

Checklist for Global Expansion

When you are thinking about expanding or growing your business in a new country, there are so many details and considerations it can become overwhelming. How do you start?

We have compiled a list of procedures that should be factored in to your overseas expansion, whether you are considering expanding into 1 new country or 135+ countries.

#1 – Setting up business entities

It may sound like a simple task, but deciding on the correct business structure has implications for taxes, payroll, and future growth of the company. Each country has different laws and compliance regulations based on how your company is structured. In Quebec, for instance, you must have a French name for your business, and conduct transactions in French as well.

#2 – Bank Accounts and Employee Contracts

Many countries require local bank accounts to pay employees, so having a local bank account is a necessary first step when expanding overseas. There are many labor and employment laws regarding expats, residents vs. non-residents, and retirement funding for employees. In Australia, employers must contribute to a “superannuation” pension for employees that increases each year.

#3 - Payroll, Accounting, and Taxes

Once you’ve set up business entities and bank accounts, you have to next arrange payroll, accounting and taxes for your business. One of the biggest mistakes companies make is trying to manage payroll and accounting in house. An in-country provider is necessary for success when expanding into a new country. The payroll laws, accounting and tax requirements are continuously changed and updated in each country, and trying to keep up with all of the rules and regulations each year can lead to non-compliance. Fines and other penalties can result from small compliance issues that are overlooked.

Using a checklist for global expansion can be a first step to growing your business overseas. It is vital to have a global partner that can help you navigate each new country and ensure compliance.