

How OneStream Delivers Value for Private Equity Companies

[This article first appeared on OneStreamSoftware.com John O'Rourke](#)

Private equity investors have become a powerful force in today's capital markets. With a reported \$1.5 trillion in cash as of January 2020, private equity investors have bolstered many private companies and have also purchased public companies and taken them private in order to fund new technology, make acquisitions, or restructure them and solidify their balance sheets.

With broad portfolios of companies to manage, private equity companies have unique needs when it comes to financial reporting, planning, forecasting, and business analysis and many are turning to OneStream's unified [CPM software](#) solution as their platform of choice for these critical Finance processes.

Conquering Complexity in Private Equity

Picture a private equity company with say 100+ portfolio companies to manage and report the financial results on. There's quite a bit of complexity involved in collecting and consolidating financial results from 100+ companies and reporting results to stakeholders on a monthly and quarterly basis. Then there's the challenge of tracking and managing new investments and acquisitions as well as spinouts and divestitures.

From a planning and forecasting perspective, there's the need to collect updated forecasts from portfolio companies on a regular basis, and a diverse workforce that must be considered in budgeting for salaries, benefits, and compensation.

And if getting access to summarized financial results from 100+ portfolio companies isn't hard enough, consider the need to gain visibility into the more detailed operating results of portfolio companies. It's a tall task indeed.

That's why a growing number of private equity companies are turning to OneStream as their strategic corporate performance management (CPM) platform. Private equity companies such as Antares Capital, Benchmark Holdings, The Carlyle Group, Main Street Capital, Melrose PLC, and many others are leveraging OneStream to conquer the complexity of [financial close and consolidation](#), [planning and forecasting](#), [reporting and analysis](#) of their financial and operating results.

OneStream in Action

Here are a few examples of how OneStream is delivering value for private equity companies.

Main Street Capital Corporation is a publicly traded company (NYSE: MAIN) who manages investment capital in excess of \$4 billion. Main Street provides long-term debt and equity capital to lower middle market companies and debt capital to middle market companies. Their portfolio companies use a variety of accounting systems, including QuickBooks, Sage, Great Plains and others.



Before implementing OneStream, financial results from ~85 portfolio companies were collected in many different formats - such as Excel, PDFs, etc. for consolidation and reporting at the parent company level. Now with direct access to OneStream, portfolio companies enter their month-end trial balances directly into the system for consolidation, which has reduced the process of collecting, consolidating and reporting the results from 5 days to 30 minutes.

In addition to the control and accuracy this provides to the Finance team, they can also load budgets and perform actual vs. budget reporting in OneStream and gain better visibility into the operating results of portfolio companies. After their initial implementation, Main Street Capital extended their OneStream application to support free cash flow, debt waterfall, capital allocation and dividend income forecasting. As a result, they are now able to continuously forecast for ~85 portfolio companies within a centralized framework and accurately plan capital investments, and track results across the entire portfolio.

is a global alternative asset manager based in Washington, DC, with offices on six continents. Carlyle invests across four segments - Corporate Private Equity (buyout and growth capital), Real Assets (real estate, infrastructure, and energy), Global Market Strategies (structured credit, mezzanine, distressed, hedge funds, and middle market debt), and Investment Solutions (funds that invest in private equity funds).



The Carlyle Group was looking to simplify their CPM landscape by combining three disparate tools into a single platform. Additionally, they were seeking a modern, extensible platform that was scalable to

meet current and future business needs. The Carlyle team evaluated several alternatives and selected OneStream based on its ability to unify and replace their existing financial and HR planning systems, as well as Oracle Hyperion Financial Management (HFM) for financial consolidation and reporting, and other point solutions such as [account reconciliations](#).

The implementation of OneStream has resulted in significant process improvements for Carlyle. For example, consolidating a full year of GAAP actuals was reduced by 50% while including significantly more detail than was previously loaded in Hyperion (e.g., project-level details). They were also able to achieve significant process improvements in budgeting and planning. For instance, submitting revenue and expense budget updates and reviewing the impact was reduced from 1 week to 5-10 minutes. And updating headcount assumptions and reviewing the impact was reduced from 1 week to 20 minutes.

Learn More

Helping customers conquer the complexity of their financial operations so they can lead at speed is a key focus of OneStream software. In 2022 we passed the milestone of having over 1000 organizations across all industries around the globe leveraging our unified platform and MarketPlace solutions to address an ever-growing range of requirements.

To learn more about how OneStream is delivering value for private equity companies, check out our case study on [The Carlyle Group](#) and contact OneStream if you are ready to conquer the complexity of your financial operations.

[Download the Case Study](#)