



Professional & Tech-Enabled Services

QUARTERLY SECTOR BRIEF | Q3 2025

What's Included:

- 01** Insights: Key themes driving trends in the professional and tech-enabled services sector and relevant insights related to the increasing usage of AI and other technologies to better align billing practices with client outcomes
- 02** Client Spotlights: Overview of recent deals that highlight key trends in the sector as well as exceptional outcomes achieved in Harris Williams transactions
- 03** Sector Activity: Our latest professional and tech-enabled services transactions and an update on public market activity
- 04** Connect With Us: Stay in touch with our professional and tech-enabled services team

01

PROFESSIONAL &
TECH-ENABLED SERVICES
Q3 2025

Insights

Firms are adopting AI to boost efficiency and align billing practices with client outcomes, transforming the professional and tech-enabled services sector. Embracing alternative billing models positions firms to meet evolving client expectations and sustain growth in a competitive landscape.



Key Sector Themes

While the billable hours model has long been the default for many professional and tech-enabled services companies, the widespread adoption of AI in everyday workstreams calls for a new billing model that better aligns the incentives for both client and provider. While the transition will not come without challenges, AI coupled with alternative billing models offers an exciting opportunity for professional services firms to vastly improve efficiency while maintaining profitability.



AI Adoption Continues to Accelerate

AI's rapid pace of advancement initially took the world by surprise, but recent data show professionals have started to catch up. From 2023 and 2024, the share of organizations reporting using generative AI in a core part of their business more than doubled, pointing to increased familiarity and proficiency with this new set of tools.¹



Transformation of Professional Workflows

The implementation of AI into key workstreams is rapidly transforming the legal and accounting industries by automating repetitive tasks, such as contract reviews, tax filings, and financial reconciliations. As a result, professionals have more time to focus on higher-value strategic activities, optimizing efficiency and boosting creativity.



Customizable Approach to Billing Solutions

A multitude of alternative billing models exist, such as flat fees, subscription plans, contingency fees, and success-based pricing, making them adaptable to almost any professional services business. These arrangements provide both clients and providers flexibility and better align incentives, ensuring a suitable option exists for many service providers.



Challenges Around Navigating Client Buy-In

One potential risk of moving to an outcome-based billing model is the emergence of a perception gap where clients believe the firm is putting in less effort due to AI or automation yet still charging the same price. Educating clients on the tangible value these services provide while maintaining transparency around pricing and outcomes is crucial to maintaining customer trust and conviction.

What We're Reading

In this sector brief, we have included a collection of articles focused on the shift away from the traditional billable hours model among professional services firms. As AI and automation reduce the time needed to complete routine work, companies are reevaluating how they capture and communicate value to their clients. As a result, alternative billing models have emerged as a compelling opportunity for professional services firms to align their compensation with results, rather than the time it takes to achieve them.

Rethinking Legal Value in the Age of AI
– Reuters

[READ HERE](#)

“...these AI-driven technologies aren't just tools, rather they're partners that help legal professionals do their work better. In fact, moving from billable hours to outcome-based pricing is more than a change in billing — it's a new way of thinking about legal work.”

Key takeaway: AI isn't just speeding up work — it's redefining how it's measured

Does It Still Make Sense for Firms to be Selling Time?
– Inside Public Accounting

[READ HERE](#)

“One of the biggest problems with getting firms on board with a switch to so-called value pricing is the fact that most of them probably can't even agree on what the term means... Even firms that have a pretty good idea of what it is — and want to give it a try — often simply don't know where to start.”

Key takeaway: Lack of understanding surrounding value-based pricing remains a hurdle

Why Value-Based Pricing is Here to Stay
– Above the Law

[READ HERE](#)

“With AI dramatically reducing the time required for legal tasks, law firms will need to shift their revenue model from hours burned to actual value delivered... The change will most likely not come from the law firms but from clients beginning to demand results-based compensation models.”

Key takeaway: This model will largely be shaped by the clients footing the bill

A Guide to Alternative Fee Arrangement for Law Firms
– The National Law Review

[READ HERE](#)

“Alternative fee arrangements for law firms benefit clients and lawyers. Clients can sign on for a payment structure they can afford, and your firm can get paid faster. Allowing clients to agree on how and when they'll pay you makes it more likely that your firm will receive the money you need...”

