

M&A ACTIVITY

MANAGEMENT CONSULTING

H2 2025

EQUITEQ

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Executive Summary

The second half of 2025 marked a more disciplined and strategically focused phase for specialty consulting M&A. Capital deployment proved resilient despite lower deal volumes, with total disclosed spend reaching in excess of \$3 billion, significantly above H1 levels. The pattern suggests buyers are deploying capital with greater precision, backing scaled and defensible platforms with conviction.

This divergence between softer volumes and sustained investment reflects a maturing market rather than a weakening one. Acquirers are drawing sharper distinctions between generalist advisory models and firms able to demonstrate sector depth, regulatory resilience and credible AI integration. In this environment, specialization is not simply advantageous – it is decisive. Appetite remains intact, with competition sustained for scaled and defensible assets.

Demand continues to anchor in regulated and compliance-driven segments, including health care, ESG, financial services and government advisory. These areas offer structural durability even as discretionary transformation budgets remain measured. At the same time, AI has shifted from narrative to necessity. Firms are increasingly expected to show how technology enhances the delivery economics and client outcomes, reinforcing a broader shift toward platform-enabled, recurring service models.

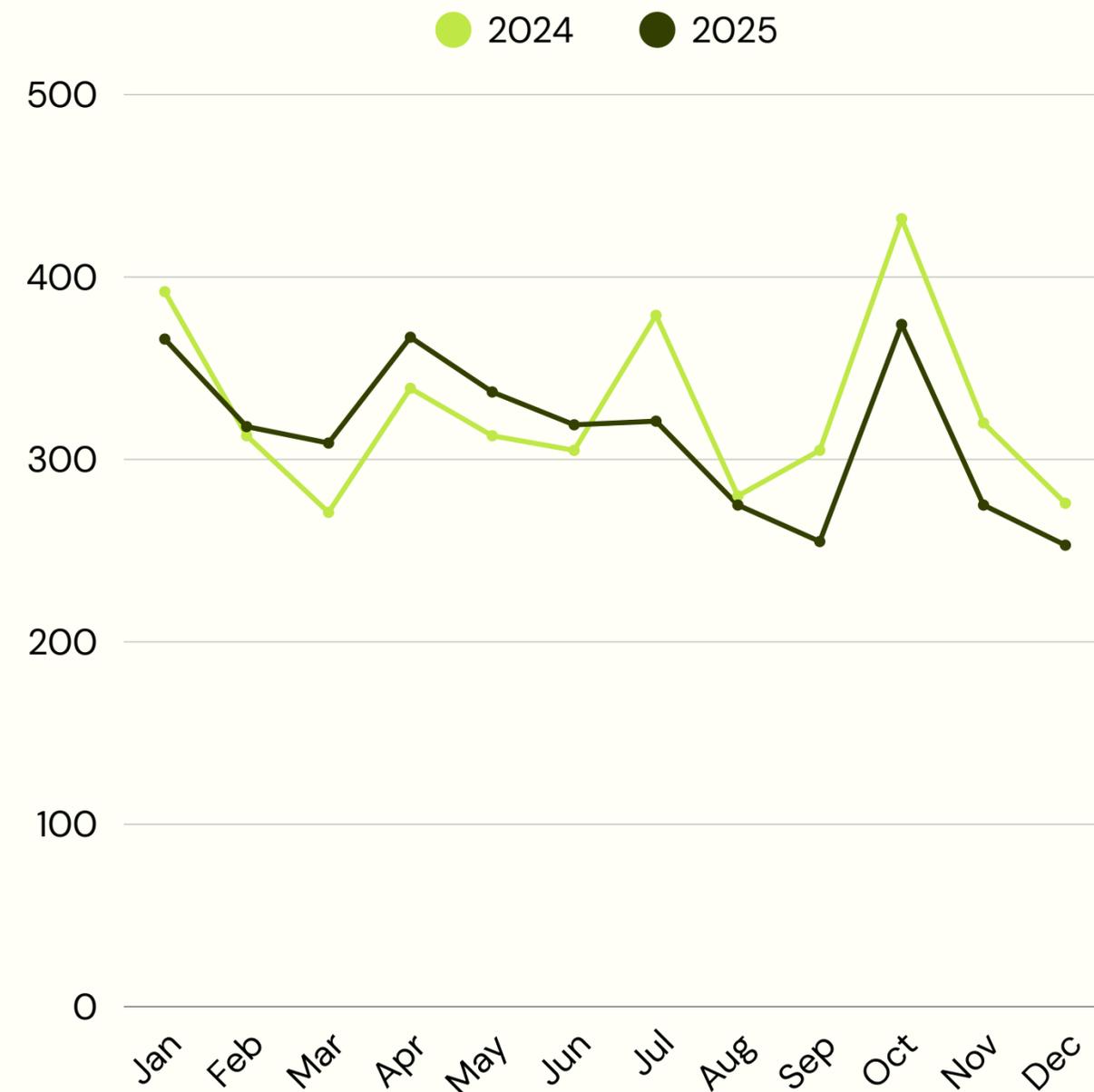
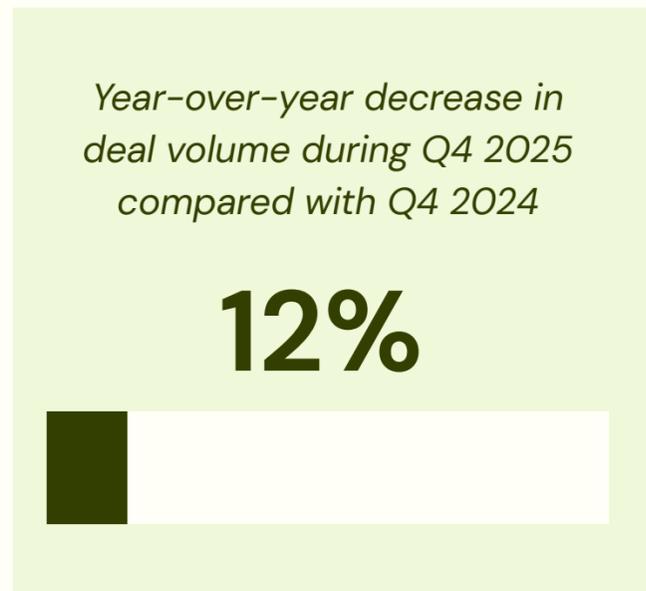
As 2026 begins, consulting M&A is evolving with purpose. The market is not chasing volume for its own sake; it is consolidating around clarity, capability and long-term value creation.

