



Mergers & Acquisitions

Playbook: Fast and Easy
Global Compliance
With an EOR

Execution is everything.

Buying or merging with another company can be a game changer for your business, offering strategic opportunities to add new technologies, intellectual property, and important skill sets to your team. According to [McKinsey & Co's 2024 Top M&A Trends report](#), more than USD 2 trillion in undeployed capital in 2023 suggests a flood of new M&A activity in the next three to five years.

And with each M&A transaction – whether it's a merger, acquisition, divestiture, or carve-out – comes a demanding process of transitioning from multiple teams into a single, high-functioning organization. How well you manage the transition directly determines how many potential benefits your company will realize.

Every member of your leadership team will face new challenges when merging the resources, teams, and infrastructure of two or more companies. As you begin an M&A transition process, your executives might be asking questions like:

- How can we optimize our processes to achieve our strategic vision and growth objectives?
- How will we ensure cultural integration and retain key talent during the M&A process?
- How will we mitigate potential legal risks, including compliance with regulations and addressing antitrust concerns?
- How will this deal impact the company's financial health, including debt structure, cash flow, and employer burden?



This M&A guide explores how an Employer of Record (EOR) can bridge these knowledge gaps by evolving, optimizing, and simplifying the entire process.

By making it easy to hire, onboard, and manage the most competitive talent in the world in just minutes – without requiring you to set up new entities – an EOR puts global acquisition and merger targets within reach while ensuring compliance and cost-effectiveness.

In this guide, we'll walk through Executive, HR, Financial, and Legal leaders' roles in global M&As and look at the inherent challenges they can expect to face as they help execute a successful transition. We'll also share how working with an EOR partner helps mitigate risks and creates new strategic opportunities for your leaders.

At the end, we have a helpful checklist of key questions to ask as you explore the right approach to making your next global M&A transaction a great one.

Challenges and Opportunities for the CEO



According to G-P's [World at Work](#) report, 97% of executives agree that establishing a market presence in multiple countries is essential for remaining competitive. M&As can often be a direct pathway to achieving global business goals, but Chief Executive Officers (CEOs) are faced with the challenge of making strategic decisions that optimize the results of the M&A and ensure a seamless transaction and transition.

An **Employer of Record (EOR)** can be a valuable partner during this process. As a CEO, the EOR allows you to focus on strategic positioning and goals, not the time-consuming financial and legal burdens that can serve as major obstacles to a successful M&A process.

M&A priorities for CEOs:



- Ensuring strategic alignment for the merged company: making sure everything is synergized with the company's long-term vision.
- Uniting two diverse company cultures under a shared vision, creating a common purpose that inspires employees from both companies.
- Securing investor and board trust in the merger's long-term value.

EOR supports by:



- Reacting to market shifts with agility to achieve business vision. Avoiding the costly and time-consuming process of entity setup. Removing administrative blocks to hire and transitioning talent in minutes.
- Providing employee transition support and expert process standardization across different regions, ensuring a straightforward, smooth operational and cultural integration.
- Reducing risks that could undermine shareholder confidence, such as non-compliance and reputational damage due to mistakes in administering global payroll and benefits.

Additional resources:

[The Key to Successful Remote Work Leadership](#)

[G-P's World at Work Report](#)

Challenges and Opportunities for the CHRO



For a Chief Human Resources Officer (CHRO), mergers and acquisitions mean meeting two key goals: managing the cultural integration of multiple teams and ensuring talent retention and transition goals are met with compliance. According to 2023 research by McKinsey & Co, four factors have the [greatest impact on M&As](#): strategy, value, execution, and **people**.

By leveraging an Employer of Record (EOR), CHROs can focus on bridging the gap between transitioning employees while reducing the risks associated with cross-border M&As.

M&A priorities for CHROs:



- Retaining key talent that may leave due to uncertainty, changes in leadership, or dissatisfaction with new terms.
- Managing disparities in pay, benefits, and reward systems across regions, causing equity issues and retention problems.
- Resolving differences in employment contracts, immigration requirements, and work visa processes, which can complicate employee transfers and mobility.

