



**M&A activity  
in the  
Knowledge  
Economy  
Q4 2021**

# Contents

**03**

CONTRIBUTORS

**04**

EXECUTIVE SUMMARY

**06**SOFTWARE & TECH-ENABLED  
SERVICES (SWTES)**08**TECHNOLOGY SERVICES  
AND OUTSOURCING**10**HUMAN CAPITAL  
MANAGEMENT**12**ENGINEERING CONSULTING  
AND SERVICES**14**

MANAGEMENT CONSULTING

**16**

Q4 2021: DEAL HIGHLIGHTS

**22**

MEET EQUITEQ

**23**

EQUITEQ SERVICES

**24**

EQUITEQ Q4 HIGHLIGHTS

**25**

LOCATIONS

# Contributors



**JEFF BECKER**  
MANAGING DIRECTOR,  
HEAD OF M&A - NORTH AMERICA

Jeff has over 25 years of investment banking experience, advising a variety of growth and middle-market companies on well over 100 strategic advisory or capital raising transactions.

Jeff focuses on the software, tech-enabled services, and human capital management sectors.

[jeff.becker@equiteq.com](mailto:jeff.becker@equiteq.com)



**PAUL DONDOS**  
MANAGING DIRECTOR  
GLOBAL HEAD OF STRATEGIC ADVISORY AND MARKET INTELLIGENCE

Paul advises listed corporations, owner-managed businesses, private equity and portfolio companies on their approach to M&A. He leads Equiteq's strategic advisory practice – serving acquirers and investors on M&A origination, and business owners on growing their equity value – and

Equiteq's market intelligence service, analysing and publishing data and perspectives on the global knowledge economy. He has 20 years' experience in corporate finance, consulting, digital services, and as a business owner.

[paul.dondos@equiteq.com](mailto:paul.dondos@equiteq.com)



**GREG FINCKE**  
MANAGING DIRECTOR

Greg is a Managing Director at Equiteq for North America. Greg works with owners to understand their goals for both themselves and their firms. He then brings together the necessary resources to deliver solutions to meet

their objectives. Greg draws on his diverse business background to help owners think through what they want to achieve and when.

[greg.fincke@equiteq.com](mailto:greg.fincke@equiteq.com)



**JEROME GLYNN-SMITH**  
MANAGING DIRECTOR

Jerome is a Managing Director at Equiteq and leads end-to-end sell-side and buy-side transaction advisory work, as well as active engagement and coverage of entrepreneurs and private equity in Europe. Jerome's expertise and value

to clients stem from a combination of extensive enterprise technology services domain knowledge with strong transaction execution experience.

[jerome.glynn-smith@equiteq.com](mailto:jerome.glynn-smith@equiteq.com)



**SYLVAINE MASSON**  
DIRECTOR, ASIA PACIFIC

Sylvaine is a specialist corporate advisor with a diverse background in the professional services sector, working with clients on M&A transactions, growth and strategic advisory. She has assisted companies in this sector to undertake strategic

reviews, develop their businesses, facilitate international market entry strategies, prepare for sale and successfully complete sell-side and buy-side transactions.

[sylvaine.masson@equiteq.com](mailto:sylvaine.masson@equiteq.com)

# Knowledge Economy Q4 M&A Activity

## Executive Summary

**F**ollowing a year of record high levels of deal volume and valuations, Q4 2021 delivered another superlative quarter of M&A activity in the Knowledge Economy. With buyers formalizing long-standing interests, we saw a rash of deals completed late in the quarter as acquirers deployed \$43bn in December alone as they sought to get transactions over the line.

White Q4 deal volumes were very slightly down on 2020 (1220 vs 1275), the overall value of investment in the quarter rose 16% year-on-year, with \$88bn deployed in Q4 - up from \$75.7bn in 2020. And whereas 2020 was driven by a large number of high value transactions, we saw a different pattern emerge in 2021. While one-in-four deals were valued at over \$10bn, the majority [39%] were valued

between \$2bn and \$10bn, a big shift from the 9% of transactions in this bracket last year.

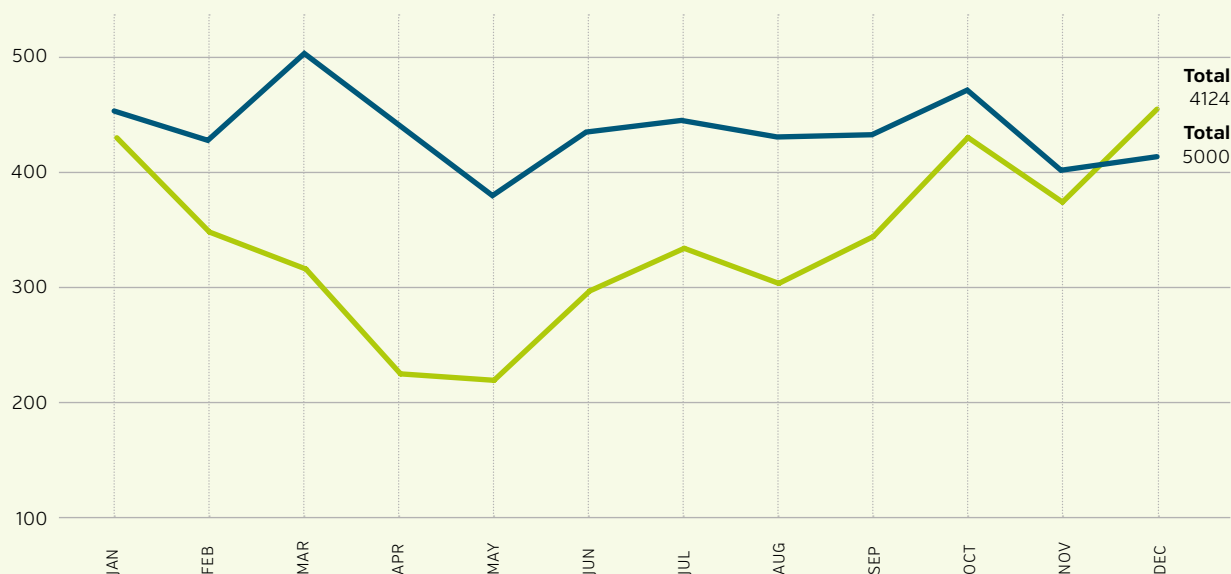
This only serves to underline the evolution, or normalization, that we've seen in the Knowledge Economy over the last four quarters, as the 'mega' deals of 2020 have given way to a high valuation environment that is being sustained by the ever-greater level of activity such valuations inspire on the supply side, at any rate. So, after another consecutive year of high growth - we saw a 21% increase in year-on-year deal volumes - M&A activity in the Knowledge Economy continues to be driven by a positive feedback loop that may only be derailed if interest rates increase to excess in the coming year.

We can attribute the high levels of activity throughout the year to a



**We saw a 21% increase in year-on-year deal volumes in the Knowledge Economy**

Year-On-Year Monthly Deal Count 2020 2021



number of factors: buyers still have large resources to play with; targets are becoming more interesting as innovation accelerates; and market heat ensures good opportunities are hard to come by. These are not factors that will dissipate overnight but will continue to shape buying habits well into 2022.

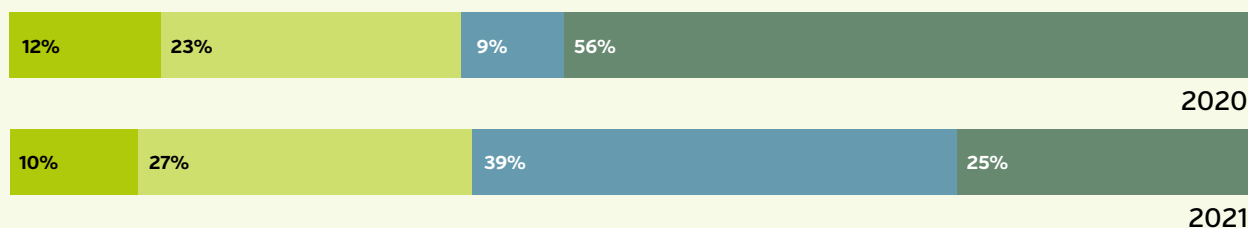
In this report we take a closer look at M&A activity across several key verticals within the Knowledge Economy and try to offer insights into the drivers of this performance. To find out more, please feel free to contact our team, whose details are contained within. [📞](#)