In the pages that follow, the Equiteq team examines the trends and transactions shaping this next chapter of specialty consulting M&A.

To find out more, please feel free to contact our team, whose details are contained within this report.

David Jorgenson
CEO, Equiteq

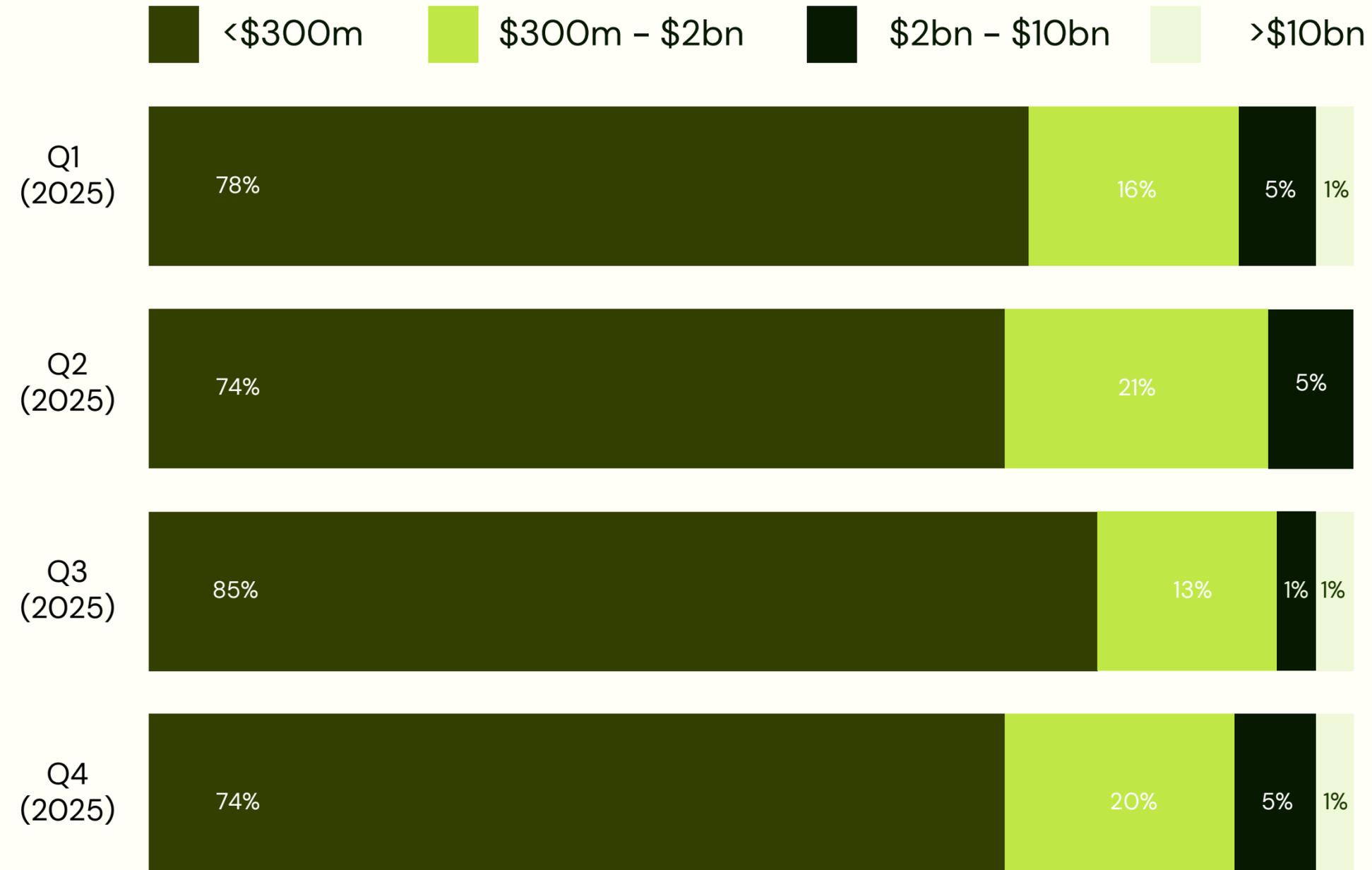
KNOWLEDGE ECONOMY MONTHLY DEAL COUNT (YEAR-OVER-YEAR)



Total 2024 Deals:
"3,925"

Total 2025 Deals:
"3,769"

2025 MARKET TRANSACTION VALUES BY SIZE (TRAILING QUARTER-OVER-QUARTER)



M&A ACTIVITY

SPECIALTY CONSULTING

H2 2025

Key Takeaways

H2 deal volume fell 23%, but disclosed spend rose to \$3.4 billion as capital concentrated in fewer, higher-conviction transactions.

Regulation-driven consulting continues to anchor buyer spend demand, particularly in risk and financial services.

Widening quality dispersion favors niche specialists with defensible positioning and credible AI integration.

H2 Market Activity Overview

The second half of 2025 confirmed that specialty consulting M&A has become markedly more selective. Deal volume declined to 166 transactions across H2 — down 23% from H1's 216 deals and 34% lower than the 255 recorded in H2 2024. Activity slowed notably to year-end, reflecting a market characterized by scrutiny rather than retrenchment.

