014 Q3 – 2017 Q2

In 2017 Q2, 3 of 5 job categories showed positive movement, led by Legal Compliance which surged by 22.11 percent as compared to Q1. The category 'Other' was a distant second at 10.3 percent, while Accounting and Control brought up the rear with an increase over Q1 of 6.65 percent.

Negative index gains were dealt to Marketing and Investor Relations, which suffered a 27.44 loss in job openings. Investment openings fell a comparatively modest 1.48 percent.

#### **Job Search Digest Index of Private Equity and Venture Capital Employment by Top 5 Job Title Groups: 2014 Q3 – 2017 Q2**

Accountant / Jr./Sr. Accountant / Financial Reporting is the standout group in 2017 Q2, reporting a 60.53 percent increase in job openings, followed by the Jr/Sr Analyst /Analyst / Investment Analyst group, which gained 10.55 percent. The Attorney/Counselor/Solicitor group saw neither gain nor loss in Q2.

Declines in Q2 occurred in 2 groups, Associate / Sr. Associate / PE Associate / VC Associate group and the Fund Operations group, each of which declined by 13.35 and 4.35 percent, respectively.

#### **Private Equity and Venture Capital Employment Trends for the Top 6 Geographies**

Four of six geographies tracked by *Job Search Digest* suffered declines in job openings, the largest of which occurred in California, which experienced a 9.8 percent decrease in job openings. U. S.(Other) declined a modest 0.39 percent and Asia's index fell 3.31 percent. The UK did not participate in the job recovery enjoyed by Europe (Other), falling by 6.36 percent, thus marking the third straight quarter of its falling index.

New York having posted declines in the 4 previous quarters, posted a modest gain of 4.19 percent in Q2. Europe (Other), in a stunning reversal of fortunes, saw an employment index gain of 54.49 percent.

#### **Private Equity and Venture Capital Employment Distribution by Geographic Area**

Following 2 consecutive quarters in which job openings increased, North American job openings declined by 5.2 percent in 2017 Q2.

#### ***Global Map***

Australia and New Zealand saw their number of PE and VC firm job openings increase threefold, Europe experienced 50 percent growth and 'Other' grew by just over 48 percent.

The United Kingdom, North America, and Asia saw their numbers shrink by 8.77, 5.20, and 5.83 percent, respectively.

*Pitchbook's* 2017 Q2 report on Private Equity Exits confirms that North American firms led the world with 264 exits, followed by Europe with 196 exits, and the remaining 29 exits were spread throughout the rest of the globe.

#### ***U.S. Map***

California suffered a setback of 9.28 percent in 2017 Q2, while New York saw its first increase following 4 consecutive quarters of decline. U.S. (Other) saw a modest decline of less than 1 percent.

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## **Private Equity Hiring Trends – Q3 2017**

2017 Q3 closed with barely an increase (0.31 percent) in the *JSD* employment index. According to data provided by *Pitchbook*, median fund size has been on the increase since 2015, and currently sits at \$265 million, this is the highest dollar value for PE (all types) median firm size since 2006. Is it possible that the efficiency gained from having fewer but larger firms has resulted in fewer job opportunities?

### **Private Equity and Venture Capital Employment Trends: 2014 Q3 – 2017 Q3**

To quote *Pitchbook*, “Deal volume through the first three quarters of 2017 is down 11% compared to the first three quarters of last year. Several factors may be fueling the reluctance to complete deals, with some of the biggest centering on price and quality.”

Deal value is on track to end considerably below 2016 levels as well. *Pitchbook* also confirms that add-ons remain an important factor in U.S. buyouts, representing 64 percent of all buyouts in Q3.

### **Private Equity and Venture Capital Employment Trends by Job Category: 2014 Q3 – 2017 Q3**

Marketing and Investor Relations rebounded from Q2's 27.44 percent loss, surging by almost 130 percent. Investment openings rose a comparatively modest 19.89 percent, while Accounting and Control had another moderate gain in open positions of 8.68 percent, earning the distinction of being the only job category whose index experienced no decline in 2017.

Following 4 straight quarters of demand, the job category 'Other' marked an index decline of 41.42 percent. Conversely, the Investment category index gained 19.89 percent, its first time in positive territory this year. Legal Compliance fell 19.77 percent, resulting in 3 of 5 job categories having positive results in this quarter.

### **Job Search Digest Index of Private Equity and Venture Capital Employment by Top 5 Job Title Groups: 2014 Q3 – 2017 Q3**

Three of five job title groups fell victim to declines in Q3, with the Attorney/Counselor/Solicitor group suffering the largest drop of 43.67 percent, followed by the Jr/Sr Analyst /Analyst / Investment Analyst group and the Fund Operations group, each of which declined by 16.18 and 10.4 percent, respectively.

Q2 gainers were led by the Associate / Sr. Associate / PE Associate / VC Associate group and the Accountant / Jr./Sr. Accountant / Financial Reporting group, which showed index increases of 13.62 and 4.82 percent, respectively.

#### **Private Equity and Venture Capital Employment Trends for the Top 6 Geographies**

2017 Q3 saw declines in 3 of 6 geographies tracked by *Job Search Digest*. New York took the biggest hit, with an index that fell 22.28 percent. Europe Other and U.S. Other rounded out the decliners, losing 9.38 and 5.57 percent, respectively.

The UK saw its index gain 18.72 percent, marking its first time in positive territory in 2017, while California's index surged 12.82 percent, and Asia enjoyed a respectable 8.25 percent gain.

#### **Private Equity and Venture Capital Employment Distribution by Geographic Area**

North American job openings declined by 6.53 percent in 2017 Q3, marking two consecutive quarters of decline.

##### *Global Map*

Asia, the UK and Other saw increases in Private Equity and Venture Capital employment, rising 7.95, 18.42, and 2.24 percent, respectively. Europe, North America, and Australia/New Zealand, on the other hand, saw numbers shrink by 9.46, 6.53, and 20.83 percent, respectively.

*Pitchbook's* 2017 Q3 report on Private Equity reports that “PE firms continue to raise ever-larger sums across fewer funds. US-based funds raised \$62.4 billion in 3Q 2017—the most of any quarter since 2Q 2014.”

##### *U.S. Map*

In California job opportunities have grown in 2 of 3 quarters in 2017, while New York has seen these opportunities dwindle in 2 of 3 quarters in 2017.