Key takeaway: Alternative fee arrangements create upside for both sides of the partnership

02

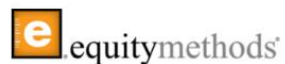
PROFESSIONAL &
TECH-ENABLED SERVICES
Q3 2025

Client Spotlights

Harris Williams is one of the most active advisors in the professional services sector, and recent transactions highlight both the key trends we are seeing in the sector, as well as the Harris Williams difference that leads to premium outcomes



Client Spotlight



a portfolio company of



has been acquired by

HGGC

Business Overview

- Equity Methods is a leading provider of stock-based compensation design, modeling, valuation, financial reporting, and human capital advisory services
- Through their complementary portfolio of services, Equity Methods provides deep technical and domain expertise to solve the integrated challenges and unique objectives of the Offices of the CFO and CHRO
- Equity Methods' ability to fuse technical expertise, rigorous analytics, and repeatable proprietary algorithms to help clients navigate complex stock-based compensation processes is highly differentiated in the market

Key Value Drivers

- Highly recurring compliance and regulatory-driven demand
- Unique value proposition with synergistic dual-competency managing complexity for OCFO and OCHRO
- Best in class financial and organic revenue and EBITDA growth profile
- Exceptional revenue retention, cross-sell, and client relationship

Senior Deal Team



Derek Lewis
Group Head, Managing Director
Business Services
dlewis@harriswilliams.com
(804) 915-0118



Bryce Walker
Managing Director
Business Services
bwalker@harriswilliams.com
(804) 887-6154



Maury Nolen
Vice President
Business Services
mnolen@harriswilliams.com
(804) 528-3570

Client Spotlight

ontellus

a portfolio company of

AQUILINE  capstreet

has been acquired by

datavant

a portfolio company of



Business Overview

- Leading record retrieval platform that facilitates the exchange of medical, billing, and imaging records from record custodians to insurance carriers and law firms during claims investigation and litigation discovery
- The Company's proprietary Digital Record Exchange provides a simpler, faster, more secure digital channel for record retrieval, helping both record custodians and record requesters more easily navigate the disjointed record retrieval process that is critical to resolving claims and litigation
- Ontellus maintains an integrated non-digital legacy fulfillment channel, enabling the Company to serve nearly any record request with the flexibility to route fulfillment through the fastest, most-profitable channel

Key Value Drivers

- Large and growing \$2.4B+ market with resilient demand drivers through economic cycles
- Disruptive software-based solution at the forefront of sector digitization
- Measurable value proposition for both record custodians and record requestors
- Proven ability to drive volumes through differentiated digital channel at superior unit economics

Senior Deal Team



Derek Lewis
Group Head, Managing Director
Business Services
dlewis@harriswilliams.com
(804) 915-0118



Bryce Walker
Managing Director
Business Services
bwalker@harriswilliams.com
(804) 887-6154



Maury Nolen
Vice President
Business Services
mnolen@harriswilliams.com
(804) 528-3570

Client Spotlight



a portfolio company of

AQUILINE

has partnered with



Business Overview

- ABC Legal is a provider of a digital marketplace that connects attorneys with process servers to deliver legal documentation in compliance with procedural regulations
- Connecting 29,000+ attorneys and 8,000+ process servers across every state, ABC Legal has the largest process server network in the US
- The company's leading, unmatched proprietary technology platform simplifies and standardizes the user experience by automating thousands of unique procedures and handoffs required to file documents and execute serves
- Process servers choose ABC Legal's platform for its ease of use, steady job volume, and superior user experience, featuring route optimization and streamlined proof documentation tools for efficient job execution

Key Value Drivers

- Powerful flywheel effect driven by the scale of the network and strong connectivity between participants
- Deep Management team with proven ability to continuously innovate and deliver above-market growth
- Leading workflow automation technology delivering an unmatched user experience
- Exceptional financial profile underpinned by strong historical margin expansion

Senior Deal Team



Derek Lewis
Group Head, Managing Director
Business Services
dlewis@harriswilliams.com
(804) 915-0118



Bryce Walker
Managing Director
Business Services
bwalker@harriswilliams.com
(804) 887-6154



Brian Titterington
Managing Director
Technology
btitterington@harriswilliams.com
+44 7557 172204

03

PROFESSIONAL &
TECH-ENABLED SERVICES
Q3 2025

Sector Activity

The professional and tech-enabled services market is at a pivotal moment, shaped by resilient M&A activity and broader economic shifts. Key drivers include the increased adoption of AI and automation, which is fueling strategic acquisitions across sectors like BPO, consulting, legal services, and human capital management. Meanwhile, private equity remains a dominant force, leveraging bolt-on acquisitions to consolidate fragmented markets and enhance operational efficiency.