# 16.4%

Increase in total transaction value in Q4 2021 compared to Q4 2020

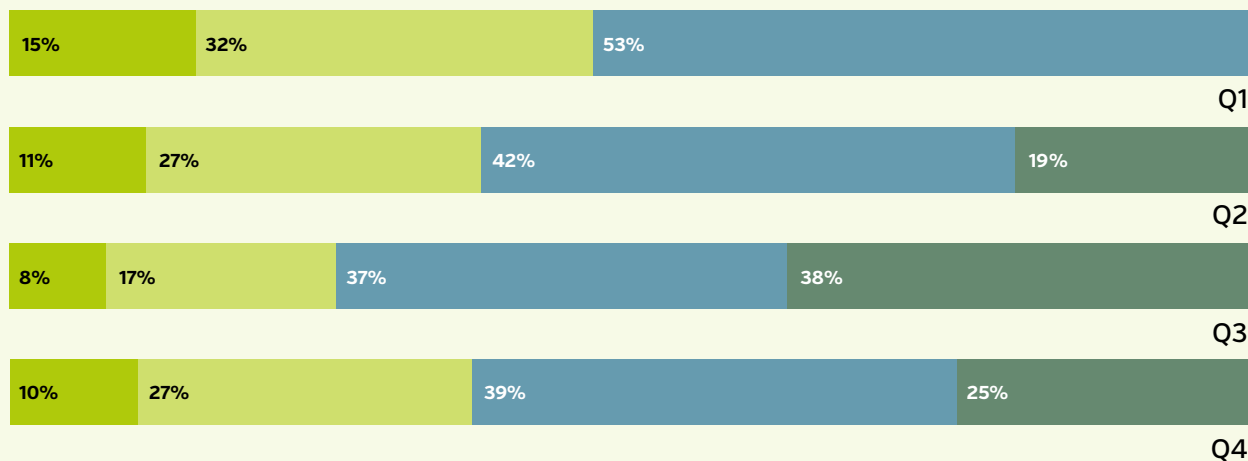
## Year-on-year Q4 transaction Transaction Values by Size

<\$300m \$300m - \$2bn \$2bn - \$10bn >\$10bn



## 2021 Transaction Values by Size

<\$300m \$300m - \$2bn \$2bn - \$10bn >\$10bn



## Q4 Deal Count by Buyer Type

Financial Strategic Mixed



# Software & Tech-enabled Services (SWTES)

## Q4 2021 M&A Activity

**Q**4 rounded out another year to remember for the Software and Tech Enabled Services (SWTES) sector despite the volume of quarterly transactions falling from a high of 309 in Q3 to 271 in Q4. While Q4 may have also seen marginally fewer completed deals than Q4 2020 (280 deals), we saw a significant increase in overall activity year-on-year, with deal volumes growing by 30%, from 858 last year to 1,119 in 2021.

As we've seen elsewhere in the Knowledge Economy this quarter, a dip in reported deal volumes does not necessarily mean a corresponding fall in investment outlay. In fact, the opposite is true as buyers spent

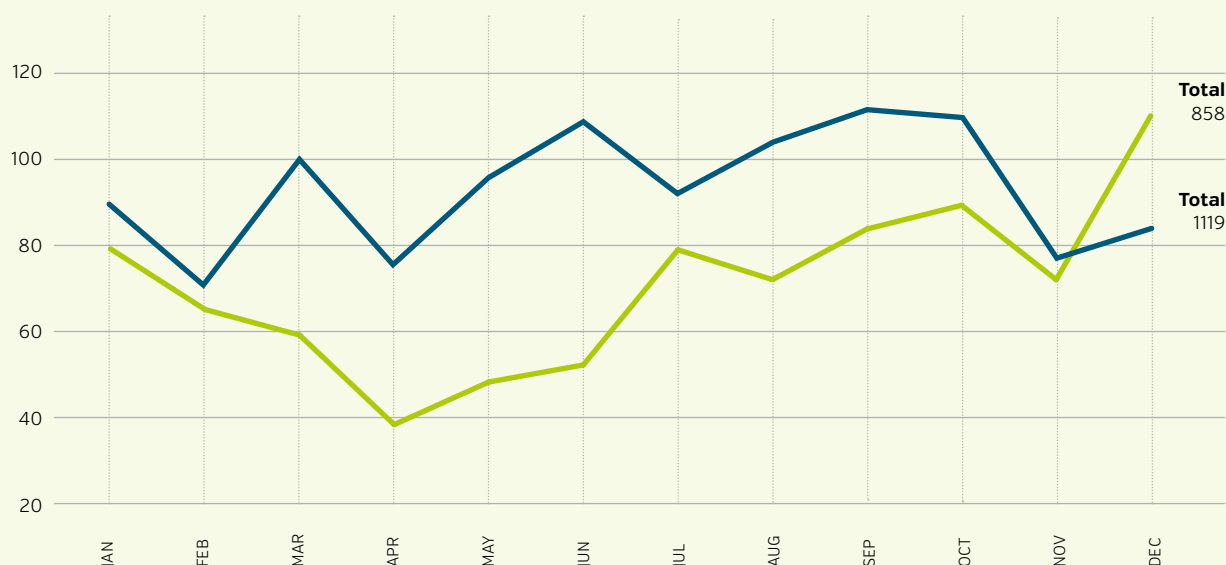
\$26.7bn in Q4 compared to the \$17.9bn in Q4 2020. The higher multiples and valuations we've seen throughout the SWTES sector in 2021 have driven a significant step change in annual spend, with annual transactions totaling \$126bn - up on the \$57bn invested across 2020.

"Software has been active, and will continue to be active. It's not going to stop," says Jeff Becker, Managing Director, Head of M&A - North America at Equiteq. "Everyone is still looking for ways to improve efficiency and it is technology and software that are going to make that happen."

Two areas that have piqued buyer interests during Q4 are cybersecurity and cryptocurrencies. As remote

**“We saw a significant increase in overall activity year-on-year, with deal volumes growing by 30%”**

Year-on-year Monthly Software Deal Count ■ 2020 ■ 2021





“  
**Software has  
been active,  
and will  
continue to  
be active.  
It's not going  
to stop**

working becomes further entrenched, we've seen firms increasingly look to stay one step ahead of bad actors that could exploit the technologies and systems that are now business-critical. Likewise, interests surrounding the crypto space are developing so rapidly that buyers almost have no choice but to seek out opportunities or miss the boat - and this activity

persists even in the face of regulatory threats to the crypto world.

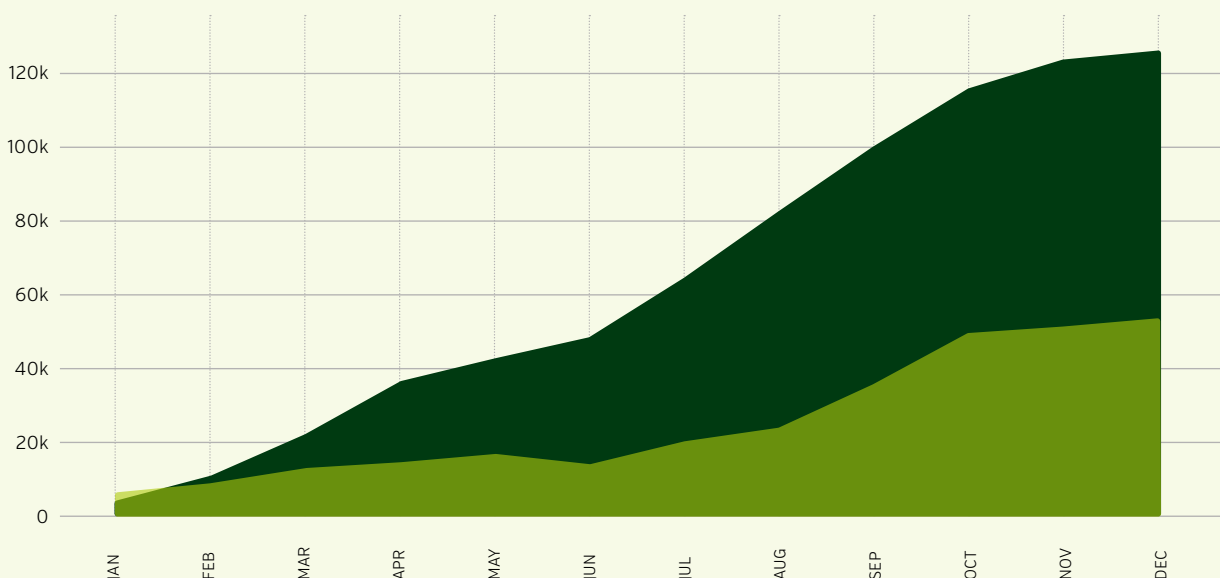
We've also seen a shift in buyers over the last quarter as the activity of SPACs waned in the second half of 2021. In turn, Strategic Acquirers have become marginally more aggressive as they look for growth, which we can see in Q4 deals concluded by major players like Microsoft and Workday [see: Human Capital Management], as well as Oracle, who bought the Electronic Health Record system, Cerner, for \$25bn. The Cerner acquisition was a shock deal for many when announced in December and now puts Oracle on the map as a potential major player in the health technology world.