Yet while volumes softened, capital deployment told a different story. Total disclosed spend reached \$3.4 billion in H2, materially higher than transaction totals recorded in H1 and slightly above the \$3.3 billion seen in H2 2024. August delivered \$1 billion of disclosed value, while December contributed a further \$1.9 billion, underscoring buyers' willingness to pursue larger, conviction-led transactions even as overall deal count declined – reinforcing the view that capital is increasingly directed toward scale, defensible positioning and niche expertise.

H2 Market Activity Overview



Demand remains anchored in the most defensible segments of the market. As Robby Riggs, Equiteq's Chief Transformation & Operations Officer and Head of Coverage in the U.S. notes, "We're finding a consistent theme among buyers lies in regulated industries, with health care, government services and compliance-heavy advisory all areas continuing to attract sponsor interest."

Risk and compliance are other areas attracting buyers' interest, particularly within financial services, which remains one of consulting's more resilient verticals.

The divergence between falling volume and resilient spend reflects widening dispersion in asset quality. Buyers are increasingly distinguishing between generalist consulting models and firms able to demonstrate sector depth, recurring engagement, or credible AI integration.

As H2 closes, specialty consulting appears neither in retreat nor in renewed expansion. Instead, the market is consolidating around specialization, regulatory resilience and selective capital allocation — themes explored in greater depth throughout this report.