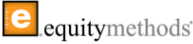


Harris Williams Professional & Tech-Enabled Services Experience

Selected Transactions

 a portfolio company of  has partnered with 

 a portfolio company of  has been acquired by  a portfolio company of 

 a portfolio company of  has been acquired by 

 a portfolio company of  has been acquired by  a portfolio company of 

 a portfolio company of  has been acquired by 

 a portfolio company of  has been acquired by  a portfolio company of 




 a portfolio company of  has been acquired by 




 has been acquired by AN INVESTOR GROUP LED BY STEVE SINGH    

 a portfolio company of  has been acquired by 

 a division of  has received a majority investment from 

 single-asset continuation vehicle 

 a portfolio company of  has been acquired by 

 a portfolio company of  has been acquired by 

 a portfolio company of  has been acquired by 

 a portfolio company of  has been acquired by 

 has acquired  a business division of 

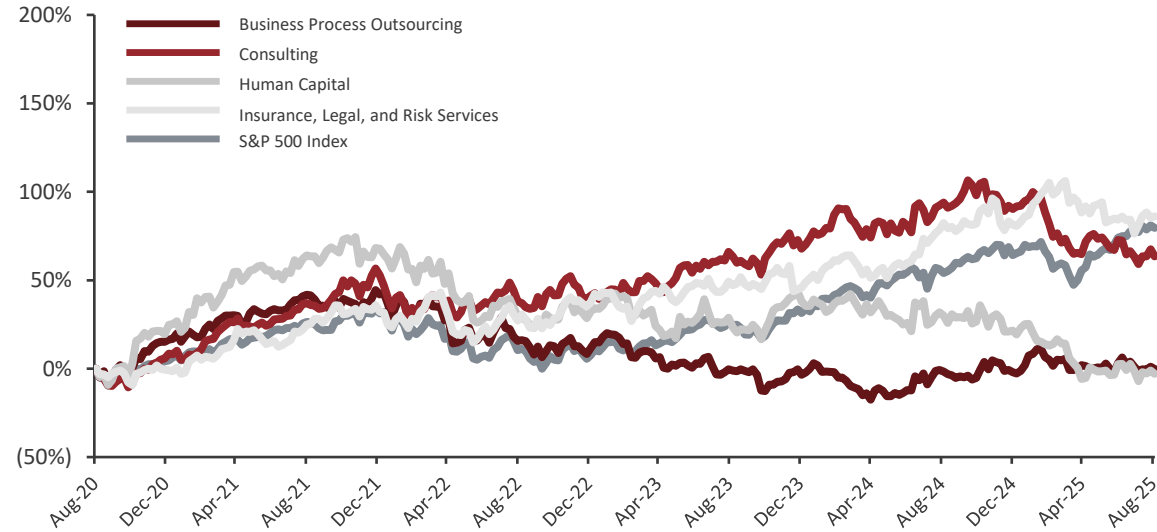
 a portfolio company of  has been acquired by 