"It's a major play in an incredibly large vertical that is only becoming a greater and greater portion of healthcare spending worldwide," says Becker. "The Cerner deal is a huge acquisition for Oracle that will likely take years to integrate and make work. But it's an important transaction because it was the first major acquisition like this by one of the big players in the healthcare vertical."

With huge deals completed by a number of major players during 2021, it's been an active year in the SWTES sector. We started the year with high volumes of transactions and this level of activity continued to persist from quarter-to-quarter. Buyers sought to aggressively deploy the dry powder at their disposal and, while the major deals have been completed by Strategic Acquirers, Private Equity has been responsible for driving a significant amount of deals. We've also seen the benefits that a low interest environment can have on buying habits with deal volumes and valuations accelerating to even greater heights in the second half of the year.

However, we are likely to see interest rates begin to rise during 2022. As they do, debt will likely grow more expensive, and this could impact sellers as valuations potentially drop a little from the lofty heights we've seen in 2021. But until we see this shift in interest rates, it's still a good time to be a market participant in the software and tech enabled services space. ●

Monthly SWTES Cumulative Deal Value (US \$, millions) ■ 2020 ■ 2021



# Technology Services and Outsourcing

## Q4 2021 M&A Activity

**B**uyer participation in the Technology and Outsourcing space continues to persist at high levels, with the volume of deals in Q4 [301] up 4.5% from the 288 completed in Q3. With quarter-on-quarter growth and sustained levels of activity persisting throughout the year, we've seen activity in the space grow by 30% over the last 12 months.

With more deals and higher levels of investment - growing from \$14.0bn in Q3 to \$16.8bn in Q4 - we saw transaction values far outpace those of 2020. Quarterly investment levels peaked in December, reaching a high of \$10.4bn as buyers embraced the

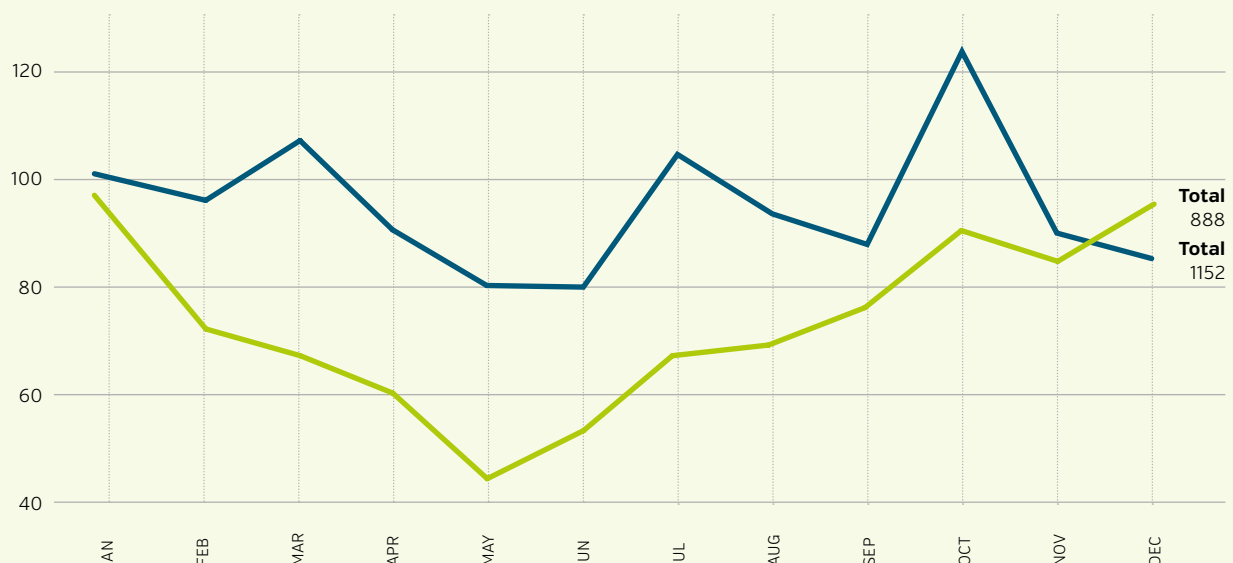
last-minute flurry of activity seen elsewhere in the Knowledge Economy.

As a result, we've seen the annual M&A reported spend in the Technology space grow by 60% year-on-year, reaching \$44bn in 2021 compared to 2020's \$28bn. Going into 2022, it's clear that buyer interest in the Technology Sector is only becoming more acute - and driving higher valuations as a result.

"We're moving into a world where valuations have been sustainably higher in the past year than they were on average over the past five," says Jerome Glynn-Smith, Managing Director at Equiteq in London, UK.

**“We’ve seen activity in the space grow by 30% over the last 12 months”**

Year-on-year Monthly IT Services Deal Count ■ 2020 ■ 2021





“As a result, we’re seeing elevated levels of activity with more sellers coming to market because of the higher multiples, and more buyers looking to acquire because they need to keep up with their competitors or risk losing competitive advantage.”

In seeking such an advantage, buyers remain focused on service providers aligned to high growth, high demand platforms. Of particular note was the Microsoft solution provider powerhouse, Avanade’s, acquisition of Quantiq, one of the top Microsoft Dynamics systems integrators in the world. The resurgence of interest in the SAP ecosystem carried over from Q3 into Q4, with SAP consultancy Enova’s acquisition by digital media solutions provider, Reply.

Interest in the Cloud and its associated services also remains high, peaking in early December with the announcement that the French IT Services giant, ATOS, will acquire Cloudreach, a multi-cloud service firm specializing in software development services for the public cloud and Amazon Web Services (AWS).

Other deals of note in the Technology sector during Q4 include Michael Dell’s family office investment fund, MSD partners, strategic investment in West Monroe, a leading



## We saw momentum in the Technology sector increase and higher multiples emerge in the second half of the year

digital consultancy, at a reportedly very healthy multiple - an injection of capital and validation from a multiple perspective that could prove significant in the North American market. We also saw Horizon Capital make a sizable investment into BP3, an intelligent automation services and solutions provider.

Looking back, we saw the sector benefit from the sustained upwards trajectory of its 2020 pandemic bounce-back as already high levels of activity in Q1 grew quarter-on-quarter to an investment peak of \$16.8bn in Q4. Add to this the fading away of a pandemic-hit trailing 12 months for most firms in Q2 and continued shortage of talent still in short supply, and it’s no surprise that we saw

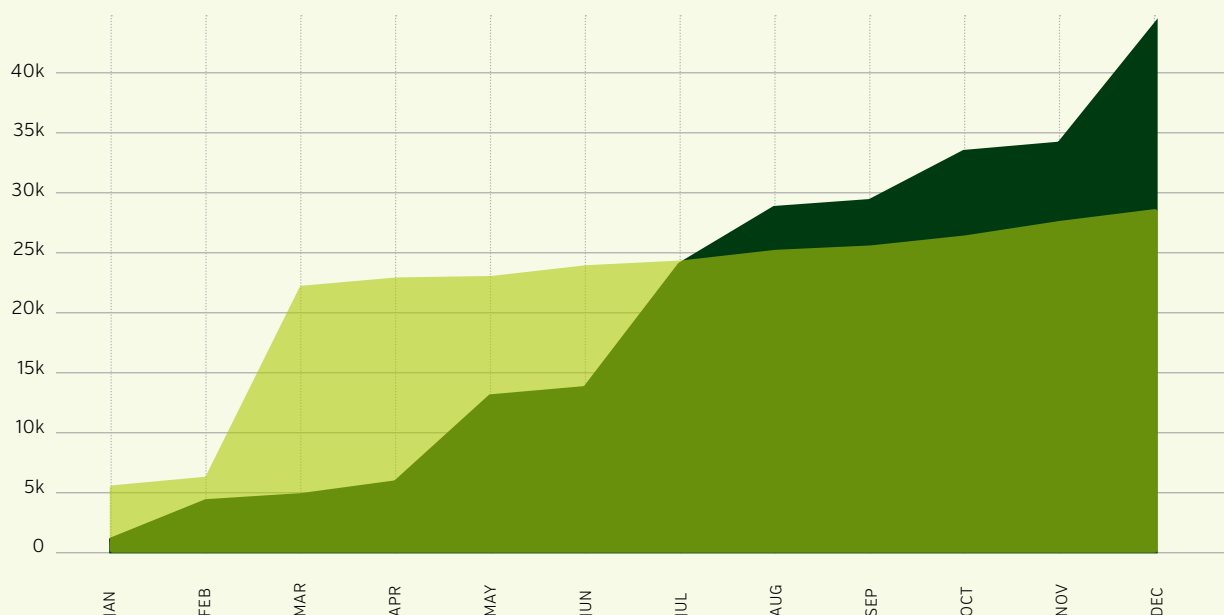
momentum in the Technology sector increase and higher multiples emerge in the second half of the year.