Specialty Consulting is Shaping Buyer Strategies

Twelve months ago, there was no shortage of commentary suggesting that management consulting faced an existential challenge. Generative AI, margin pressure and slower discretionary spend led some to question whether the traditional consulting model was entering structural decline. By the second half of 2025, that view appears to have been overstated.



“The headlines proclaiming the death of management consulting have proven to be premature,” says Riggs. “Activity has not disappeared, but it has become more selective.”

Firms positioned as broad-based, generalist advisers have faced a more demanding market, particularly where work is discretionary or loosely defined. At the same time, more specialized firms, especially those embedded in specific functions or sectors, have continued to attract sustained interest.



“What’s clear is that it remains a difficult market if you are selling generic consulting,” says Jerome Glynn-Smith, Managing Director and Head of Europe at Equiteq, London. “Consulting in areas such as AI and analytics, cyber, financial services, cloud cost reduction and supply chain have generally demonstrated greater resilience.”

For many, the distinction lies less in scale than in clarity of positioning. Buyers are placing increasing weight on definable expertise and repeatable value propositions rather than broad capability claims. In a slower-growth environment, specificity carries greater conviction and, in turn, greater demand.

As 2026 begins, consulting looks less like a sector in retreat and more like one recalibrating. The broad-brush model may be under pressure, but firms able to articulate a clear niche and defensible expertise remain firmly in demand.

Stabilization, Not Reacceleration

In the second half of 2025, management consulting moved beyond contraction and into stabilization. While not yet in renewed reacceleration, demand has reset onto a sustainable baseline. The sector settled into a more moderate growth profile, reflecting macroeconomic caution and tighter discretionary budgets.

Glynn-Smith characterizes the environment as one of a mid single digit growth market," suggesting that 5% to 7% growth may represent a more durable baseline than the post-pandemic surge. This reset reflects adjustment rather than decline.

Transaction activity, however, presents a more layered picture. Beaumont observes that "despite flatter organic performance across much of the consulting sector, 2025 marked another record year for transactions in ESG consulting."

“

The macro view is that consolidation looks primed to continue, particularly in fragmented, regulation-driven niches. Sentiment entering 2026 is cautiously constructive. Buyers remain "excited, wanting to spend money and ready to deploy capital," according to Riggs, albeit with greater selectivity and underwriting discipline than in previous cycles.

The defining feature of this phase is dispersion. Scarce, specialized assets continue to attract competitive interest, while more generic firms face a tougher capital environment. Consulting is not broadly reaccelerating — but nor is it structurally diminished. In a steadier market, clarity of positioning may matter more than scale alone.

AI is Everywhere — But Depth Remains Uneven

By the end of 2025, AI had become a near-universal feature of consulting pitch decks. Few firms could credibly approach the market without referencing their AI capabilities. Yet beneath the uniform messaging, buyers are becoming increasingly discerning.



“Sponsors are now asking a more pointed question: how, precisely, is AI being used to improve delivery economics? Riggs notes that “more management consulting firms need to show and prove how they’re using AI.” In many cases, AI is no longer viewed purely as a growth narrative but as a margin story.

Glynn-Smith highlights a growing distinction between firms “doing actual artificial intelligence and building agents, and those whose offering amounts primarily to analytics or integration work repackaged in AI language.” As the term becomes more elastic, credibility becomes a differentiator.

The opportunity remains real; adoption, however, is uneven. In some segments, AI is beginning to compress delivery timelines and reshape client expectations. In others, it remains directional rather than embedded.

For buyers, this introduces a sharper diligence lens. AI claims must now be supported by demonstrable use cases, measurable productivity gains and evidence that clients are willing to pay for the outcome. The firms that can show tangible AI-enabled value, rather than merely reference it, are likely to command stronger valuation support.

From Billable Hours to Platforms

One of the more consequential undercurrents in H2 2025 was not simply what consulting firms were selling, but how they were monetizing it. While time-and-materials pricing remains the industry's foundation, the economics of the traditional utilization model is evolving – driven in part by AI-enabled productivity gains and heightened client scrutiny of value.



Glynn-Smith describes a consulting model increasingly gaining acceptance: “consulting firms are increasingly selling a combination of platforms, data and people. They are moving away from pure day-rate economics toward a subscription or some form of recurring managed services.”

The objective is clear: to create revenue streams less dependent on billable hours and more anchored in embedded tools and ongoing service relationships.