 a portfolio company of  has been acquired by 

Professional & Tech-Enabled Services Public Company Performance and Trends

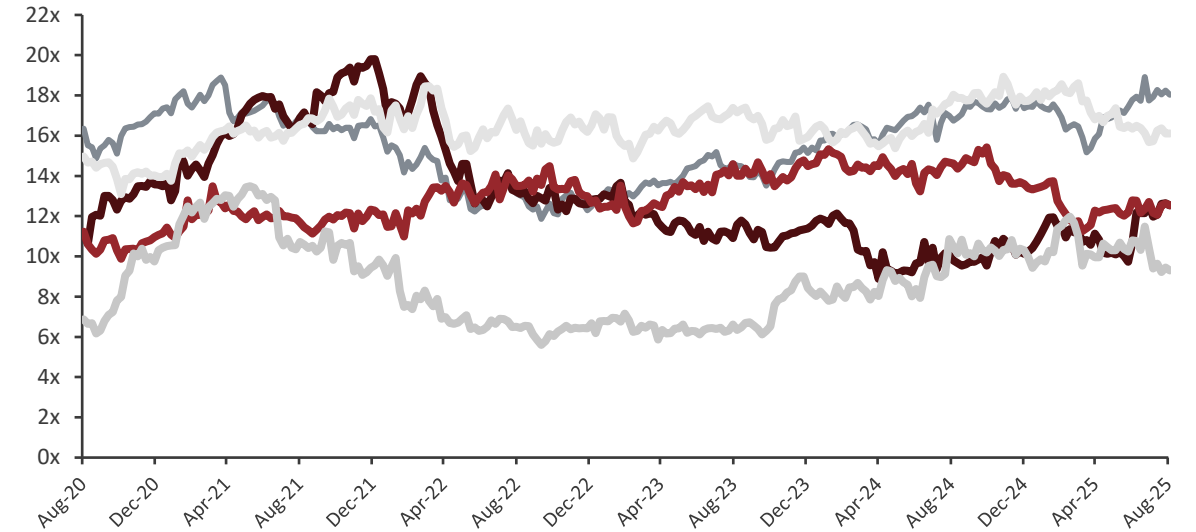
Historical Stock Prices – Past 5 Years¹

Indexed Stock Price Performance for the Period August 2020 – August 2025



Historical Median TEV/LTM EBITDA Multiples – Past 5 Years¹

Median TEV/LTM EBITDA Multiples Performance for the Period August 2020 – August 2025



Business Process Outsourcing Consulting Human Capital Insurance, Legal, and Risk Services S&P 500 Index

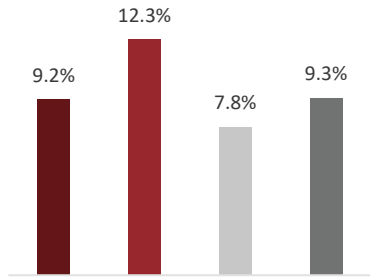
Representative Key Public Comparables²

A grid of logos for representative key public comparables in the Professional & Tech-Enabled Services sector. The logos are arranged in three rows and ten columns. The companies listed include: Row 1: accenture, AON, ASGN Incorporated, BBSI, Brown & Brown Insurance, CBIZ, cognizant, Computershare, CRA Charles River Associates, Crawford, DXC TECHNOLOGY, EXL; Row 2: FTI CONSULTING, Gallagher, genpact, HAYS, HEIDRICK & STRUGGLES, HURON, ICF, Insperity, Kelly, KFORCE, KORN FERRY, ManpowerGroup; Row 3: MarshMcLennan, randstad, RESOURCES CONNECTION, rh, s|three, tcs, trueblue, ttec, wipro, WNS, wtw.

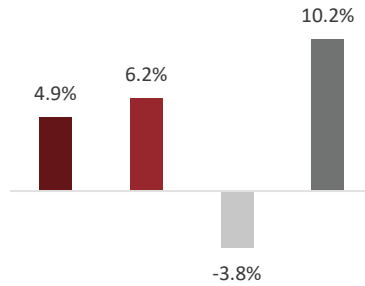
Professional & Tech-Enabled Services Public Company Operating and Valuation Metrics

Public Company – Operating Metrics¹

Median 3-Year Revenue CAGR (2021-2024)

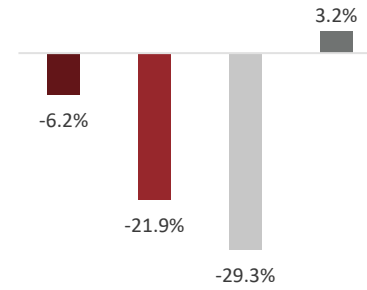


Median LTM Revenue Growth

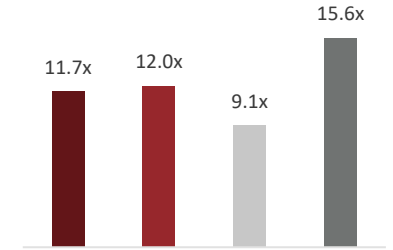


Public Company – Valuation Metrics¹

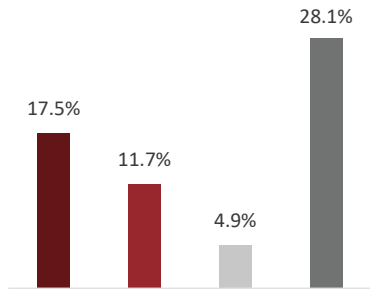
12-Month Change in Stock Price



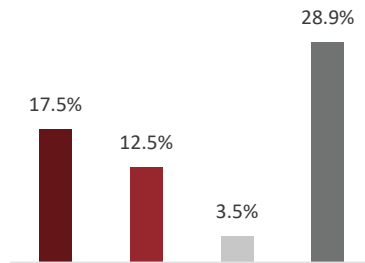
Median TEV / 2025E EBITDA Multiple



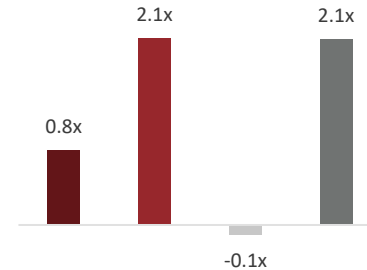
Median 3-Year EBITDA Margin (2021-2024)



