



Human Capital Risk

Navigating Human Capital Risk in M&A

5 Key Challenges to Address Before Closing

At CAC Specialty, our Human Capital Risk team helps deal teams, HR professionals, and trusted advisors uncover critical human capital challenges before they become costly post-close issues.

Failure to address these risks early can lead to **financial penalties, regulatory fines, workforce disruption, and reputational impact**. Here are the **five key human capital challenges** to evaluate before closing a transaction:

1. CONTROL GROUP OWNERSHIP

Properly determining if, when, and how to aggregate companies under the same control group can impact many areas of Human Capital Management.

2. HARMONIZATION EVALUATION

A strategic review of multiple benefit plans, insurance costs, and employee contributions helps organizations assess feasibility and optimize workforce offerings.

3. CHANGE-IN-CONTROL CLAUSES

Identifying change in control clauses in existing compensation, retirement and other employee facing benefits can dramatically impact the sale pre- and post-closing.

4. EMPLOYEE WORKFORCE DIFFERENCES

Blending multiple workforces presents significant challenges across compensation, benefits, and culture. AI-driven insights from CAC help identify trends to streamline planning and minimize disruption.

5. LACK OF PLANNING

Failing to develop a realistic, time-sensitive strategy can leave organizations struggling with human capital challenges months and sometimes years post-acquisition.

At CAC, our Human Capital Risk team takes a comprehensive, proactive approach to minimize disruption, optimize costs, and improve workforce morale throughout the deal cycle.

Want to learn more? Let's talk about how we can help you de-risk human capital challenges before they impact your transactions. If you already have some of these challenges post-transaction, we can help the finance and human resources team at the organization to streamline the plan administration, improve employee perception and reduce expenses.

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