Coastal Partners

Q3 2025

Quarterly Private Equity Business Development Report

CONTENT

About the Report	4
Where are we now?	5
BD Hiring Updates: Q3 - 2025	6-7
Hiring Updates: Junior BD Hires	8-9
Hiring Updates: Mid Level BD Hires	10-11
Hiring Updates: Senior BD Hires	12-13
Private Equity Business Development: Current Landscape	14-15
PE Firms by fund size & number of BD professionals	16-17
Dedicated BD professionals by Title	18
Dedicated BD professionals by Years of Experience	19
Why Choose Coastal Partners?	20

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Q3 2025 continued the year’s steady momentum in private equity BD hiring. A total of **65 professionals joined BD teams across 42 unique firms**, including **9 first-time hires** at firms building out the function for the first time.

What’s particularly notable this quarter is the growing concentration of activity among a small group of firms - **four firms accounted for one-third of all hires (22 of 65)**, signaling more concentrated team build outs versus the broadly distributed growth we’ve seen in prior quarters.

- **Matt Rooney**
Managing Partner, Coastal Partners

QUARTERLY BUSINESS DEVELOPMENT REPORT

About the Report:

In pursuit of a continuous understanding of trends within the Business Development/Deal Sourcing functions at Private Equity firms, we have conducted a detailed report covering recent hires and the current state of the function within the industry.

The data, which comes from a combination of public and proprietary sources, has been thoroughly gathered and analyzed to present the most accurate snapshot at this point in time.

The ensuing report is based on research done by Coastal Partners.

Where are we now?

A lay of the land in PE BD, Q3 - 2025

944 Total Dedicated Business Development professionals at Private Equity firms in the US & Canada.

99 of these are Heads of Business Development

261 of these are MD, Partner, Head of BD

442 Total PE firms with at least 1 dedicated BD professional

375 of these are Analysts, Associates, Sr. Associates, Managers

Private Equity BD Hiring Updates

	Q3 - 2024	Q3 - 2025
Total hires	57	65
First dedicated BD hire	14	9
Existing PE BD Professionals	26%	31%
Remote hires	11%	14%

Through the **first three quarters of 2025, 176 BD hires** have been made - slightly above the **165 hires** seen during the same period in 2024. Despite the similar totals, this year's hiring has been more top-heavy, with an increase in senior hires and a higher number of first-time BD buildouts.

Looking more broadly, the industry has now seen **42 first-time BD hires year-to-date**, compared with 30 at this stage last year—a sign of steady adoption of the function across new firms.

*Based on data collected through Q3 '25

New Hire Titles
Q3 - 2025

Analyst	19
Associate	21
Senior Associate	1
Manager	4
Vice President	9
Director	3
Principal	2
Head of BD	5
Managing Director	2

*Based on data collected through Q3 '25

Junior hiring remained active in Q3, with **44 hires at the Analyst and Associate levels** - consistent with last year's pace during the same quarter.

Interestingly, **18 of the 44 hires** came directly out of undergrad, highlighting how many firms continue to view BD as a strong entry point for early-career professionals.

Year-to-date, junior hires represent 91 of 176 total placements (52%), down from 63% in 2024, indicating a moderate shift toward more experienced profiles.

Junior BD Hires

	Q3 - 2024	Q3 - 2025
Total hires	43	44
Existing PE BD Professionals	12%	14%

*Based on data collected through Q3 '25

Previous backgrounds - Q3 Junior BD Hires

Finance & M&A	Q3 - 2024	Q3 - 2025	% of all hires
Existing PE BD	5	6	12% 14%
Investment Banking	8	7	19% 16%
Investment Banking (BD)	0	1	0% 2%
Buy-side Firms	1	2	2% 5%
Commercial Banking	0	1	0% 2%

Sales & Everything else	Q3 - 2024	Q3 - 2025	% of all hires
Sales	7	3	16% 7%
Undergraduate	11	18	26% 41%
Consulting	1	2	2% 5%
Expert Networks	3	2	7% 5%
Private Equity	1	1	2% 2%
Private Wealth Management	3	0	7% 0%
BD Tech Company / BD Tool	2	0	5% 0%
Others	1	1	2% 2%
TOTAL	**42**	**44**	75% 68%

*Based on data collected through Q3 '25

Mid-level hiring (VP and Director titles) has remained steady throughout 2025, with **12 hires in Q1, 11 in Q2, and 10 in Q3**.