Median LTM EBITDA Margin



Net Debt / LTM EBITDA



- Business Process Outsourcing
- Consulting
- Human Capital
- Insurance, Legal, and Risk Services

Business Process Outsourcing

Consulting

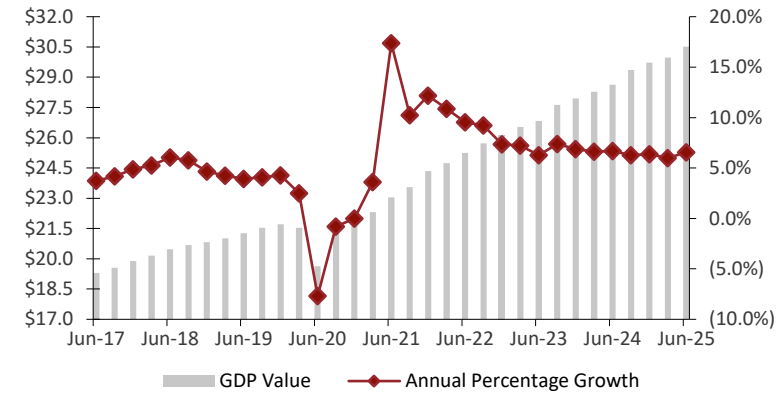
Human Capital

Insurance, Legal, and Risk Services

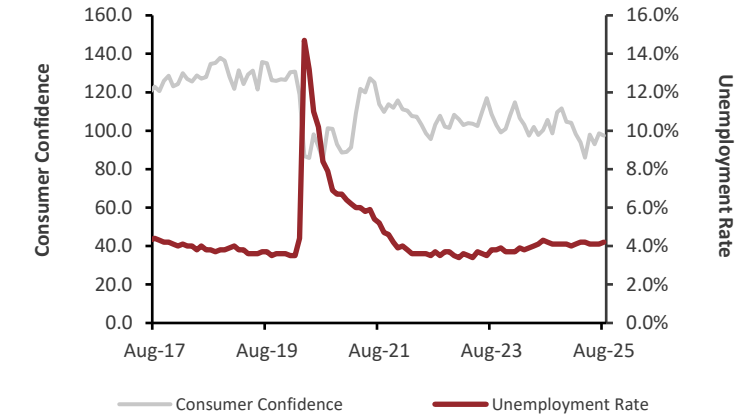
Economic Trends

U.S. GDP Growth¹

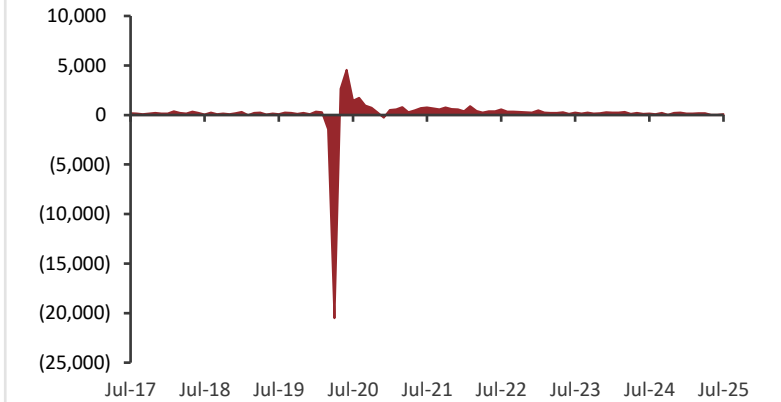
(In Trillions indexed to 2016 USD)



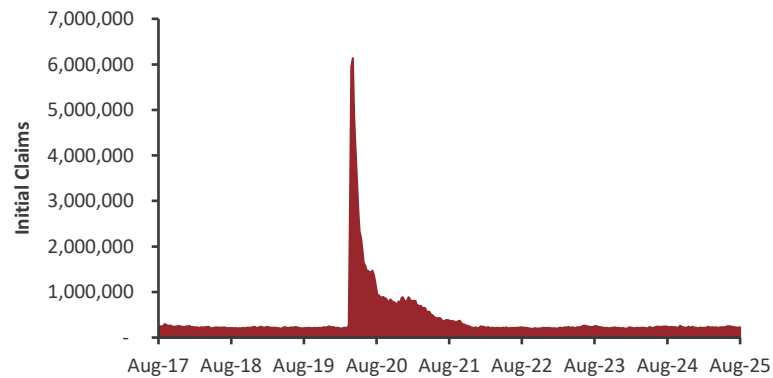
Consumer Confidence and Unemployment Rate^{2,3}