From a sponsor perspective, this shift carries economic implications. Glynn-Smith emphasizes how buyers are asking firms to show and prove how they are using AI to drive down the “cost to serve.” If AI compresses delivery timelines, billing solely by the hour becomes harder to defend. Margin resilience, not utilization alone, is becoming central to valuation discussions.

The transition remains uneven. Many consultancies continue to operate primarily as people-led advisory businesses and productization takes time. The trajectory is increasingly clear: repeatability, proprietary assets and managed service components are viewed as defensive advantages in a slower-growth market.

Firms able to combine advisory credibility with scalable assets may find themselves structurally better positioned – both in client negotiations and in transaction processes.

Regulation is a Demand Driver — And ESG Proves It

If the past 18 months have exposed the fragility of discretionary consulting spend, H2 2025 also reaffirmed the resilience of one enduring driver: regulation. Across management consulting, the most defensible growth is increasingly concentrated in work that enterprises are required, not merely encouraged, to undertake.



“A consistent theme we’re seeing, certainly among private equity, is strong interest in regulated industries,” says Riggs, pointing to health care, government services and legal-adjacent advisory as areas where buyer appetites remain steady. For financial sponsors, the attraction is not novelty but inevitability: compliance and governance workloads tend to persist even as budgets tighten elsewhere.

Glynn-Smith sees the same pattern. “Risk and compliance is definitely an area where there’s interest,” he notes. “Even as the broader consulting market stabilizes into mid-single-digit growth, compliance-heavy work has retained momentum, particularly in financial services, which continues to prove itself among the more resilient verticals.”

The clearest illustration of this dynamic lies in ESG consulting. Despite well-publicized regulatory delays and headwinds, Paul Beaumont, Director of Strategic Advisory Services at Equiteq, London, notes that 2025 marked “another record year for transactions in the ESG space,” with more than 200 deals recorded. He adds: “A slowdown in organic growth has not reduced consolidation; in a fragmented market like ESG, it appears to be accelerating it.”

For 2026, the implication is clear. While AI may dominate the narrative, the most durable consulting revenues, and the most defensible deal rationales, remain anchored in nondiscretionary regulatory agendas.