EOR supports by:



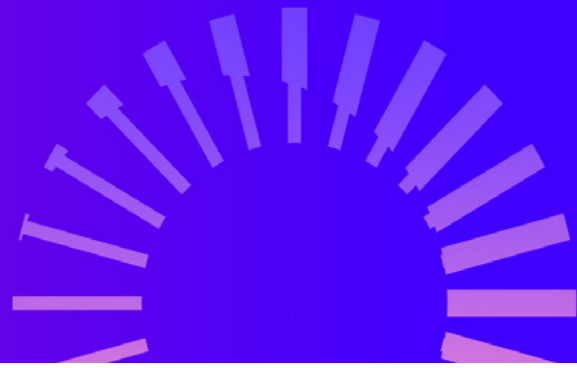
- Providing localized HR expertise, ensuring that decisions are made with a clear understanding of regional dynamics – ultimately maintaining confidence among employees.
- Managing and navigating local employment terms to offer tailored compensation and benefits packages that align with regional and in-country rules and expectations.
- Smoothly and compliantly managing the complexities of cross-border employment, including local employment contract generation and complicated processes required to obtain visas and work permits.

Additional resources:

[Compliance Workbook for Global Hiring](#)

[Going Global? 5 Keys to Mastering Local Labor Law Compliance | G-P](#)

Challenges and Opportunities for the CLO



For the General Counsel or Chief Legal Officer (CLO), the main concerns around M&As are the intricate legal details, including regulatory compliance, contract harmonization, acquired IP, and managing cross-border legal risks. A major challenge is ensuring smooth employment transitions while navigating the labor laws of multiple regions.

An Employer of Record (EOR) with decades of experience will have the expertise to guide you with key administrative tasks, such as mitigating exposure to legal liabilities and ensuring compliance with local employment laws – so you have more time to focus your efforts on the strategic legal aspects of the deal.

M&A priorities for CLOs:



- Managing risks associated with local tax regulations and employment standards. Noncompliance can lead to costly penalties and reputational damage.
- Ensuring proper worker classification for transitioning employees to avoid legal and financial consequences, including back pay, taxes, and benefits.
- Protecting business continuity and alleviating competitive concerns. New acquisitions often include new IP, which mandates the need for custom employment contracts.

EOR supports by:



- Navigating local laws and ensuring that all employment practices comply with region-specific regulations.
- Avoiding misclassification risks with expert legal and HR support, guiding you in transitioning contractors to employees if needed.
- Reducing the risk of breaches and stolen or compromised IP. Offering solid non-compete and non-solicit clauses in employment contracts from day one.

Additional resources:

[How to Overcome Legal and Compliance Challenges to Global Growth: A Fireside Chat with Semperis](#)
[Going Global: Navigating the Legal Landscape of International Hiring](#)

Challenges and Opportunities for the CFO



For Chief Financial Officers (CFO), M&As are complex financial maneuvers that come with both risks and opportunities. Your team has the difficult task of total financial integration of the merging entities, and you also need to ensure proper valuation while handling all the risk mitigation activities that come with cross-border transactions.

The U.S. National Controllers Council highlights compliance in post-merger financial management as a top challenge for CFOs, who need to work on returning to normal operations quickly while ensuring that any newly acquired asset does not come with more liabilities for their company.

An Employer of Record (EOR) addresses these challenges by ensuring compliance with local labor laws, reducing the risk of unforeseen liabilities, and optimizing workforce costs in different regions. And the right EOR partner will be with you for the next steps in the journey, offering financial management post-merger.

M&A priorities for CFOs:



- Managing payroll and taxation across different countries. This is a complex process with varying tax rates, social security contributions, and reporting requirements.
- Expanding into new regions, which often involves unexpected costs related to compliance requirements, benefits administration, and local market fluctuations.
- Dealing with fluctuations in exchange rates that can impact payroll, operational costs, and profitability.

EOR supports by:



- Managing payroll and tax filings in compliance with local laws, ensuring accurate and timely processing. This reduces the burden on your company's internal teams and mitigates the risk of payroll-related issues during global M&As.
- Maintaining financial stability by providing detailed cost breakdowns, allowing CFOs to better forecast and control expenses related to hiring and managing employees in new regions.
- Offering advisory services with fixed or predictable exchange rates for payroll and other transactions, which helps mitigate the impact of currency fluctuations on your company's bottom line.

Additional resources:

[CFOs Seize Opportunity and Push Forward with Global Expansion \(Report\)](#)
[How ADP and G-P Make Global Employment Easy for Finance Leaders](#)

Getting ready for an M&A with an EOR

Simplify your M&A process with the right support. Using an Employer of Record (EOR) can streamline transitions, global hiring, compliance, and employee transfers. From navigating employment contracts to managing employee retention across borders, an EOR can mitigate risk and

boost efficiency, which means you get to focus on your business. Download our M&A checklist or use it with our guide to see how partnering with an EOR can make your next acquisition or divestiture smoother and more successful.

Areas M&As impact

Payroll

What is triggered?