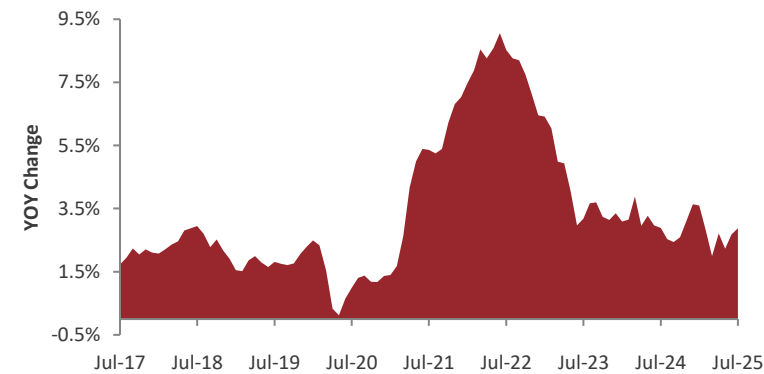
Non-Farm Payrolls (1-Month Net Change)³



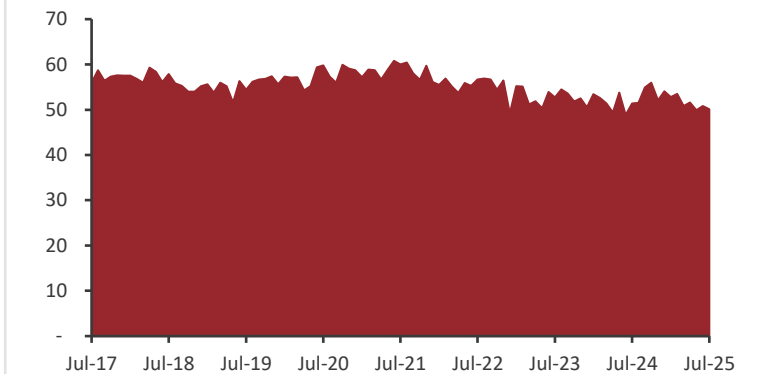
U.S. Initial Jobless Claims⁴



Consumer Price Index³



ISM Non-Manufacturing Index⁵



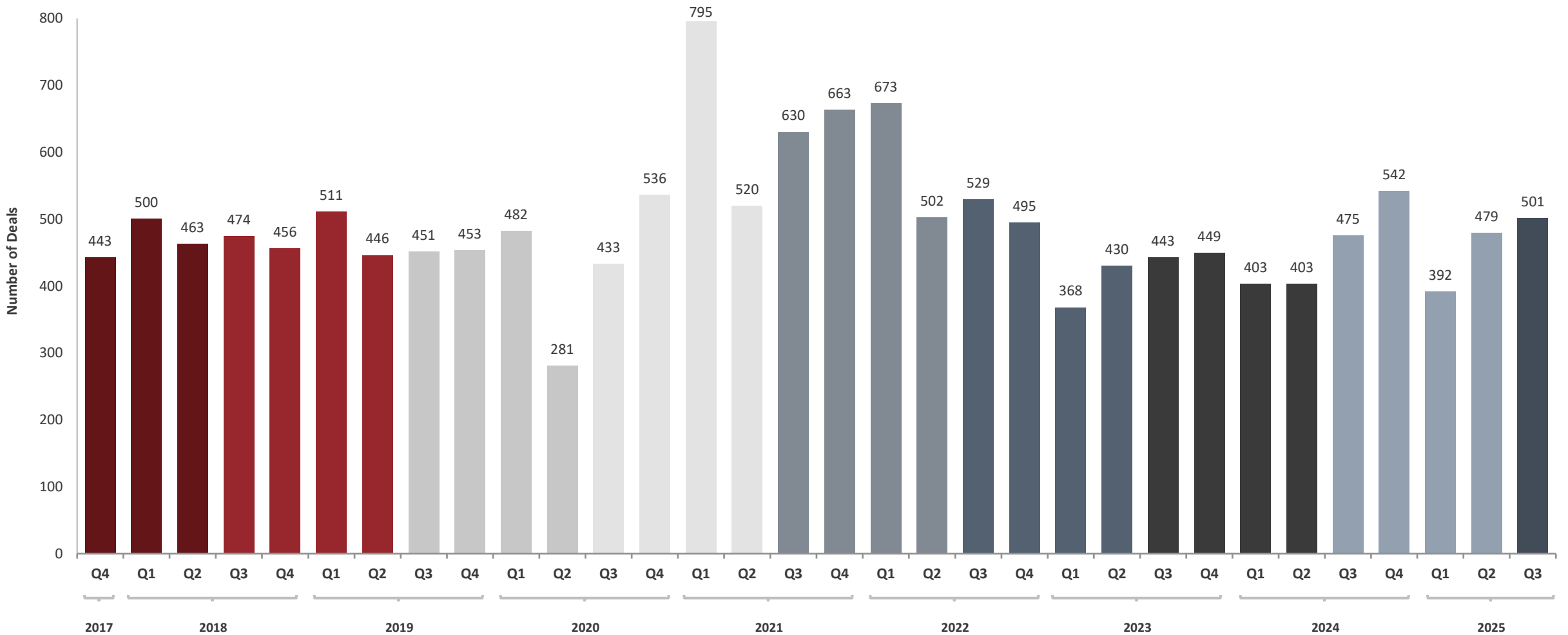
1) U.S. Bureau of Economic Analysis
2) The Conference Board