“Activity in 2021 was a confirmation of the post-pandemic rebound that occurred in 2020,” says Glynn-Smith. “Since then, we’ve seen a sustained level of exceptionally high deal volumes and valuations driven by an ongoing imbalance of offer and demand.”

# 10%

more Technology Services deals completed in Q4 2021 than in Q4 2020

Monthly IT Services Cumulative Deal Value (US \$, millions) ■ 2020 ■ 2021



# Human Capital Management

## Q4 2021 M&A Activity

**T**he Human Capital Management (HCM) sector continues to see subtle changes in activity and Q4 is indicative of this. We saw deal volumes increase by 9% quarter-on-quarter to 70 in Q4, the sector's highest level of activity since Q1. However, deal volumes remained relatively stable in the HCM space year-on-year, growing from 279 in 2020 to 286 in 2021.

Yet, while deal volumes remain on a par with 2020, we've seen a major shift in investment from acquirers in the sector. The \$641mm invested in Q4 is more than 3x the total reported transaction value of \$206mm seen in 2020, although December reported

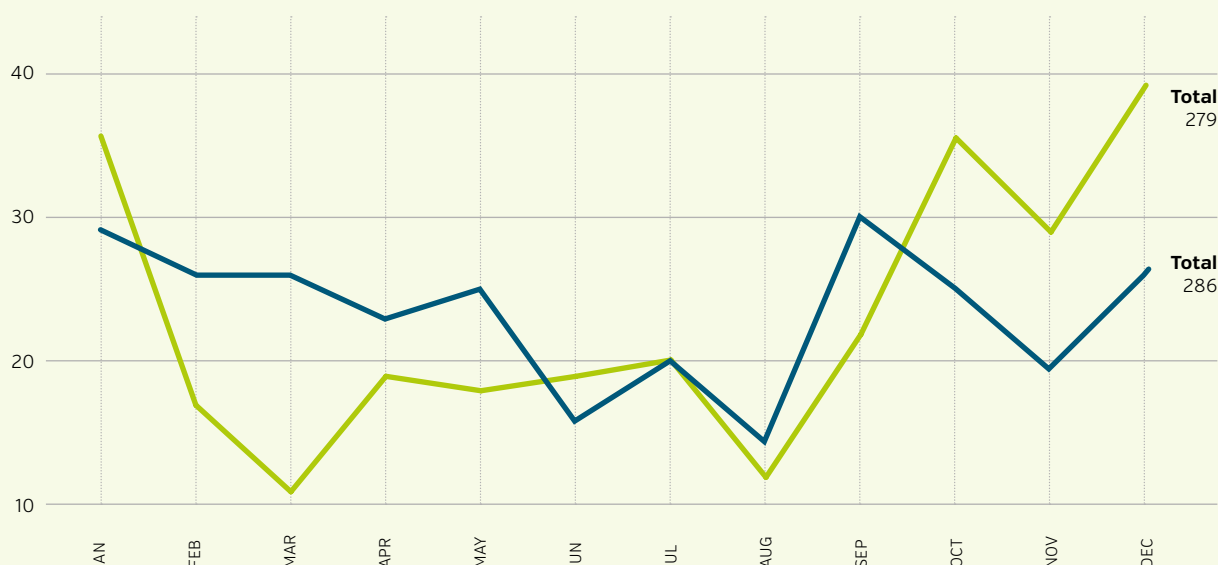
investment totals for 2020 were double those of 2021 (\$101mm vs \$51mm). Clearly buyers sought to avoid the rush seen at the end of Q4 2020, completing their higher value deals earlier in the quarter, peaking in October with completed transactions valued at \$485mm.

Despite a modest 2.5% growth in annual deal volumes, we've seen valuations grow with several large deals completed and reported in Q4. As a result, the yearly total reported transaction value for the sector hit \$3.8bn - more than double the \$1.4bn seen in 2020.

"One point to note is that in Q4 we saw a growing number of

**“**  
**The yearly total reported transaction value for the sector hit \$3.8bn**

Year-on-year Monthly HCM Deal Count ■ 2020 ■ 2021



larger acquisitions as opposed to acquisitions amongst midsize and smaller companies,” notes Becker.

Key among these larger deals was WorkDay’s \$510mm acquisition of the MSP workforce Management Platform, VNDLY, which bookends a productive M&A year for the firm, who also acquired the employee engagement firm Peakon for \$700mm in Q1. It’s a move that expands WorkDay’s expertise beyond its typical core HCM suite and suggests a degree of aggression in expanding its footprint to become the HCM backbone suite of choice.

Elsewhere, Microsoft acquired the employee engagement start-up Ally.io in October to augment its Viva offering. With the pieces still being assembled - Viva also wraps up Linda.com’s training capabilities with LinkedIn and other software - this is an acquisition that continues to show Microsoft’s commitment to becoming a real player in the HCM space.

“The takeaway is that in one quarter you’ve got two big players making meaningful acquisitions in the space, which highlights the ongoing



**We saw deal volumes increase by 9% quarter-on-quarter to 70 in Q4, the sector’s highest level of activity since Q1**

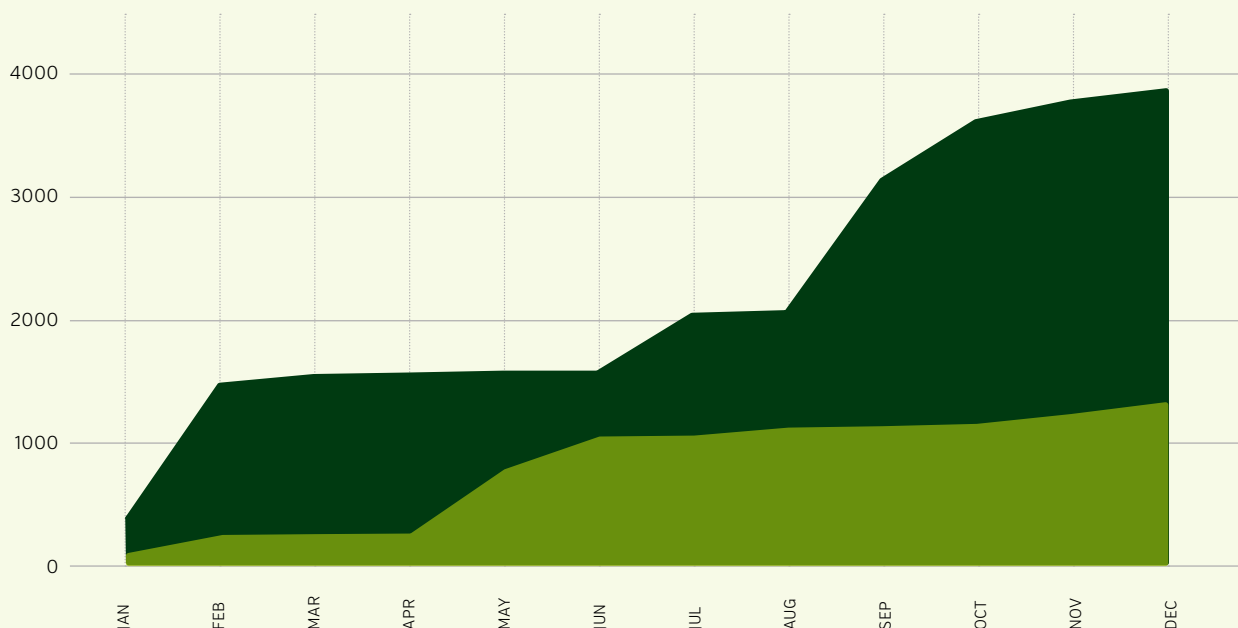
significance of HCM as a category,” says Becker. “With everything going on in the world and the job market, it continues to underscore how important everything workforce-related and human capital-related is. The acquisitions made by WorkDay and Microsoft are a good reinforcement of that.”

Looking back, we’ve seen activity slowly intensify as the year goes on. The strong tailwinds carried over from 2020 drove high levels of activity in Q1 that were retained throughout the year. As talent shortages persist and

employee engagement grows ever more important, figuring out ways of working efficiently, collaboratively, and productively - while people are apart - has been a fundamental driver of activity from quarter-to-quarter, helping to drive spikes in investment in both Q2 and Q4.

“All of these factors were already at the highest levels of importance entering the year,” concludes Becker. “And they have either stayed there or, somehow, gone even higher - and we can expect that to continue into 2022.”

Monthly HCM Cumulative Deal Value (US \$, millions) ■ 2020 ■ 2021



# Engineering Consulting & Services

## Q4 2021 M&A Activity

**A**ctivity within the Engineering sector continues to persist in much the same vein as it has throughout H2, with deal volumes in Q4 [64] at almost the same level as Q3 [65]. However, the deal count seen in Q4 2021 surpassed that of Q4 2020 and helped to solidify the sector's impressive 45% year-on-year growth in transaction volumes (up to 240 from 166 in 2020).