Firms making their first BD hire continue to favor professionals at this level - those seasoned enough to independently manage outreach, banker coverage, and early process-building, yet still with meaningful career runway and a more moderate compensation requirement than senior-level hires.

Notably, **70% of mid-level hires in Q3** came from existing PE BD roles, reflecting both healthy movement within the function and firms' preference for candidates who can step in with immediate familiarity and established industry relationships.

Mid Level BD Hires

	Q3 - 2024	Q3 - 2025
Total hires	8	10
Existing PE BD Professionals	75%	70%

*Based on data collected through Q3 '25

Previous backgrounds - Q3 Mid-Level BD Hires

Finance & M&A	Q3 - 2024	Q3 - 2025	% of all hires
Existing PE BD	6	7	75% 70%
Investment Banking	1	1	13% 10%

Sales & Everything else	Q3- 2024	Q3 - 2025	% of all hires
Sales	1	1	13% 10%
Strategy / Operations in Industry	0	1	0% 10%

TOTAL	8	10	14% 15%

*Based on data collected through Q3 '25

Senior hiring continues to trend upward, with **32 senior-level hires** (Principal, MD, Partner, or Head of BD) through Q3 2025 - up from 25 during the same period last year.

This sustained rise underscores both the professionalization of the BD function and firms' growing willingness to invest in leadership talent capable of shaping strategy, institutionalizing sourcing processes, and building durable intermediary networks.

Of the 11 senior hires this quarter, eight came from within the existing PE BD ecosystem, while three transitioned from investment banking - continuing the historical concentration of senior BD talent across these two primary backgrounds.

Senior BD Hires

	Q3 - 2024	Q3 - 2025
Total hires	6	11
Existing PE BD Professionals	67%	73%

*Based on data collected through Q3 '25

Previous backgrounds - Q3 Senior BD Hires

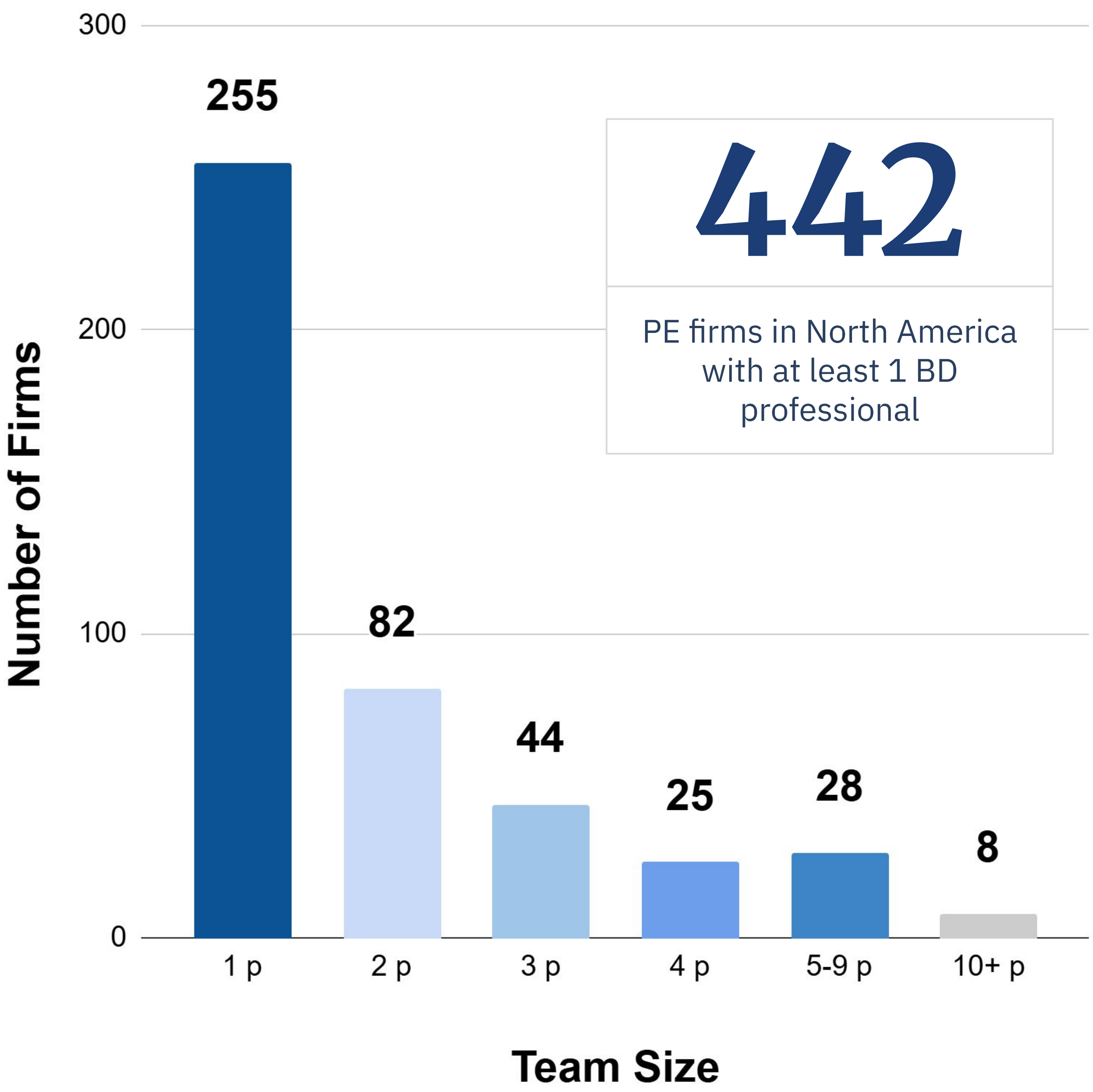
Finance & M&A	Q3 - 2024	Q3 - 2025	% of all hires
Existing PE BD	4	8	67% 73%
Investment Banking	0	3	0% 27%