3) U.S. Bureau of Labor Statistics
4) U.S. Department of Labor

5) Institute for Supply Management

M&A Market Trends

Professional & Tech-Enabled Services M&A Volume¹



04

PROFESSIONAL &
TECH-ENABLED SERVICES
Q3 2025

Connect With Us

Harris Williams brings extensive expertise in the professional and tech-enabled services sector, consistently establishing itself as a leading dealmaker in the space. We actively share insights and updates across our subsectors, and you can learn more by connecting with the Harris Williams team featured in this section.



Our Team

Key Coverage Areas

Business Services Coverage Areas

- › Professional & Tech-Enabled Services
- › Commercial & Industrial Services
- › IT Services
- › Specialty Distribution

Professional & Tech-Enabled Services Coverage Areas

- › Business Process Outsourcing
- › Consulting
- › Education & Training
- › Engineering
- › Compliance
- › Financial Services
- › Governance, Risk & Compliance
- › Human Capital Management
- › Information Technology
- › eCommerce & Retail
- › Insurance & Risk Management
- › Legal Services
- › Marketing & Information
- › Workforce Solutions

Connect With Our Team

Learn more about our deep expertise unlocking value for great businesses in the professional and tech-enabled services sector:



Derek Lewis
Group Head, Managing Director
Business Services
dlewis@harriswilliams.com
(804) 915-0118



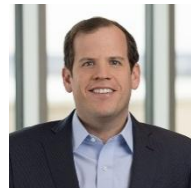
Brian Lucas
Group Head, Managing Director
Business Services
blucas@harriswilliams.com
(804) 887-6023



Mark Brune
Managing Director
Business Services
mbrune@harriswilliams.com
+49 69 3650638 31



Bryce Walker
Managing Director
Business Services
bwalker@harriswilliams.com
(804) 887-6154



John Chase
Vice President
Business Services
jchase@harriswilliams.com
(804) 915-0196



Maury Nolen
Vice President
Business Services
mnolen@harriswilliams.com
(804) 528-3570



Jens-Uwe Spörl
Vice President
Business Services
jspoerl@harriswilliams.com
+49 69 3650638 33



Michael Tuohey
Vice President
Business Services
mtuohey@harriswilliams.com
(804) 664-7906

HW Harris Williams / GLOBAL INVESTMENT BANK

Mergers & Acquisitions • Private Capital Solutions • Primary Fund Placement


Harris Williams is a global investment bank specializing in M&A and private capital advisory services. Clients worldwide rely on us to help unlock value in their business and turn ambitious goals into reality. We approach every engagement with boundless collaboration, pooling expertise and relationships across industries and geographies to deliver superior outcomes for our clients.

75% Revenue from repeat clients

83% Managing Directors promoted from within the firm

30+ Year history



-  Aerospace, Defense & Government Services
-  Business Services
-  Consumer
-  Energy, Power & Infrastructure
-  Healthcare & Life Sciences
-  Industrials
-  Technology
-  Transportation & Logistics