As a result, it's no surprise that the amount of liquidity deployed in Q4 was up from \$886mm in Q4 2020 to \$3.8bn a year later - a growth of 324%. In fact, Q4 saw such precipitous levels of activity in the Engineering space, that the total reported transaction outlay accounted for more than half of the Sector's total reported investment for the year.

However, while it is reassuring to see such activity in Q4, we've seen fewer of the extreme valuations that hit the market in 2020. Accordingly, levels of investment in the Engineering sector were well down year-on-year despite buyers closing more deals, falling from a cumulative yearly reported total of \$15.3bn in 2020 to \$7bn in 2021.

A number of themes that we've seen develop across the last two years continued to shape buyer interests in Q4, namely the pursuit of sustainability transformation capabilities, greater operational resilience, and supply chain optimization. Buyers have also been seeking opportunities that are set to benefit in the wake of new legislations rolled out by global governments - such as the US' Infrastructure Investment and Jobs Act, among others.

"The new US legislation is making firms more inclined to double down on areas that are going to receive funding," says Paul Dondos, Managing Director, Global Buy-side & Market Intelligence at Equiteq. "We're also seeing businesses look to optimize their portfolios and acquire digital assets that enable cost savings and green engineering capability enhancements."

As new, innovative ways of staying ahead of the technology curve emerge in the Engineering sector, we've seen a number of buyers turn to geospatial and satellite imagery firms as they seek more granular, data-driven insights into long-term property and industrial planning, supply chain resilience, and sustainability. Hatch's investment into the business intelligence firm, Brainnwave, in November, clearly highlights the mining consultancy's focus on digitization and utilizing



**We're also seeing businesses look to optimize their portfolios and acquire digital assets that enable cost savings and green engineering capability enhancements**

data more intelligently to drive performance improvements it would be unlikely to achieve purely through organic growth.

“The opportunities standing out to buyers are the ones that are tapping into these new ESG trends,” says Sylvaine Masson, Director, M&A Services for Equiteq in APAC. “Anyone that has developed their IT-enabled or technology-enabled skills is incredibly attractive right now. Both resources and talent are harder to find, so reducing reliance on lower-level workforce has been a key activity driver for many buyers.”

To this point, Q4 saw two important acquisitions by the engineering services consultancy, Stantec, who acquired the Dutch engineering firm, Driven by Values, and the North America and Asia Pacific engineering and consulting groups of Cardno



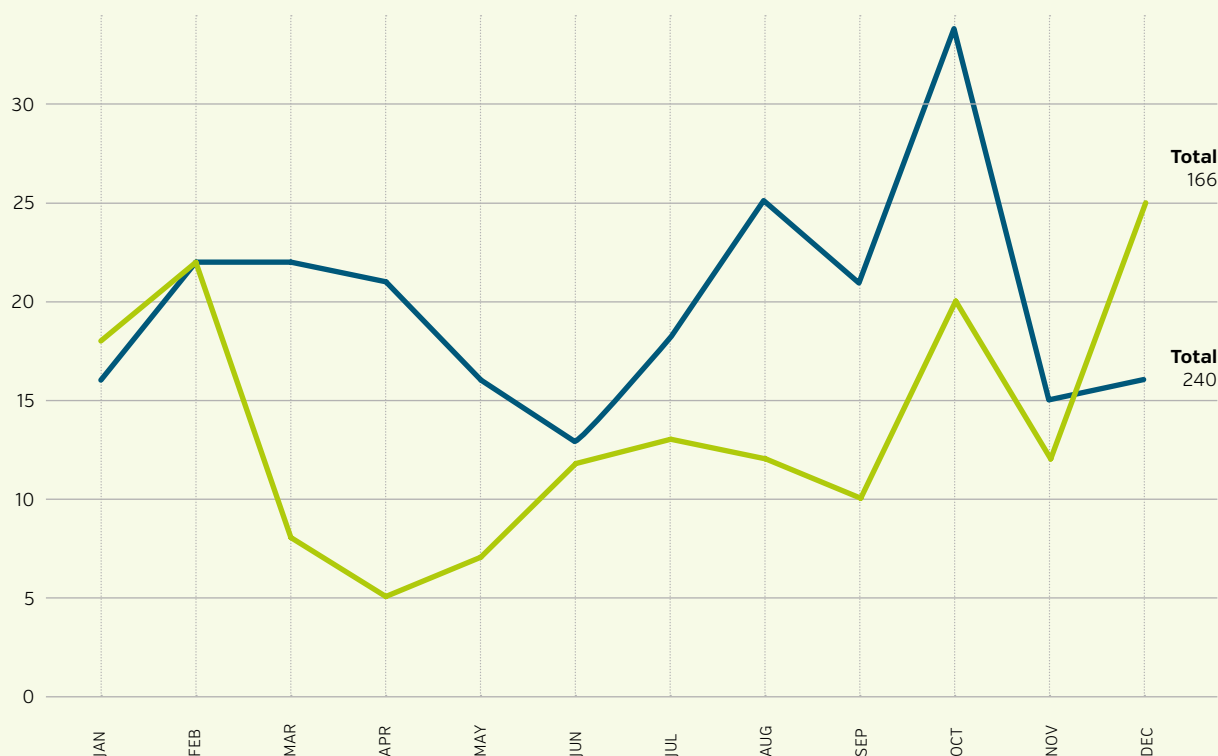
**The amount of liquidity deployed in Q4 was up from \$886mm in Q4 2020 to \$3.8bn a year later**

Limited. Both details expand the Strategic Acquirer's green energy expertise, environmental services and infrastructure footprint.

These deals were indicative of the direction of travel that we've seen in the Engineering space during 2021, and that manifested itself in the purple patch of activity we saw from mid-Q4 onwards. Deal volumes have steadily increased across the year, growing

by 7% from Q1 to Q4. Valuations oscillated between quarters, receding slightly in Q1 and Q3 before exploding into life in Q2 and Q4 as sellers bounced between speculative dialogue and a desire to go to market with raised aspirations. Yet with investment levels significantly down on 2020, we can expect a slight lag going into 2022 as buyer valuations and seller aspirations realign. ●

**Year-on-year Monthly Engineering Deal Count** ■ 2020 ■ 2021



# Management Consulting

## Q4 2021 M&A Activity

**B**uyers remained active in the Management Consulting space where, despite a high level of completed deals in Q4 [215], activity was down marginally on the record levels we were seeing in the same period last year. However, while Q4 2021 may have fallen short of 2020 volumes, the sector's annual transaction volume grew 15% year-on-year [851 deals in 2021 vs 751 deals in 2020].

However, while activity may have been slowing slightly towards the end of the year, the opposite was true of investment levels. Buyers across both sectors were keen to make the most of the dry powder at their disposal, with investment in the Management Consulting sector totaling \$37bn in Q4 alone - accounting for more than half

the total investment value we saw in the sector across the year.

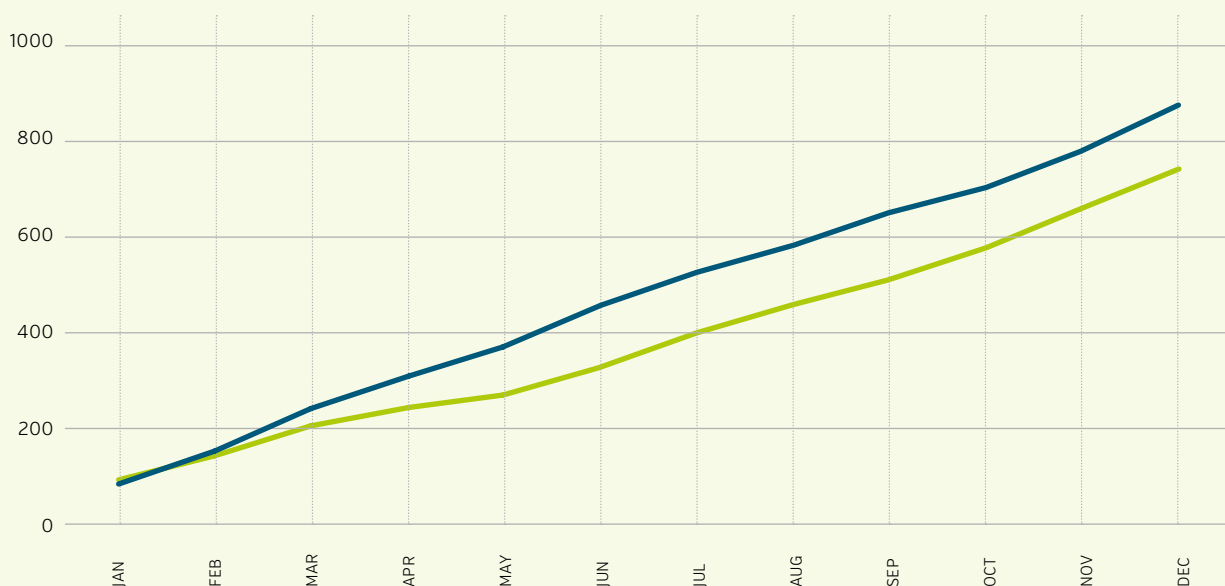
Investments peaked in December, as buyers completed transactions totaling \$28bn - or more than a third of the Management Consulting's annual investment total. This is a huge increase upon the reported \$1.7bn spent in December 2020. Yet, while Q4's level of investment comfortably outstripped Q3's \$20.7bn, it still fell short of the record highs seen in Q4 2020. Overall, annual total investment in the Management Consulting sector grew by 3%, up to \$70bn from \$68bn in the previous year.

