

Private Equity at Work

Employment and job creation

Private equity and venture capital are present in every region and major business sector across Europe. This is an industry that is woven into the economic and social fabric of Europe, producing the goods and services that people demand – and driving the creation of high-value jobs, prosperity and sustainable growth in the process.



Employment 2023

11.2 million

5%

employees worked in private equity-backed European companies

of Europe's total 240 million workforce
Source: EDC / Eurostat / UK ONS

Employment

Private equity is a cornerstone of the European economy present in every region and every major business sector across the continent. From technology and life sciences start-ups to manufacturing small and medium-sized enterprises (SMEs) and large consumer-focused multinationals, private equity-backed companies create and support millions of high-value jobs driving prosperity and growth in the process. Private equity supports 11.2 million jobs in European companies, making it a major employer in most industry sectors.

28,610

companies in Europe backed by private equity in 2023 across all industry sectors and all regions

21,536

of which were SMEs employing 1,042,013 people

Employment by portfolio company stage



Jobs in Buyout stage companies
6,952,668

Jobs in Growth stage companies
3,404,799

Jobs in Venture stage companies
634,313

Other*
214,396

Note: Employment data is based on an extrapolation of a sample of 17,586 portfolio companies

* Other includes Turnaround/Rescue and Replacement capital

Job creation

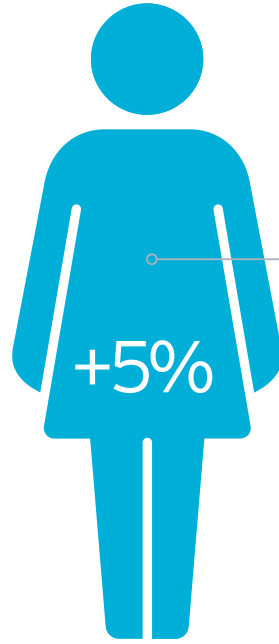
Private equity builds successful businesses. Successful businesses invest more in growth. And growth leads to job creation.

+339,149

net jobs were created by private equity-backed companies in 2023, a figure roughly comparable to the working population of the greater city of Bilbao, Spain

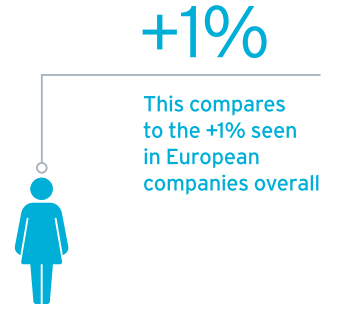
Source: EDC / Eurostat

Job creation 2022-23



Job creation of +5% in private equity-backed companies in 2023

vs.



Job creation by type of private equity firm

All stages of private equity are contributing to job creation. In 2023, Venture firms recorded the highest growth rate: +6% (+31,252 people). Typically backing larger companies, Buyout firms increased employment in theirs by 216,779 (+5%).

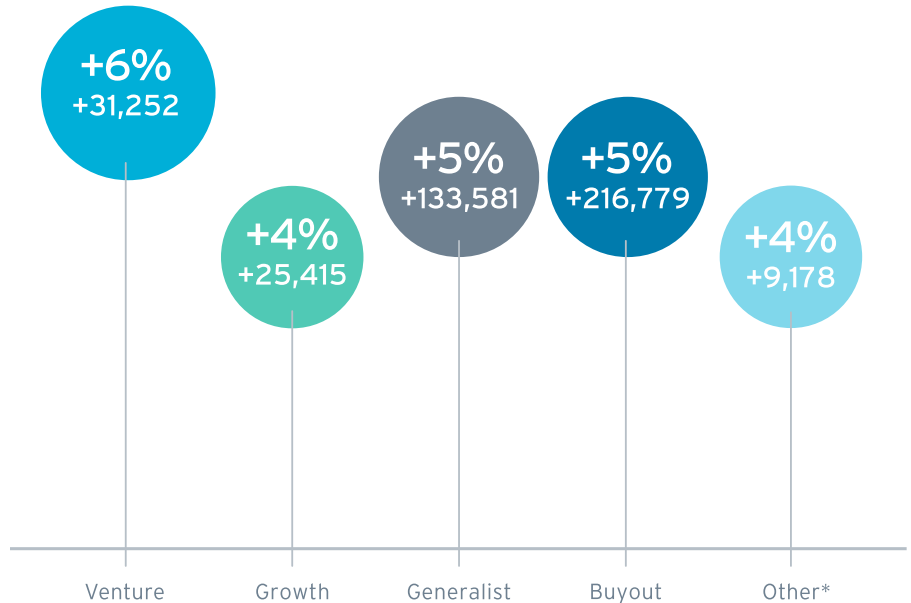
+6%

net jobs created by private equity-backed SMEs in 2023

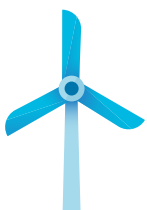
Note: Job creation on portfolio companies in Europe active and backed by private equity as of end of 2023.

Job creation 2022-23

By type of private equity firm



Sector highlights



Energy & Environment
402,039 employees
+21,397 new jobs
+9.5% growth



Financial & Insurance Activities
373,832 employees
+15,599 new jobs
+7% growth



Transportation
419,868 employees
+16,141 new jobs
+6% growth