

Private Markets 2.0 and the New Operating Model



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Private markets are entering a new phase where growth is no longer the challenge. Scaling with control is.

As C-suite leaders gather at [SuperReturn Chicago](#) to assess what “Private Markets 2.0” means in practice, a clear theme is emerging. The operating model is becoming a defining factor in performance.

Across private equity, private credit, real assets, hybrids and other private capital strategies, there is increasing complexity in how funds are structured, governed and delivered. As regulation intensifies and expectations rise across investors, boards and regulators, the operating model is becoming central to how CFOs, COOs and CCOs manage scale, risk and performance.

From back office to strategic control

Finance, governance and compliance functions have moved firmly into the spotlight. Firms are managing more complex structures, including co-investments, SPVs, continuation vehicles and cross-border strategies, often across multiple jurisdictions and regulatory regimes. At the same time, stakeholders are placing greater emphasis on transparency, consistency and robust governance frameworks.

CFOs and CCOs are now expected to deliver this level of oversight and resilience across increasingly complex structures and on an increasingly frequent basis, often without a proportional increase in internal resource. This is a consistent theme among C-suite leaders, as operational complexity continues to outpace the ability of most organisations to scale internally. The result is increased structural risks and a clear need to rethink the operating model.

Why the current model is under pressure

Most firms today operate within one of two models. Neither is designed for the level of complexity the industry now demands:

- **Over-insourced model:** Internal teams retain control across finance, governance and compliance. This provides oversight but places increasing pressure on senior resources, introduces key person risk and limits the ability to scale as complexity grows. LPs are increasingly questioning the independence of this approach.
- **Fragmented outsourcing model:** Firms rely on multiple providers across administration, ManCo and compliance. This addresses capacity challenges but often results in disconnected systems, inconsistent data and a lack of clear accountability.

In practice, many firms are moving towards hybrid models that combine internal ownership with specialist outsourcing and co-sourcing. If not carefully designed, these models can introduce further complexity.

The unwelcome outcome is familiar for CFOs and COOs: reduced visibility, increased operational risk and growing pressure on leadership teams.

At the same time, governance, oversight and data integrity are becoming commercial differentiators. Investors, regulators and counterparties are increasingly assessing not just investment capability, but the strength of operational infrastructure, independence and the consistency of reporting.

In this environment, outsourcing enables firms to absorb complexity, strengthen governance and maintain speed, while retaining oversight and accountability.

Introducing the Private Markets 2.0 operating model

A new model is emerging as a response to the structural challenges facing private markets. It is designed to support scale, complexity and control across private markets. Private Markets 2.0 is an integrated, global and multi-service operating model, built around the needs of the manager rather than the constraints of fragmented providers, and configured to adapt to each firm's operating model and strategy.

At its core, this model brings together:

- Fund administration, ManCo and compliance within a single, coordinated framework
- Technology-enabled and data focussed infrastructure, combining proprietary platforms, integrated third-party systems and AI led data consolidation to support the handling of both structured & unstructured data management.
- Global operating teams and subject-matter experts, ensuring data quality, access to scale, governance and regulatory outcomes
- Flexibility, allowing each model to evolve as strategies and structures change

The focus shifts from managing providers to delivering outcomes, giving CFOs and COOs the ability to maintain control, improve transparency, meet LP demands and scale with confidence across asset classes and markets.

Technology as an enabler

Technology is a core enabler of Private Markets 2.0. As complexity increases, private capital firms need technology & data strategies that work across fund structures, jurisdictions, and regulatory regimes, supported by people and processes that can operate it effectively

This means combining:

- Proprietary platforms designed for private markets workflows
- Seamless integration with best-in-class third-party systems
- AI led approaches to unstructured data capture to combine with structured data to deliver a highly rich data set for managers & LPs.
- Global operating teams that ensure data quality, governance and regulatory alignment

In this model, technology is not delivered in isolation. It is embedded within the operating framework, supported by consistent processes and experienced professionals.

Technology on its own does not solve complexity. Its value is realised only when it is aligned with governance, process and people who understand how private markets operate in practice.

A more integrated approach with Waystone

This shift is driving increased demand for operating partners who can bring these elements together. Rather than managing multiple providers or continuing to build internally, firms are increasingly looking for integrated & co-source operating models that combine infrastructure, expertise and oversight within a single framework.

Waystone brings together proprietary technology, third-party platforms, AI led data solutions and global operating teams across fund administration, ManCo, capital raising and compliance into one coordinated model, built on a global operating framework and deep domain expertise.

This model integrates technology, governance and operational delivery, ensuring that platforms, data and processes work together rather than in isolation.

The result is a more connected operating model that delivers consistency, control and scalability across jurisdictions, providing integrated outcomes rather than fragmented systems, and enabling firms to grow without compromising governance or transparency.

Looking ahead

Private Markets 2.0 is already influencing how firms operate and scale. Firms that evolve their approach will be better positioned to manage complexity, meet rising expectations and scale with confidence. Those that do not, risk being constrained not by their investment strategy, but by the infrastructure that supports it.

Waystone supports private markets managers with an integrated operating model that brings together fund administration, ManCo and compliance, underpinned by technology-enabled delivery and global expertise.

If you have any questions regarding the themes raised in this article, please contact your usual Waystone representative or our team via the button below. You can also find more insights from Waystone's experts and join our mailing list on our News & Events page.

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