We've seen Q4 buyer interests home in on Management Consulting firms that can help manage both complexity and growth. Supply chain advisory seems top of mind



**The sector's annual transaction volume grew 15% year-on-year**

Year-on-year Cumulative Management Consulting Deal Count ■ 2020 ■ 2021





for many buyers and this is reflected in a number of deals including the acquisition of Chainalytics by NTT Data Services and the acquisition of Prokura, a Nordic procurement and supply chain consultancy, by global consulting firm, Kearney.

“We saw Strategics, like NTT, being very active in the market during Q4 and this has driven levels of activity in the Management Consulting space that we haven’t seen since Q1,” says Greg Fincke, Managing Director at Equiteq in Boston, USA. “But that’s not to say that Private Equity has dropped out or reduced their enthusiasm for the space. They’re still doing deals, looking for both platforms and roll ups.”

Among the PE players completing deals in Q4, Blue Point Capital Partners’ invested in Stax. Inc, an analytically-driven, global strategy Consulting firm, in order to accelerate the latter’s growth strategy and potential.

Elsewhere in the sector, buyers continued to seek opportunities that enabled the acquisition of key skills and capabilities in the face of ongoing talent scarcities. Waterland-backed



**We saw Strategics, like NTT, be very active in the market during Q4**

Valcon’s add-on acquisition of P2 consulting in December highlights such skills-driven deals, with the pan-European consultancy trebling its UK headcount upon completion.

Having started the year with Capital Gains Taxes [CGT] on everyone’s minds, we saw activity increase quarter-on-quarter in the Management Consulting sector despite the specter of inflation and higher interest rates. With transactions totaling \$70bn for the year following a glut of Q4 deals and a market tilted in sellers’ favor, now is a time for reflection.

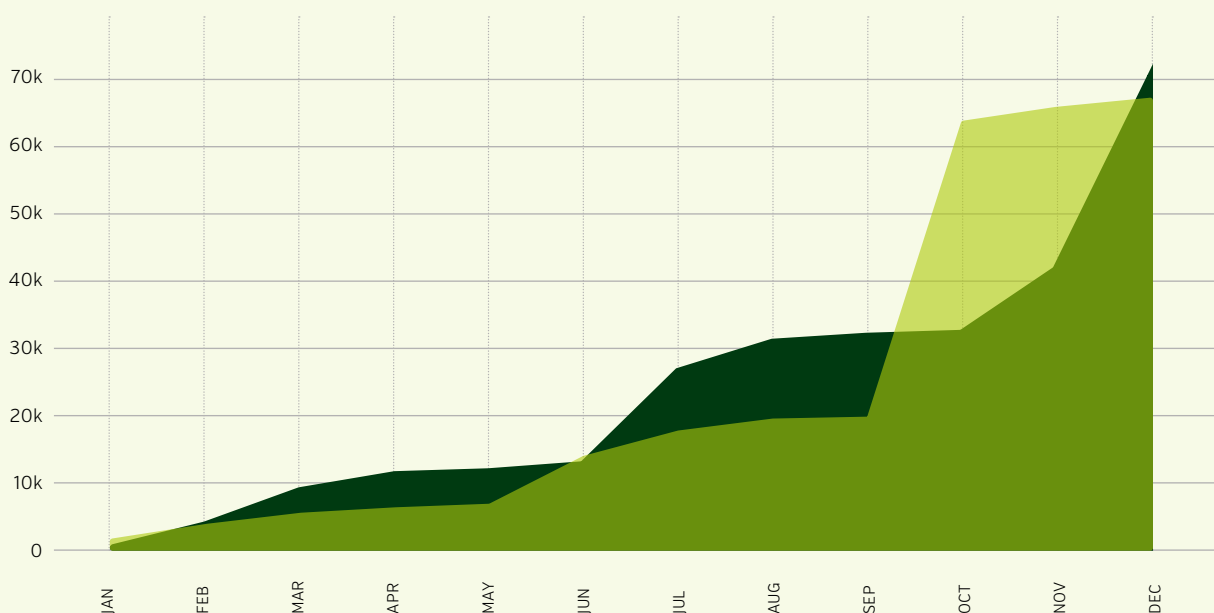
“For Management Consulting firms considering a deal, the decision now, as we move from Q4 into Q1, is whether to try and capture a premium

multiple or wait,” says Fincke. “The business might have grown but with inflation, multiples are lower. So firms are taking on more risk and still might not get as good an outcome from a total valuation perspective, so it’s worth considering your options going into Q1.”

**15%**

Year-on-year increase in total transaction volume in the Management Consulting sector

Monthly Management Consulting Cumulative Deal Value (US \$, millions) 2020 2021



# Q4 2021: Deal highlights

1

Oracle acquires  
Cerner

ORACLE

Cerner

- Cerner, a US-based supplier of healthcare information technology solutions, has been acquired by Oracle in a deal valued at \$28.3bn.
- The combined entity is poised to lead major transformation within the healthcare industry through combining Oracle's portfolio of digital tools and cloud applications with Cerner's established positioning in the market.
- Almost 2 years into the COVID-19 pandemic, the acquisition will benefit from a booming vertical, with growing numbers of medical professionals in need of digital tools capable of supporting a strained workload.

2

TA Associate's  
HelpSystems acquires  
PhishLabs

TA ASSOCIATES

PHISHLABS

- HelpSystems, a US-based cybersecurity and automation software firm, has acquired PhishLabs, a cyber threat intelligence company also based in the US.
- The acquisition will bring strong threat intelligence and mitigation expertise into HelpSystems' expanding cybersecurity portfolio, with significant value-add through PhishLabs' Digital Risk Protection platform.
- Following investment by TA Associates in 2019, HelpSystems has been pursuing an aggressive growth strategy through a number of acquisitions in 2021 to build resources and expertise, including Agari and Digital Guardian.

3

Abry Partners' Options  
Technology acquires  
ACTIV Financial

abry partners

Activ  
FINANCIAL

- ACTIV Financial, a US-based SaaS provider of financial market data, has been acquired by Options Technology, a UK-based provider of Capital Markets services.
- ACTIV's real-time data and Enterprise platform is expected to support a next generation platform through combination with Options' infrastructure, capable of operating across the entire financial ecosystem by leveraging Options' key relationships, and global presence.
- The acquisition exists as part of Options' recent growth strategy, focused on expanding technological capabilities and reach, enabled by investment from Abry Partners in 2019.

4

Amdocs acquires  
Roam Digital

amdocs



- Equiteq advised Roam Digital, a 150-person Australia-based full-service digital consultancy, on its sale to Amdocs.
- Roam Digital will serve as a valuable addition to Amdoc's 325-person subsidiary, Projekt202, by broadening the digital capabilities and vertical expertise offered by the experience-driven software strategy, design, and development firm.
- The acquisition fuels the **M&A boom** across Australia and New Zealand with new geographies [A/NZ, SING] introduced to Projekt202 and presence bolstered across the wider APAC region for Amdocs.

## Q4 2021: Deal Highlights

5

intive acquires  
Spark Digital

**intive**  
**SPARK**  
DIGITAL

- Equiteq advised intive on its acquisition of Spark Digital, a 330-person US-based digital consulting, design, and development provider.
- This acquisition builds on intive's desire to grow internationally and will help the Germany based company bolster its US presence.
- intive will join specialized software development capabilities from Spark Digital's services, while Spark Digital will be able to leverage intive's existing European relationships.

6

BE-terna acquires  
BOYDAK  
Automation AG

**BE-terna**  
enterprise software  
**BOYDAK**

- Equiteq has advised Swiss intelligent automation provider, Boydak, on its sale to 620-person BE-terna, Germany's largest Microsoft Business Software partner.
- Boydak specializes in providing automation solutions that are highly scalable and complements this with a range of AI and software bots. Despite only being in business for three years, Boydak has built a formidable reputation as Switzerland's leading RPA provider.
- BE-terna, backed by Deutsche Private Equity, is a Microsoft partner. This is an example of Microsoft encouraging its partners to invest in automation and RPA in order to boost the prominence of its own Power Automate solution.

