

## CASE STUDY

# Empowering Cross-Border Investments with Comprehensive HR Due Diligence

# DUE DILIGENCE

## BACKGROUND

The client, a private equity firm, operates with a focus on accelerating growth in revenue and profits within the companies in its portfolio. The company stands out due to its fully remote workforce spread across more than 20 countries globally, with a significant concentration in four main countries: Brazil, the US, Canada, and Argentina.

The client was considering investments in a US-based middle-market IT technology and service firm specializing in building IT systems, client-facing applications, modern websites, and advanced tech platforms.

## PROBLEM STATEMENT

As the client evaluated potential investment in the target firm, they needed assistance in conducting a thorough deal evaluation. They were looking for partners who could contribute industry context, relevant leadership experience, and diligence skills to ensure a well-rounded assessment before making the investment decision.

## OUTCOME

Our expertise complemented the client's existing capabilities, bringing in insights from specialists familiar with the IT Services HR, people management, recruitment, and talent management landscape across multiple locations. The study provided an independent view of the depth of fulfillment, delivery, and people management within the target company. Furthermore, a third-party dipstick assessment of cultural practices at the target company was conducted, gathering information from informal interviews and market data.

## SOLUTION AT A GLANCE

We calculated the cost impact of converting non-employee contractors in Brazil to full-time employees, considering all the associated employment costs in Brazil.

Comparative compensation benchmarks were also reviewed and analyzed.



“Navikenz's financial model simulation, with the assistance of expert partners, helped the client assess the impact of this activity on future profitability.”

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