Sales & Everything else	Q3- 2024	Q3 - 2025	% of all hires
Private Wealth	1	0	17% 0%
Strategy / Operations in Industry	1	0	17% 0%

TOTAL	6	11	11% 17%

*Based on data collected through Q3 '25

Private Equity Business Development: Industry Snapshot



*Based on data collected through Q3 ’25

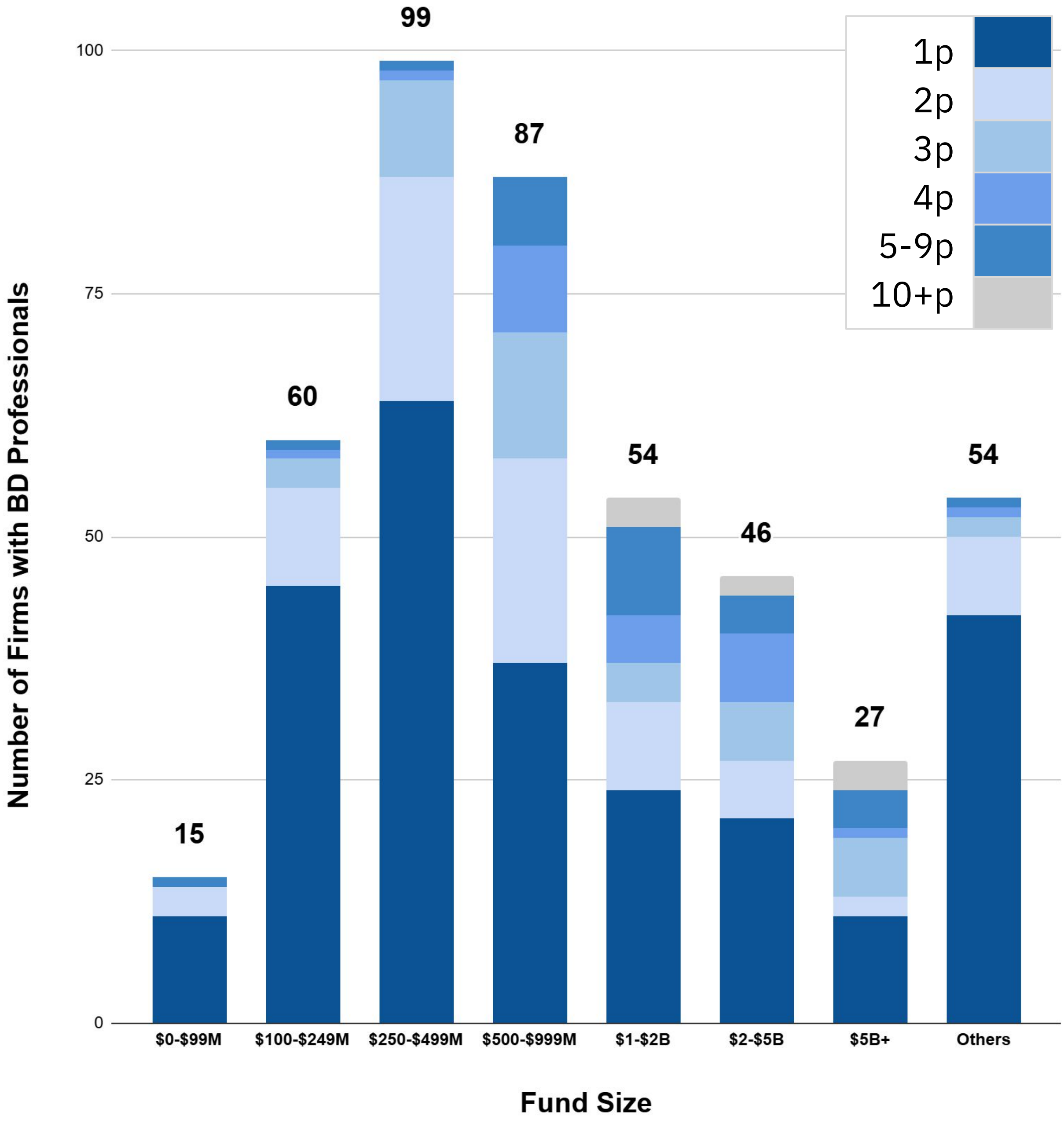
The total number of private equity firms employing at least one dedicated BD professional **has now surpassed 440**, up from roughly 400 a year ago.