7

Avande acquires  
QUANTIQ

**avanade**  
**QUANTIQ**

- Avande, 17,300-person US-based Microsoft solution provider, has acquired QUANTIQ, a 300-person UK-based Microsoft Dynamics consultancy and systems integrator.
- Avande's key strategy is focused on building out its cloud-based Microsoft Business Application offerings to meet the demands of digital transformation. QUANTIQ is regarded as one of the leading Microsoft Dynamics systems integrators, a strong platform for Avande's future growth.
- Digital transformation has become highly relevant across industries. QUANTIQ's expertise in ERP customer experience combined with Avande's digital capabilities will help business transformation and growth acceleration.

8

Atos acquires  
Cloudearch

**Atos**  
**Cloudearch**

- Atos has acquired Cloudearch, a 600-person UK-based cloud computing consultancy that specializes in cloud application development and cloud migration.
- This deal falls directly in line with Atos' acquisitive growth strategy, completing their 24th deal in the past 5 years. Atos will continue to see revenue growth focused highly on the cloud, digital, and security sectors.
- The addition of Cloudearch will help Atos compete and gain more business in the UK against Capita and India-based players like TCS, Cognizant, Infosys, and Wipro, all of whom have strong UK presence.

## Q4 2021: Deal Highlights

9

**MSD Partners invests in West Monroe**



**westMONROE**

- MSD Partners has made a strategic investment in West Monroe, a 2,000-person US-based digital consulting firm.
- West Monroe, valued at \$2.5bn, sold half its ownership to seek international expansion, as digital consulting services remain a high growth area worldwide.
- West Monroe's multidisciplinary consulting approach will be a strength as they try to gain more business through different verticals and existing key accounts to diversify their portfolio.

10

**Horizon Capital invests in BP3**

**HORIZON**  
CAPITAL



- Horizon Capital has made a growth investment in BP3, a 115-person US-based software solutions provider in robotic process automation and artificial intelligence/machine learning.
- The RPA business and competitor landscape is still quite fragmented, so the investment will be used to fuel BP3 in both their organic and inorganic growth efforts towards intelligent document processing.
- The \$33m investment is just a fraction of the growing \$25bn software and services industry, but it represents consumer desire to work with specialists who deeply understand the sector.

11

**IBM acquires Adobe Workfront Consulting Unit and Assets from Rego Consulting**

**IBM**



Adobe Workfront



rego consulting  
Let Rego Be Your Guide

- IBM acquired Adobe Workfront Consulting Unit and Assets from Rego Consulting, a 160-person US-based company. This acquisition was IBM's 17th since their new CEO, Arvind Krishna, took over in April 2020, and their 9th in cloud and AI services.
- Rego Consulting was a logical high value acquisition for IBM given the tech firm's 20-year partnership with Adobe and Rego's complementary position as a leading Adobe Workfront partner.
- The move confirms an aggressive strategy from IBM to advance its AI and hybrid cloud capabilities. It reflects a broader trend amongst the largest players to capitalize on the market's demand for hybrid cloud solutions, which offer lower costs, flexibility and scalability from public cloud, and additional security benefits from private cloud.

12

**Alira Health acquires Patchai**






**AliraHealth**



**PatchAi**  
Patient engagement at every step

- Alira Health, a US-based healthcare transformation firm, has acquired Patchai, a 40-person Italy-based digital health engagement platform.
- The acquisition follows that of BEPATIENT, a European e-health platform, by Alira Health in October 2021, which evidences the heavy investment in technology that improves patient experience within healthcare.
- Equiteq advised Alira Health on their \$35m equity financing led by Credev earlier in 2021, which has acted as a key enabler of their rapid growth, underpinned by recent acquisitions.

## Q4 2021: Deal Highlights

13	Workday acquires VNDLY	<ul style="list-style-type: none"> <li>Workday, a software company and provider of enterprise cloud solutions for HR, finance, and planning, has acquired VNDLY, a US-based workforce management company.</li> <li>The \$510mm purchase exists as the largest acquisitions ever completed by Workday, likely in response to changing workforce dynamics requiring optimized visibility, planning, and management over increasingly complex workforce compositions.</li> <li>Given VNDLY cloud technology already holds a certified integration with Workday, the integration of tools between the organizations is expected to be seamless in providing a unified solution for workforce optimization</li> </ul>
		
14	Microsoft acquires Ally.io	<ul style="list-style-type: none"> <li>Microsoft has acquired Ally.io, a US-based objectives and key results (OKR) software firm.</li> <li>Realizing synergies between Ally.io and Microsoft's Viva EXP, the acquisition will see the integration of Ally.io into the Microsoft cloud and applications, including Teams, Office, and Power BI, to further enhance and advance Microsoft's offerings within the hybrid market.</li> <li>The attraction comes after the strong adoption of Ally.io following its launch in 2018, which has been accelerated by the global shift towards hybrid working, as increased visibility into company processes and objectives becomes paramount to maintain connection with remote workers.</li> </ul>
		
15	Mark G. Anderson Consultants (MGAC) acquires Robinson Low Francis (RLF)	<ul style="list-style-type: none"> <li>Equiteq advised MGAC, a 210-person US-based project, cost, and construction management consulting, on its acquisition of 100-person UK-based property and construction consultants, RLF. The deal adds 100 people across London, Brighton, Birmingham, and Glasgow to MGAC's footprint, taking them to 270 globally.</li> <li>By joining MGAC, RLF will have access to enhanced expertise in the corporate, hospitality and data center sectors.</li> <li>MGAC were particularly attracted by RLF's talent pool, a young team, but also one supported by the formal education and licensing system in the UK around quantity surveying – an area lacking in North America.</li> </ul>
		
16	Hatch invests in Brainnwave	<ul style="list-style-type: none"> <li>Equiteq advised Hatch, a 8,500-person Canada-based engineering, project management, and professional services firm, on its investment in 20-person UK-based data analytics platform Brainnwave. Brainnwave offers augmented AI through a visual intelligence platform across a number of sectors, with mining the most developed for them, but also including energy &amp; utilities, beverages, and housing. The growth in data in these industries means a customizable software approach to managing operations allows firms to remain competitive and offers significant resources saving.</li> <li>Hatch's investment in Brainnwave provides an example of how M&amp;A strategies in Knowledge Economy businesses are having to target software propositions more creatively to stay ahead of their peers.</li> <li>The companies will generate two solutions, one aimed at tackling climate change and the other, targeted at municipalities, using their data to help drive sustainable economic development plans.</li> </ul>
		

## Q4 2021: Deal Highlights

17

Stantec acquired  
Cardno



- Stantec acquired the North America and Asia Pacific engineering and consulting groups of Cardno, a 2,750-person Australia-based provider of professional services
- The acquisition will be focused on strengthening the environmental services and infrastructure practices at Stantec, while increasing their footprint in Australia and the US.
- The deal reflects the desirability of those businesses that can help established consultancies advance their sustainability and environmental capabilities.

18

Accenture acquires  
HRC Retail Advisory



- Equiteq advised HRC Retail Advisory, a 30-person US-based retail-focused strategy consultancy, on its sale to Accenture.
- HRC Retail Advisory will become a part of Accenture's Retail Strategy group. As the retail market has been disrupted throughout the past year, HRC Retail Advisory's focus is on its attractive client proposition.
- With the constant change in consumer demands, becoming a part of Accenture will allow HRC Retail Advisory to elevate their capabilities in technology transformation while Accenture continues to grow their client base.

19

Kearney acquires  
Prokura

KEARNEY



- Equiteq advised Prokura, a 60-person Denmark-based procurement and supply chain specialist, on its sale to Kearney.
- Prokura's expertise and capabilities will synergize neatly into Kearney's global Strategic Operations and Procurement practices.
- The deal positions Prokura to accelerate their growth in Europe by leveraging relationships from Kearney's 650+ procurement and supply chain experts and reinforces Kearney's position as market leader in the space.

20

Blue Point Capital's  
platform investment  
in Stax



- Equiteq has advised the 240-person US-based private equity firm, Blue Point Capital, on its platform investment in Stax, a strategy consultancy specializing in analytically driven commercial due diligence, value creation, and exit planning for private equity funds.
- Stax is headquartered in Boston, USA, but has a footprint extending into Asia. The injection of capital will help Stax execute its growth strategy, with particular emphasis placed on growing data and digital capabilities.
- Blue Point will look to augment Stax with M&A, with the most attractive bolt-on candidates under consideration being niche PE advisory consultancies that add complementary services or new geographies.



## Q4 2021: Deal Highlights

21

Valcon acquires P2

valcon



P2 CONSULTING

- Valcon has acquired P2, a 200-person UK-based consultancy focused on digital transformation.
- The acquisition shows the highly synergistic nature that digital transformation consultancies offer to companies with specific vertical expertise like P2 in financial crime consulting.
- Valcon's previous merger with First Consulting and Viqtor Davis in February 2021 to form an 800-strong consultancy, and their growth ambitions towards a 1,500-strong consultancy, are telling indicators of consumer demand in data driven digital services.