Your teams will need to merge new and existing systems with legacy systems. Without an EOR, companies will need a plan for data and how it is going to be stored and synchronized across these systems.

How an EOR changes the game

With an EOR, integrations are seamless. Teams work together as part of an entire project scope, allowing companies to administer fully compliant global payroll operations from day one. An EOR can also preclude the need for a TSA.

Employment contracts

Because every country is different, if your team lacks expertise in local laws and regulations, you may run into inconsistencies in employment contracts across different countries and regions.

An EOR can protect the IP your company purchased with custom, ironclad non-compete and non-solicit clauses. Thanks to an EOR's internal legal team and strong partner ecosystem, you can also ensure you're presenting competitive contracts that maximize your company's investments.

Benefits packages

During an M&A, you must know the local benefits expectations and associated employment laws. Otherwise, you may experience setbacks in employee transfers, miscalculations in your employer burden estimations, or disengaged key talent who are expecting common, local benefits.

Every country has a different idea of what a competitive benefits package should look like. An EOR provides guidance on competitive packages – including review and analysis. When partnering with an EOR, both the seller and buyer have confidence that their benefits will help retain global employees. With an EOR solution, relationships with experienced benefits brokers ease the transition.

Tax and compliance

Companies should be aware of corporate and employee tax guidelines. A lack of knowledge about local tax laws and reporting requirements could lead to costly compliance issues.

An EOR has strong relationships within a proven partner ecosystem, including payroll, HCM, and HRIS. With an EOR, teams get regular updates and advice on employment law implications and receive assistance with tax reporting.



[M&As are] particularly tricky. It's really important to take the best of what the company you're acquiring offers. Your perception of doing things the right way might not be the same perception as the company you're acquiring, so you need to be able to align on processes, ways to go forward, and ways of working.



[Regina Simao, Global Head of Reward at Deliverect](#)

The Employer of Record (EOR) checklist for your mergers and acquisitions

The right EOR partner supports your M&A processes, streamlining deal closure and optimizing the successful outcomes for your business, leaders, and employees. But how do you determine which EOR will help you bridge the gap between you and your unique business needs? Consider these three key areas: time and resource savings, compliance assurance, and talent retention.

Time and resource savings

Owned entities

It's critical that your EOR owns entities in most cases vs. only relying on a network of third-party providers. When speed is everything for M&A success, outside providers can mean risking errors and bottlenecks.

Customer service

Consider important elements such as access to a dedicated customer success manager, in-region experts, response times, and overall satisfaction ratings, which will make or break your ability to close deals quickly and compliantly.

User-friendly, intuitive platform

In addition to M&A transition services, a strong EOR partner can be a co-pilot for your next moves and give visibility into headcount spending, talent supply data, bulk payroll changes, wind-down guidance, background checks, global salary benchmarking, benefits, local and billing currency options, employer burden costs, and more.

Compliance assurance

In-house, in-region experts

An EOR with regional teams monitoring constantly changing benefits plans worldwide means you can confidently operate your global business. M&As can uncover existing compliance issues, and an EOR that can help you classify global team members correctly will mitigate the risk of legal penalties and implications while protecting your intellectual property throughout every stage.

Years of experience as an M&A partner

When it comes to M&As, experience is worth its weight in gold. You want an EOR partner who will offer guidance and resources to support teams about topics like local labor laws, norms, and regulations of any country so your leaders can make informed decisions.

AI as your co-pilot

Are you empowered to gain new knowledge about potential future markets through AI? **G-P Assist**, the world's first AI-based employment companion, acts as your global compliance partner, expert advisor, and trusted global guide, providing context-sensitive expertise in real-time.

Talent retention

Quick and accurate payroll

When your EOR solution can offer 99% payroll accuracy (G-P's standard) and a quick up-time, it ensures newly acquired talent feels secure, your internal leadership teams have the bandwidth to manage the transitional workload, and your organization makes a great first (and lasting) impression.

Country-specific benefits options

Benefits are an easy area to misstep, but the right partner can provide custom and competitive supplemental benefits that meet all country-specific norms – ensuring that your EOR talent has equitable benefits.





Onboarding and offboarding management

M&A workforce management is complex, and while it's critical to ensure you're retaining top talent, you need an EOR with the expertise to simplify and streamline onboarding and handle offboarding with sensitivity, care, and in compliance with local laws.

What's next for your team?