Growth continues to be concentrated among lower- and middle-market firms - segments with the largest universe of target companies and intermediaries, where dedicated sourcing support can deliver the clearest ROI.

As the market matures, BD is increasingly viewed as a necessity rather than a luxury, signaling the continued professionalization and institutionalization of the sourcing function across private equity.

*Based on data collected through Q3 '25

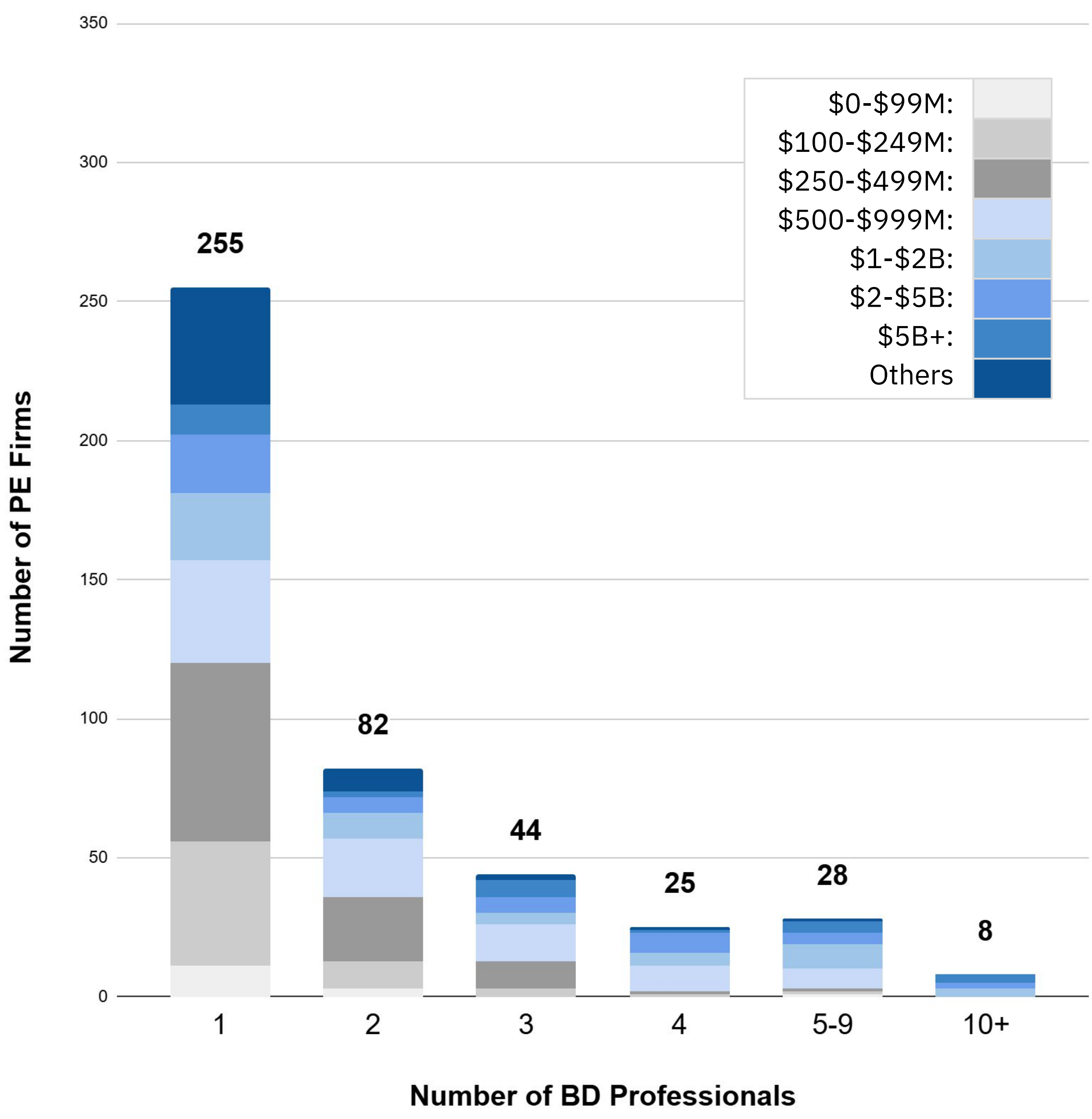
PE Firms with BD by Fund and Team Size



*Others includes Independent Sponsor, Family Offices, Fund Size N/A, etc.

*Based on data collected through Q3 '25

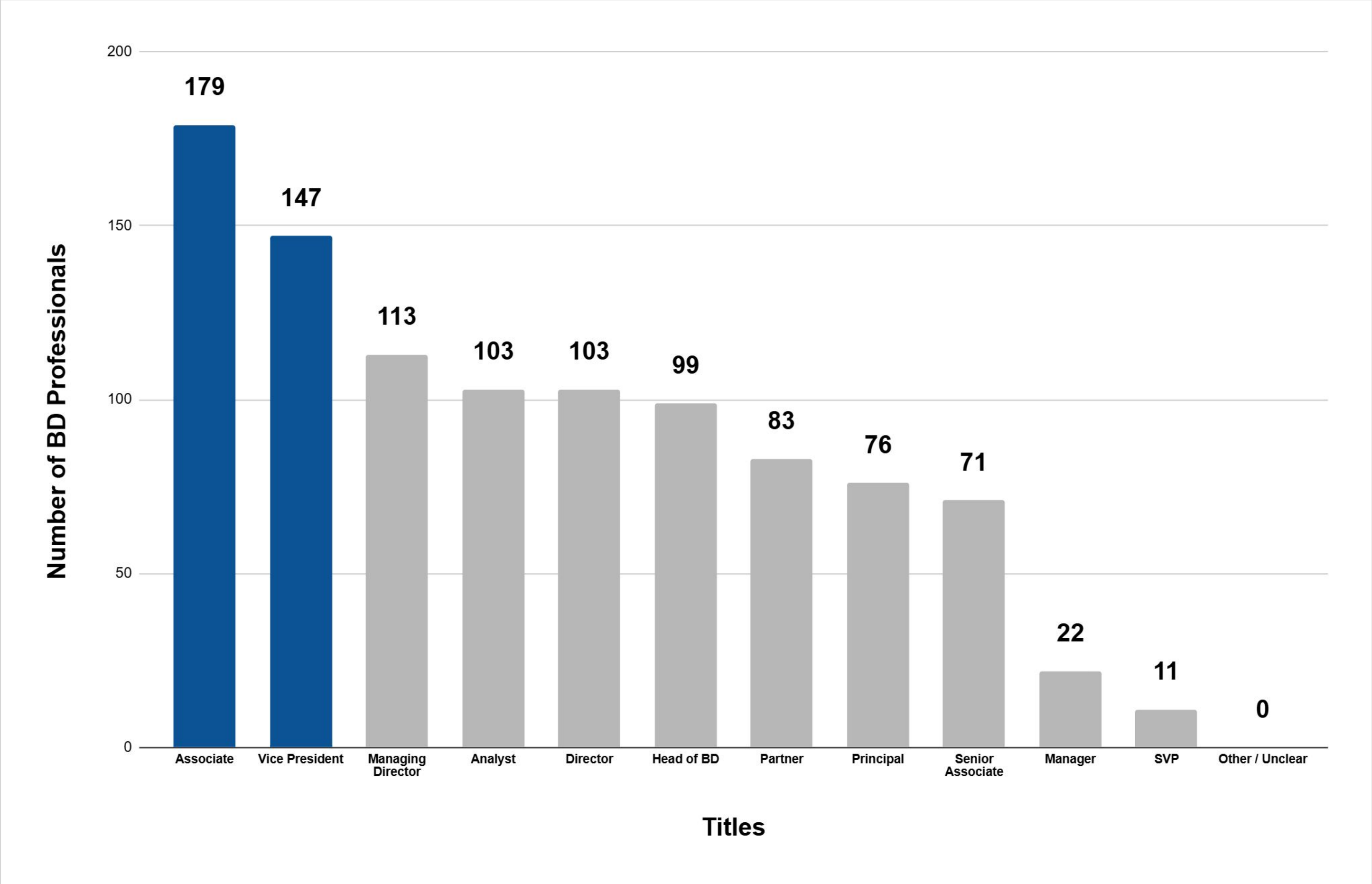
PE Firms by # of BD Professionals and Fund Size