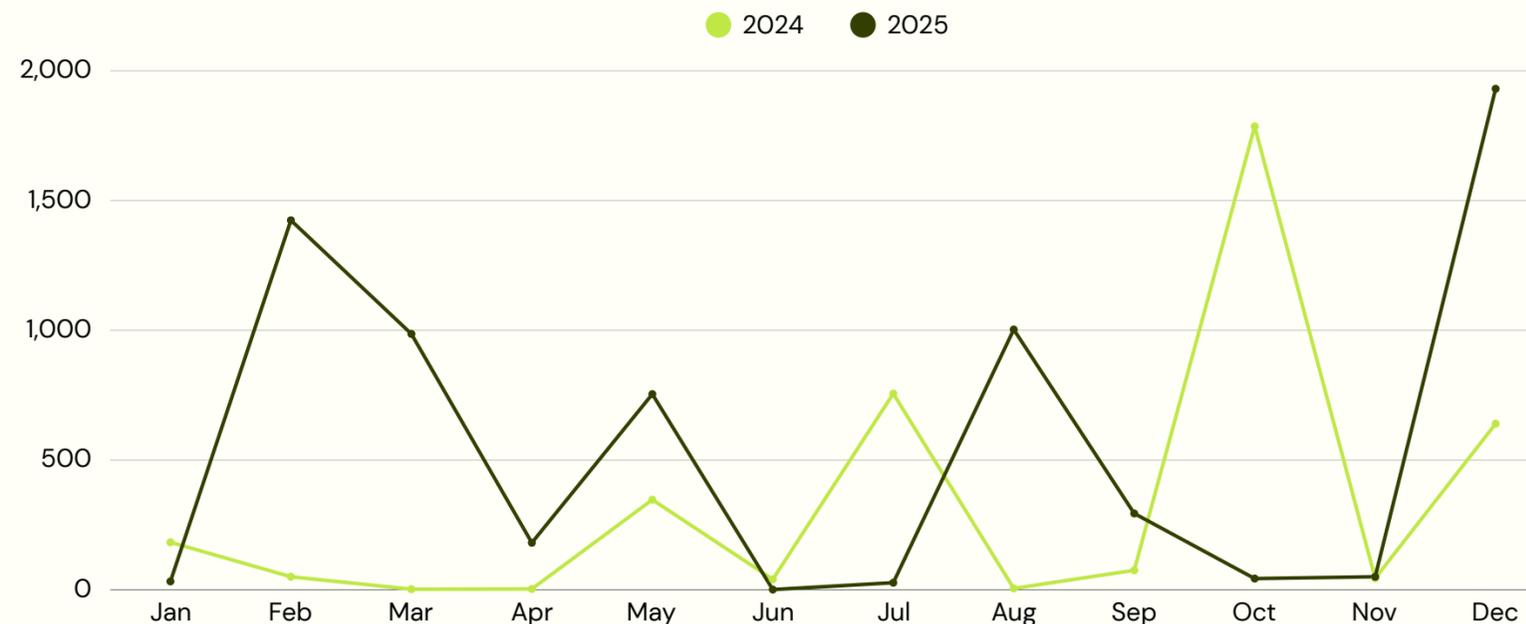
YEAR-OVER-YEAR MONTHLY MANAGEMENT CONSULTING DEAL COUNT



Total 2024 Deals:
"3,931"

Total 2025 Deals:
"6,726"

MONTHLY MANAGEMENT CONSULTING DEAL VALUE (US \$, MILLIONS)



Total 2024:
"6,373"

Total 2025:
"4,283.6"

MEET EQUITEQ

H2 2025

MEET EQUITEQ

Equiteq is an elite boutique investment bank and trusted advisor to founders and private equity sponsors in tech-enabled services. With emotional intelligence (EQ) at the heart of everything we do, we know successful transactions aren't merely about numbers; they're about people. We foster genuine connections with clients and guide them through complexity with empathy and expertise.

With a global platform that leverages local intelligence from diverse markets, we deliver the best possible outcomes while staying ahead of industry shifts. We're committed to using cutting-edge tools to remain a technological leader, ready to tackle tomorrow's challenges and provide unparalleled value.



Our Expertise

Transaction Advisory and Execution

We provide thoughtful and honest advice and a commitment to flawless execution of a successful transaction. Our team has decades of expertise in advising clients on several different transaction types, including sell-side and buy-side M&A, divestitures, growth-capital raises, minority & majority recapitalizations and debt financing.

SELL-SIDE M&A

Company sale via 100% exit for existing stakeholders such as founders, secondary owners, corporations or Private Equity.

BUY-SIDE M&A

Identifying and negotiating with add-on acquisition targets that enhance the acquirer/platform and increase value for subsequent exit.

PRIVATE EQUITY FINANCED RECAPITALIZATIONS

Transactions focused on partnering with a Private Equity firm, enabling them to purchase a minority or majority of equity ownership.

CAPITAL RAISING

Advisory services focused on securing the most strategic and least expensive equity or debt capital from trusted sources.

FOCUS

Exclusively focused on technology services and consulting sector. Strong expertise in positioning industry businesses. Established relationships with the most relevant buyers. Deep understanding of clients' strategic needs.

GLOBAL

Offices in major financial markets globally. Access and relationships with strategic and financial investors worldwide. Collaboration as a single global team – offices in New York, Boston, Atlanta, London, Singapore, and Sydney.

MARKET INSIGHTS

Two decades of sector research and thought leadership. Data-driven perspective on M&A market activity and current valuations in the knowledge-intensive services space. Granular, future-focused monitoring of hot sectors and service offerings.

BUYER KNOWLEDGE

Proprietary insight into each buyer's unique acquisition criteria and access to the key decision makers within the most prolific strategic and financial buyers. Relevant deals in market and buyer calls every single day.

H2 2025: Deal Highlights

EQUITEQ DEAL

Deal Date	Target HQ	Deal Type	Target	Buyer/Investor	Target Description
07/03/25		Strategic			Financial Services Digital Transformation Consulting
07/03/25		Strategic			Financial Crime Compliance Technology Consultancy
07/11/25		Financial-Backed Strategic	<i>Confidential</i>	<i>Confidential</i>	Healthcare Leadership Advisory
08/15/25		Strategic			AI & Data-Driven Management Consulting
08/18/25		Strategic			Public Sector Strategy & Change Consulting
08/19/25		Financial-Backed Strategic		 	Data-Driven Strategy Consulting

