

## In Their Own Words With Quantum Energy Partners' Wil VanLoh

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### ***Wil VanLoh, Chief Executive, Quantum Energy Partners***

*In what ways has the digital revolution affected your firm's operations? Where has it had the biggest impact?*

The digital revolution redefines everything about how we work and make decisions. It's a complete paradigm shift from how we used to do things. It's not a destination, it's a journey. We see the digital transformation as an enabler to 1) work smart—automation of inefficient processes; 2) collaborate effectively—through digital platforms; 3) manage information and data—centralized data and digital documentation; 4) bring intelligence into our investment decisions—data analytics; and 5) utilize historical data to build a strong foundation for the future—through predictive modeling and artificial intelligence.

The biggest impact is achieved by trustfully incorporating AI and ML into our daily activities, guiding our investments decisions, empowering our portfolio companies and identifying investment opportunities. Our end goal is not only to transform how Quantum runs our business, but also to help our portfolio companies to go through the same digital transformation so they have the tools to compete on a level playing field with larger public companies.

*What do you see as the biggest challenge (or challenges) facing private-equity firms when it comes to technology?*

Strategy: Developing a companywide digital transformation strategy will be a challenge to many PE firms because they will have to change the way they have always conducted business. Embracing new technologies requires cultural transformation beyond the

digital transformation. There needs to be a strategy embraced by the firm's most senior executives.

**Team:** The digital journey requires a combination of in-house and external talent and technology. A typical PE workforce never needed such talent. There needs to be a strong leader of the technology team to lead the digitization initiatives and recruit the right people.

**Approach:** The new frontier of technology- and data-enabled AI and ML has never been used by most PE firms to help make investment and other business decisions. One can be easily lost on where to begin. The core competencies that made the firm successful historically should drive the purpose of the digital transformation. Defining quick wins and building a common goal is critical.

**Time and budget:** As previously mentioned, this is a journey. It requires continuous improvement, evolution and development. In the early phase, defining the budget, milestones and timing is essential. The firm's leadership must understand that it may take time for the full potential of the digital transformation to be fully evident.

—Compiled by Luis Garcia. Responses have been edited for clarity.

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