*Others includes Independent Sponsor, Family Offices, Fund Size not Available, etc.

*Based on data collected through Q3 '25

Dedicated BD Professionals by title



*Head of BD exists as a sole title and combination of 2 titles, e.g. "Principal, Head of BD"

BD titles continue to vary widely across firms. "Director" remains one of the most inconsistently applied designations, spanning professionals with as few as five years or as many as twenty years of experience.

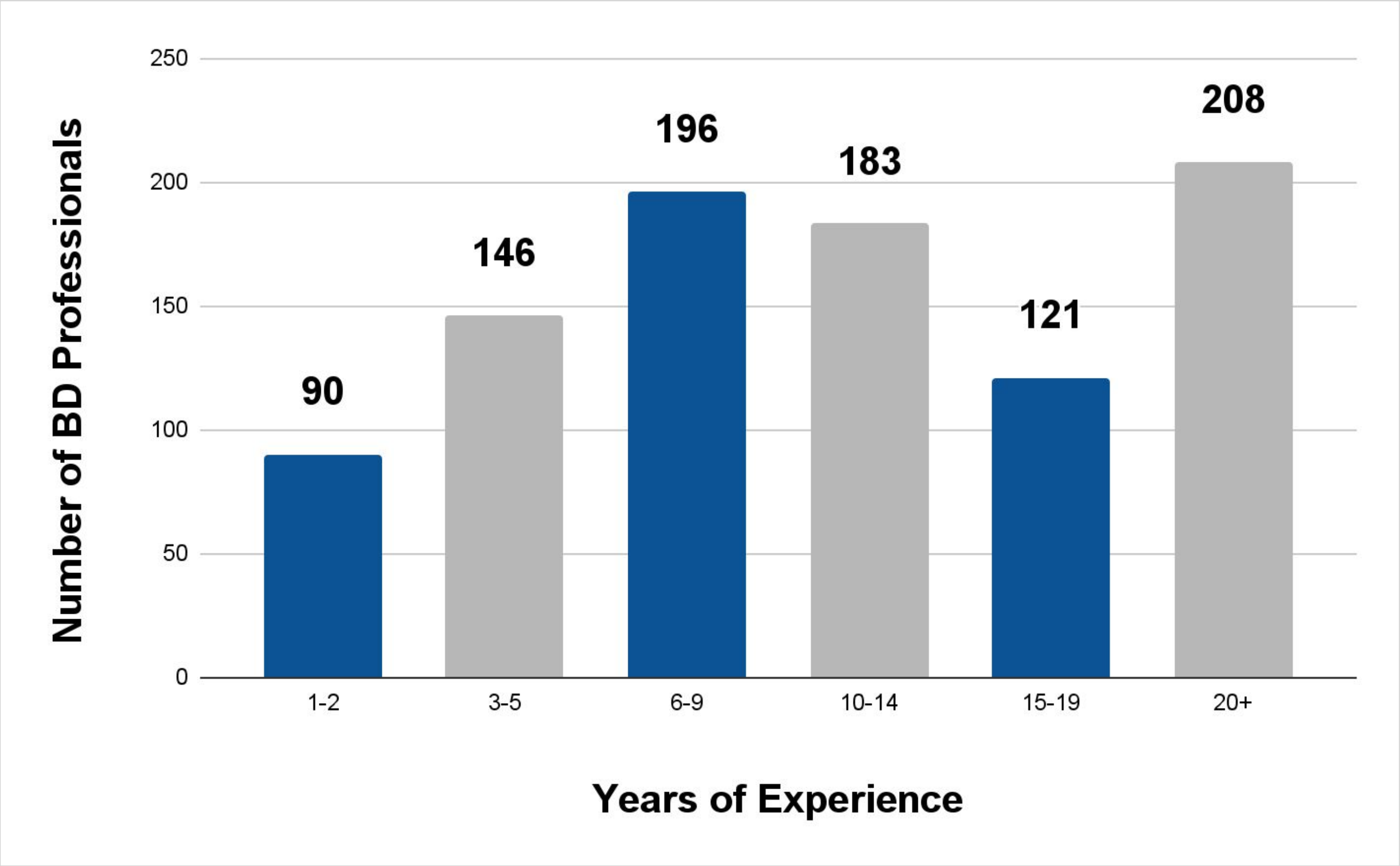
This title inflation often reflects a strategic choice: credibility in front of investment banks, founders, and intermediaries can directly influence access to deals. As a result, some firms elevate public-facing titles to enhance market presence while maintaining internal hierarchy behind the scenes.

*Based on data collected through Q3 '25

Experience distribution within BD roles continues to lean toward junior and mid-career professionals. The 6-9-year experience band remains the most common profile among hires, though this year saw a modest uptick in professionals with 10-14 years of experience, particularly among firms making their first BD hire.

Across all hires this year, **115 of 176 (65%) fell within the 1-9 years of total professional experience range**, compared to 140 of 165 (85%) during the same period last year - a notable increase in more experienced hiring across the function.

Dedicated BD Professionals by years of experience



*Based on data collected through Q3 '25

WHY CHOOSE COASTAL PARTNERS?

We understand this job.