H2 2025: Deal Highlights

EQUITEQ DEAL

Deal Date	Target HQ	Deal Type	Target	Buyer/Investor	Target Description
09/01/25		Strategic			Strategy and Operations Consulting
09/15/25		Strategic			ESG and Green Building Consultancy
09/17/25		Strategic			Energy Efficiency & Decarbonization Consulting
09/18/25		Strategic			Government and Financial Services Consulting
09/18/25		Strategic			Life Sciences Strategy Consulting
09/23/25		Strategic			Digital Marketing & Data Analytics

H2 2025: Deal Highlights

EQUITEQ DEAL

Deal Date	Target HQ	Deal Type	Target	Buyer/Investor	Target Description
10/01/25		Strategic			Environmental & Geospatial Consulting
10/02/25		Strategic			Strategy Consulting
10/06/25		Strategic			Operations Consulting
10/07/25		Strategic			Healthcare IT Consulting
10/13/25		Strategic			Digital Transformation Consultancy (Life Sciences)
10/22/25		Strategic		 	Healthcare Communications Consultancy

H2 2025: Deal Highlights

EQUITEQ DEAL

Deal Date	Target HQ	Deal Type	Target	Buyer/Investor	Target Description
10/28/25		Financial			Global Intelligence Services
11/05/25		Financial-Backed Strategic		 	Environmental Consultancy
11/06/25		Strategic		 	Life Sciences MES Compliance Consulting
11/06/25		Strategic			Quantitative Risk Consulting for Financial Institutions
11/07/25		Financial			Management Consulting – Financial Services
11/13/25		Strategic			Financial Services Advisory Consulting

H2 2025: Deal Highlights

EQUITEQ DEAL

Deal Date	Target HQ	Deal Type	Target	Buyer/Investor	Target Description
11/26/25		Financial			Blackrock Aladdin
11/26/25		Financial-Backed Strategic			Financial Services Consulting
12/02/25		Strategic		Private Consortium	Life Sciences and Technology Consultancy
12/15/25		Financial-Backed Strategic			Power & Energy Engineering & Consulting
12/20/25		Financial-Backed Strategic			Business Transformation, Data and Software Development

Meet the Contributors



NEW YORK, USA

David Jorgenson Chief Executive Officer

During David's 20-year career as a technology consultant and investment banker, he has advised business owners, shareholders, boardrooms and C-level executives on every aspect of growth and value realization. David is an expert at every aspect of corporate financial advisory, from valuation, strategic financial advisory, public and private equity and debt financing, exit planning, M&A strategy and execution.



NEW YORK, USA

Robby Riggs Chief Transformation & Operations Officer, Head of Coverage

Robby brings 17 years of leadership experience in professional services, most recently co-founding The Bridge, where he was part of an executive team that grew revenue from \$12 million to \$50 million in 14 months, integrated four acquisitions, and scaled the team from 75 to 225. An award-winning author and speaker, he holds an MBA from Boston University and a BBA from the University of Oklahoma. Robby leads worldwide operations, human resources, strategic initiatives and financial sponsor coverage. He drives the firm's branding efforts and integrates advanced technology and AI to enhance service delivery across North America, EMEA and Asia-Pacific.



LONDON, UK

Jerome Glynn-Smith Managing Director, Head of Europe

Jerome is a Managing Director, Head of Europe, 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 is passionate about technology innovation and entrepreneurs with significant experience leading technology and services transactions to successful outcomes. He has worked with many global entrepreneurs, growth equity funds, as well as major strategic acquirers in digital services, ICT, outsourcing, software services, data analytics and infrastructure services.



LONDON, UK

Paul Beaumont Director of Strategic Advisory Services

Paul is a Director of Strategic Advisory Services at Equiteq. He specializes in enhancing the performance of professional services firms, helping them grow sustainably and position themselves for successful transactions.

Equiteq Highlights

Our global teams remain active throughout the year, advising on deals, as well as sharing their expertise in market-leading reports and events.
Here are our highlights.