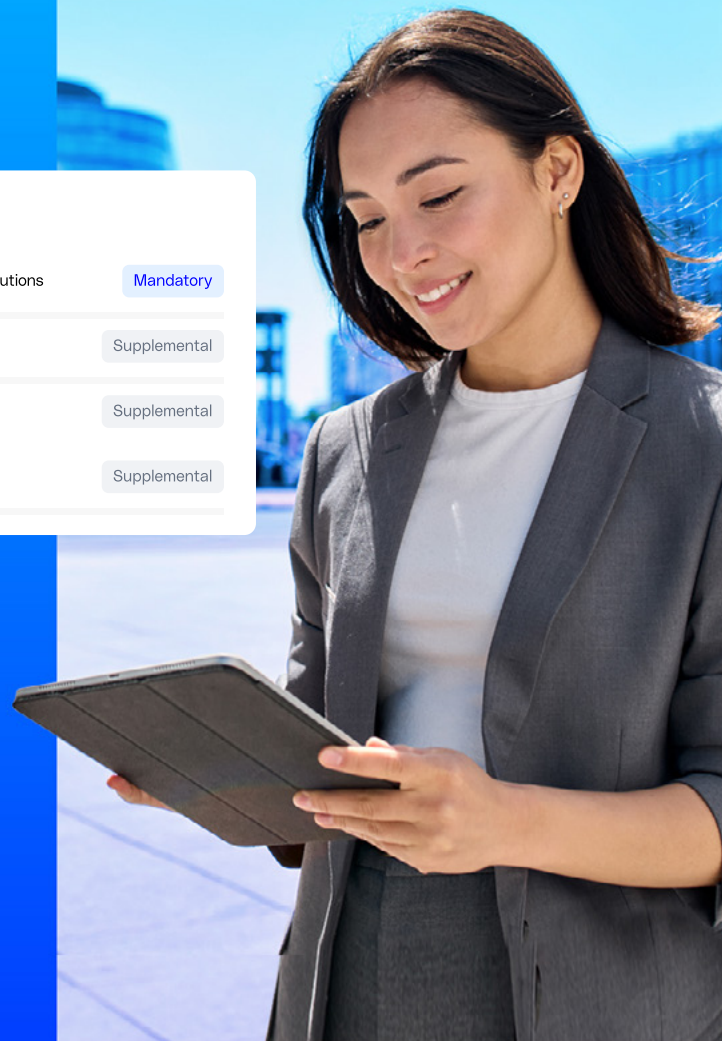
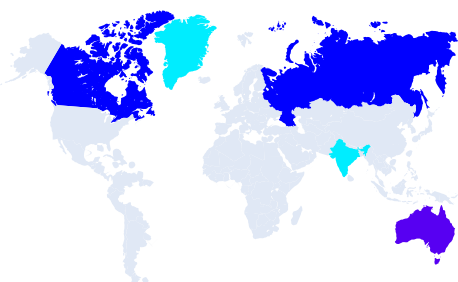
Now that you know what you're looking for in an Employer of Record partner, meet with our team to discover how G-P adapts to your unique needs and streamlines your M&A path toward global success. [Contact us.](#)

Benefit plans

 Pension contributions	Mandatory
 Dental care	Supplemental
 Mental health	Supplemental
 Protection	Supplemental

Global Expansion

Manage & add countries



Now what?

You have your playbook. Now, add G-P to your dream team.

G-P helps you navigate the complexities of global M&As.

Our global employment products and EOR solutions pair the industry's most responsive technology with our highly experienced team of legal, HR, and tax experts to support expansion in 180+ countries. With us, you can hire who you want, where you want – without setting up new entities.

Why G-P?



Connected support

We make employment opportunities accessible to everyone, everywhere, and deliver a connected and supportive experience for all.



Seamless candidate experience

With our 96% customer satisfaction rating, companies get an effortless connection to all the best HR tech, improving talent experience and setting teams up for success.



Unmatched compliance expertise

Our dedicated team of experts focuses on global compliance – including employment, tax, benefits, and local labor laws – so your teams don't have to.



Top global talent at your fingertips

Our platform quickly unlocks the power of global teams, meaning you can now build and manage high-quality teams across the world, in minutes instead of months.



Access to best-in-class HR tech

We partner with today's most proven market leaders in HCM, so your teams will always have access to the industry's most feature-rich and up-to-date solutions.



Borderless growth

Our SaaS-based global employment platform lets your business expand quickly and compliantly, wherever opportunities take you, regardless of entity status.

G-P's industry-leading global employment products and EOR solutions facilitate a successful M&A deal, saving time and money, while reducing risk when acquiring a new asset or entering into a wind down. Our EOR Prime and EOR Core products allow you to tap into expert tax and payroll reporting advice 24/7 so you can take your business operations global with confidence.



Explore how you can simplify global mergers and acquisitions with G-P.

[Get started](#)