PE BD is relatively new. Sourcing has always been done, but PE as an industry has only broadly starting hiring dedicated BD professionals since about 2014. We at CP placed our first BD professional in 2015 and have been fully-focused on BD since 2023. Our compensation survey for dedicated BD professionals is 1 of only 2 of its kind. We understand the nuance within responsibilities among BD professionals in the industry i.e. heavy banker coverage, long-tail intermediary coverage, proprietary outreach, etc.

We know where to look.

Less than 18% of existing PE BD professionals came from investment banking. Less than 4% come from buy-side acquisition firms. There are many other places to find quality candidates (consulting, expert networks, sales, commercial banking) with relevant experience.

We stay in the mix.

More than 50% of BD hires at the VP level or above are of existing PE BD professionals. There is a lot of movement within the function due to variance in compensation, responsibilities, upward mobility, etc. We not only understand this nuance, but are in contact with more than 50% of the 810 existing BD professionals.

Find out more about BD, IR & Coastal Partners:

- CoastalPartners.co - Official website of Coastal Partners
- Deal Sourcery Podcast - The only podcast exclusively about private equity deal sourcing
- PE BD Briefs - Newsletter dedicated to private equity deal sourcing
- Matt Rooney's Linkedin - Business Development focus since Jan ‘23
- Ed Rooney's Linkedin - Investor Relations focus since Jan ‘24

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Thank You.