Insights

Global Buyer Report 2026
[Find out more](#)

ANZ Technology Services and Specialty Consulting Quarterly Report Q4 2025
[Find out more](#)

ESG Consulting M&A Report 2026
[Find out more](#)

Life Sciences Consulting M&A Report 2026
[Find out more](#)

Equiteq Deals in Q4 2025 (Publicly Disclosed)

Valentia Partners sold to **Virtusa Corporation**
[Find out more](#)

Renoir Consulting sold to **YCP Holdings**
[Find out more](#)

Kelley Austin sold to **Perficient**
[Find out more](#)

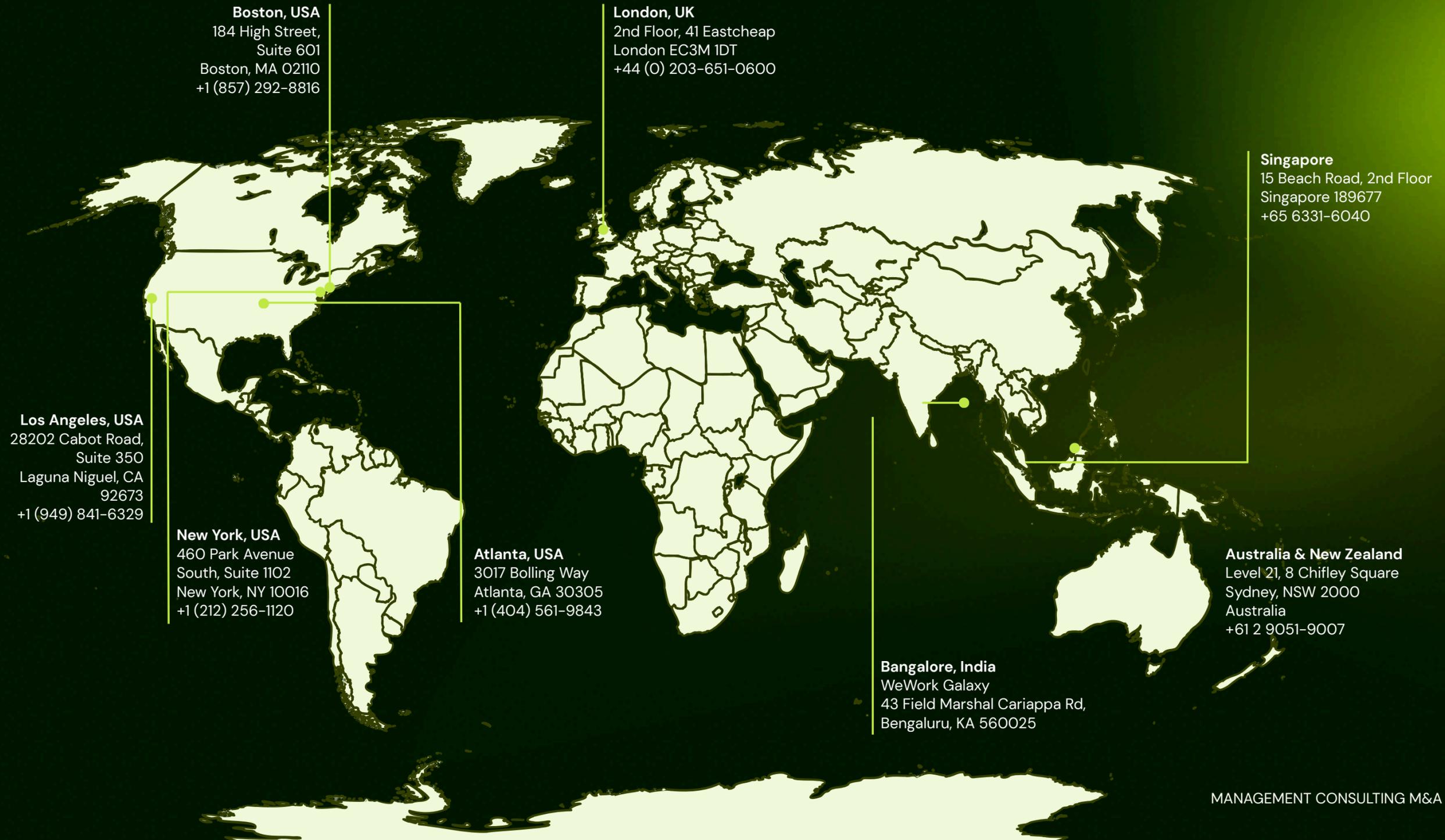
Sekuro sold to **Insight Enterprises**
[Find out more](#)

Ergo sold to **L Squared Capital Partners**
[Find out more](#)

Optimus SBR received investment from **Alaris Equity Partners**
[Find out more](#)

GCP invested in **Strata FSC**
[Find out more](#)

Locations



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