Important Disclosures

Harris Williams LLC is a registered broker-dealer and member of FINRA and SIPC. Harris Williams & Co. Ltd is a private limited company incorporated under English law with its registered office at 13th floor, One Angel Court, London EC2R 7HJ, UK, registered with the Registrar of Companies for England and Wales (registration number 07078852). Harris Williams & Co. Ltd is authorised and regulated by the Financial Conduct Authority, number 5408952. Harris Williams Private Capital Advisory Ltd. is an Appointed Representative of Sturgeon Ventures, LLP, which is authorised and regulated by the Financial Conduct Authority number 452811. Harris Williams & Co. Corporate Finance Advisors GmbH is registered in the commercial register of the local court of Frankfurt am Main, Germany, under HRB 107540. The registered address is 16th Floor, Marienturm, Taunusanlage 9-10 60329, Frankfurt am Main, Germany (email address: hwgermany@harriswilliams.com). Geschäftsführer/Director: Paul Poggi, VAT No. DE321666994. Harris Williams (“HW”) is a trade name under which Harris Williams LLC, Harris Williams & Co. Ltd, Harris Williams & Co. Corporate Finance Advisors GmbH, and Harris Williams Private Capital Advisory, Ltd conduct business.

Harris Williams Primary Fund Placement LLC (“HW PFP”, f/d/b/a Aqueduct Capital Group, LLC) is a registered broker-dealer and member of FINRA and SIPC, and is an affiliate of The PNC Financial Services Group, Inc.

HW and HW PFP (the “Companies”) are affiliates of The PNC Financial Services Group, Inc., which, together with its subsidiaries and affiliates and their agents (collectively, “PNC”), engages in a broad range of businesses. PNC may have had, and may currently or in the future have, business with or ownership in the Companies and its related persons, potential parties to the proposed transaction and their related persons, or their competitors, customers or suppliers. When the Companies are engaged to provide adviser services in a transaction, the Companies are acting only for their clients in connection with the proposed transaction.

HW PFP and HW are under common ownership of PNC. However, each of HW and HW PFP are separate registered broker-dealers and separate members of FINRA and SIPC.

The distribution of this document in certain jurisdictions may be restricted by law, and accordingly, recipients of this document represent that they are able to receive this document without contravention of any registration requirement or other legal restrictions in the jurisdictions in which they reside or in which they conduct business.

This document does not contain all the information needed to assess any transaction. You must conduct your own investigations and analyses. Neither HW nor HW PFP provides accounting, tax, investment, regulatory or legal advice to anyone. This document is for discussion purposes only and is not a recommendation, offer or solicitation for the purchase or sale of any security or an invitation or inducement to engage in any transaction or investment activity. To the extent HW and HW PFP obtained information in this document from third-party sources, neither HW nor HW PFP has independently verified such information and no obligation is undertaken to provide updated or additional information. No representation or warranty, expressed or implied, is made in relation to the fairness, accuracy, correctness or completeness of the information, opinions or conclusions expressed herein. All forward-looking statements herein involve assumptions and elements of subjective judgment and analysis and are not facts. Nothing in this document guarantees future results or performance.

This document is only being distributed to, and only made available to, and directed at: (a) persons who are outside the United Kingdom; (b) persons in the United Kingdom who have professional experience in matters relating to investments falling within Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”); (c) high net worth entities and other persons to whom it may otherwise lawfully be communicated falling within Article 49(2)(a) and (d) of the Order; or (d) any other person to whom this document may otherwise lawfully be communicated or caused to be communicated (all such persons in (b) to (d) together being referred to as “Relevant Persons”). This document must not be acted on or relied on by persons who are not Relevant Persons. In the UK, any investment or investment activity to which this document relates is only available to, and will be engaged with, relevant persons.

For documents that pertain to a transaction or potential transaction:

All documents and information HW or HW PFP provide to prospective investors are for information only and may be used solely to evaluate a potential engagement and/or transaction. By accepting this document, you agree that, unless provided in a confidentiality agreement between you and HW and/or HW PFP or permitted by applicable law, you will: (i) not, and will not allow any person acting on your behalf to, disclose, reproduce or distribute any of this document without the Companies' prior written consent; (ii) keep, and cause anyone acting on your behalf to keep, confidential all non-public information in this document; (iii) use this document only for evaluating a potential engagement and/or transaction; and (iv) upon request by HW and/or HW PFP, return all materials from HW or HW PFP and destroy all documents containing information from those materials.

None of HW or HW PFP, nor any of their respective affiliates, equity holders, directors, officers, managers, employees, contractors, advisors, representatives or agents (the “Protected Persons”), represent or warrant as to the reasonableness or probability of any forward-looking statements made by any Protected Person. No potential investor should rely on them. To the greatest extent permitted by law, the Protected Persons shall have no liability for any information, opinions or conclusions expressed herein, any forward-looking statements or assumptions on which they are based, or errors in or omissions from this document.