22

Sia Partners acquires Summus Group

SIAPARTNERS



summus.group

- Sia Partner has acquired the 40-person US-based management consultancy Summus Group as part of the French consultancy's expansion into the US.
- Summus Group provides specialist transformational advisory and information security services to the financial industry and the acquisition provides Sia with concentrated banking expertise in Charlotte, NC, which is the second largest financial hub in the US.
- Sia is targeting 800 consultants across 15 US offices by 2023, making the addition of Summus' 80 consultants and \$18m in revenue a significant step bringing the combined group to around 500 consultants and \$95m in revenue.

23

DuPont Sustainable Solutions acquires Sofies Group

DuPont  
Sustainable  
Solutions

sofies

leading sustainability

- Gyrus Capital portfolio company, DuPont Sustainable Solutions, acquired Sofies Group, a 60-person Switzerland-based consultancy specializing in helping private and public sector organizations effectively implement sustainability strategies into their operations.
- Sofies' sustainability strategy capabilities provide DSS with a new suite of IP and frameworks with which they can further cement their operational consulting expertise.
- This acquisition comes two years after DSS was carved out from DuPont de Nemours. This illustrates how firms that traditionally played in markets that were associated with fossil fuels are now turning to divestitures to placate shareholders who are increasingly concerned with ESG.
- Another example of such a split is Technip, which spun off its energy transition business, Technip Energies, from TechnipFMC in February 2021 in order to create a leading, publicly traded sustainability company and deflect ESG concerns relating to its legacy business.

24

EY-Parthenon acquires CMA Strategy Consulting

EY Parthenon

CMA STRATEGY  
CONSULTING

- EY-Parthenon acquired 65-person US-based CMA Strategy Consulting (CMA) a boutique strategy firm focused on the TMT industries.
- EY-Parthenon were attracted not only to CMA's differentiated capabilities in TMT and digital infrastructure consulting, but also their leaders, who have been instrumental in the digital infrastructure revolution, which is highly prevalent at this time.
- The deal highlights the need for consulting expertise in TMT infrastructure, particularly around energy intensive data centers. Consultancies with ESG expertise in this space are becoming increasingly desirable, driving strong valuations.

# Meet Equiteq

---

We are the leading global investment bank for the Knowledge Economy

Equiteq is the leading specialist in Knowledge Economy investment thanks to our first-hand insight and research, our close relationship with the key acquirers in the sector, and through the deals we complete.

**Who are we?**


Equiteq is a fast-growing global M&A specialist serving the Knowledge Economy. We help owners, investors and acquirers buy and sell the world's smartest knowledge-based and technology firms. Being close to active buyers and investors helps us to understand their acquisition needs and this informs how we can add value to founders who want to sell their businesses.

**Why Equiteq?**

We are the recognized specialist advisor in the Knowledge Economy where intellectual property has historically been delivered through people in consulting firms, but more and more is delivered in combination with technology. As marketplace change accelerates, our specialist division heads are ideally placed to support both the buying and selling of Management Consultancies and Technology Services firms within Knowledge Economy.

Our benchmarking studies – produced for the last 15 years – have become the industry standard and are supported with detailed insight reports on a range of disciplines within our sector.

**Our aim**

It's simple - our goal is to bring you to the smartest deal. 

# Equiteq Services

---

Our clients sit at the heart of every transaction we advise upon, whether helping you to dramatically increase your return on M&A or by helping you to achieve the best possible valuation.

Our services in the Knowledge Economy cover four key areas:

**Buy Advisory**

Equiteq supports strategic acquirers and financial sponsors seeking to dramatically increase their returns on M&A in knowledge-based and technology services businesses. After 15 years exclusively advising owners of firms towards exit, we have the assets, systems and experience to help you enhance and execute your M&A strategy, with better value, choice and confidence.

**Sell Advisory**

Equiteq supports owners of innovative knowledge-based and technology firms seeking to realize equity value. We advise on all aspects of M&A, from helping ambitious owners find capital to inject into their business to accelerate growth, through to a full company sale. We use our unparalleled understanding, experience, and access to find you the right buyer or investor, at the best price and terms.

**Corporate Divestitures**

We work with corporations to meet their divestiture objectives, including disposal of non-core or underperforming assets that either have synergistic potential within other businesses or could form part of a Private Equity portfolio investment. After 15 years exclusively advising owners of firms in the sector towards exit, Equiteq has the people, processes, sector insight and market access to deliver your transaction at the right price and with preferred deal terms.

**Strategic Deal Origination**

We work with Strategic Acquirers and Financial Sponsors to develop detailed, insight-driven plans for investment into new markets. By leveraging our sector insight and purpose-built methodology, we can rapidly convert an attractive investment thesis 'on paper' into an actionable plan to realize the opportunity, helping you to exploit key innovation trends through a less crowded, lower risk route. ●

# Equiteq Q4 highlights

Our team remains active throughout the year, advising on deals, as well as sharing their expertise in market-leading reports and events.

Here are our highlights. Click the links below each topic to find out more.

## Reports

### Global Buyers Report 2022

For the seventh consecutive year, we surveyed global strategic buyers and Private Equity investors acquiring businesses across the knowledge economy to understand how they will approach M&A in the coming year.

[Find out more](#)

### M&A Trends 2022

Our annual report featuring in-depth insights into eight key trends driving M&A in 2022.

[Find out more](#)

### Consulting & Digital Quarterly M&A Report Q4 2021

This industry report is a compilation of quarterly insights from the Management Consulting and Technology Services sector, created to help you make well-informed, critical decisions about the future of your business.

[Download the report](#)

## Events

### Global Buyers Report 2022 Webinar: How buyers will approach M&A in 2022

Catch up with our on-demand webinar in which our team presents the findings of Equiteq's Global Buyers Survey 2022.

[Watch the recording](#)

### M&A Trends 2022 Webinar

The global M&A team covers the key M&A trends driving activity in the Knowledge Economy this coming year and beyond.

[Watch the recording](#)

## Deals

Equiteq advises HRC Retail Advisory on its sale to Accenture [October 2021]

[Find out more](#)

Equiteq advises MGAC on its acquisition of RLF [October 2021]

[Find out more](#)

Equiteq advises Roam Digital on its sale to Amdocs Limited [November 2021]

[Find out more](#)

Equiteq advises Hatch on its investment into Brannwave [November 2021]

[Find out more](#)

Equiteq advises BOYDAK Automation AG on its sale to BE-terna [December 2021]

[Find out more](#)

Equiteq advises Prokura on its sale to Kearney [December 2021]

[Find out more](#)

Equiteq advises Blue Point Capital on its platform investment into Stax Inc. [December 2021]

[Find out more](#)

Equiteq advises Intive on its acquisition of Spark Digital [December 2021]

[Find out more](#)

Equiteq advises Enowa LLC on its sale to Reply [January 2022]

[Find out more](#)

Equiteq advises sa.global on its sale to Kartesia [January 2022]

[Find out more](#)

Equiteq advises Just Analytics on its sale to Rackspace Technology [January 2022]

[Find out more](#)

Equiteq advises Groundswell Cloud Solutions on its sale to GyanSys Inc. [January 2022]

[Find out more](#)

Equiteq advises 4 Mile Analytics on its sale to S4 Capital [January 2022]

[Find out more](#)

[View all deals here](#)

# Locations

**Boston, USA**

1 International Place  
1400,  
Boston, MA 02110  
+1 (212) 256 1120

**London, UK**

4th floor  
8 Angel Court  
Copthall Avenue  
London, EC2R 7HP  
+44 (0) 203 651 0600

**Asia Pacific**

15 Beach Road  
2nd Floor  
Singapore, 189677  
+65 3109 1955

**New York, USA**

122 East 42nd street  
35th floor  
New York, NY 10168  
+1 (212) 256 1120

**Paris, France**

7 rue Meyerbeer  
75009 Paris  
+33 (0) 173 053 941

**Australia and New Zealand**

Customs House  
Level 3, 31 Alfred Street  
Sydney  
NSW 2000  
Australia  
+61 2 9051 9007

[info@equiteq.com](mailto:info@equiteq.com)

[WWW.EQUITEQ.COM](http://WWW.EQUITEQ.COM)



---

No offerings of securities are made through this site. Securities transactions in the United States are executed through Equiteq Securities LLC, a member of FINRA/SIPC.

Equiteq Securities LLC is a wholly-owned subsidiary of Equiteq Inc. [a wholly-owned subsidiary of Equiteq M&A Holdings Limited].

**To learn more, please visit**  
**[www.equiteq.com](http://www.equiteq.com)**