

# The Future of Private Equity

## 5 Key Trends

In an effort to better understand where private equity is heading, SEI surveyed more than 200 industry participants. This year's survey builds on earlier analyses of the private equity industry dating back to 2009. Participants include:



### 1 Dynamic fundraising environment

GPs see growth opportunities for private equity across the board. Here's where they see investor interest increasing the most.



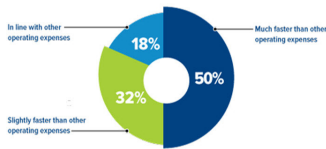
### 2 Compliance is the top challenge

With increasing regulatory requirements, it is not surprising that compliance was most commonly cited as the most pressing operational challenge.



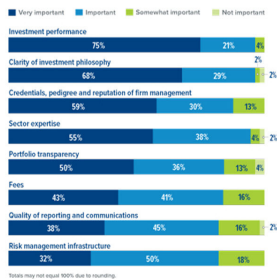
### 3 Compliance costs are outpacing other operating costs

The growing compliance burden is directly reflected in higher costs. More than eight out of 10 GPs in the survey say compliance costs are climbing faster than other operating costs, with fully half saying they are rising much faster.



### 4 Shift in manager selection criteria importance

When it comes to choosing new managers or funds, selection criteria by LPs are generally consistent. They focus on: people, process and performance.



### 5 Growth opportunities

Private equity went from a niche asset class two decades ago to one that is much more likely to be found in individual and institutional portfolios today. Since 1995, assets have risen dramatically, growing from \$30 billion to about \$4 trillion 20 years later.



#### The way forward >>

All indications are that the global private equity business will continue to grow as it becomes more firmly embedded in the investing mainstream. Active returns, wider availability and a greater selection of strategies and vehicles will all contribute to the next phase of growth.