

**‘Brexit means Brexit’ – but what does it mean for your Talent & Resourcing Agenda?**

**Jane Longworth, Director – HopkinsLongworth** shares her thoughts on the impact of Brexit on Resourcing, and also those of HopkinsLongworth’s clients:

According to our Prime Minister ‘Brexit means Brexit’ – but what does that mean for UK employers’ ability to attract and retain Talent both into and within the UK?

**Skills shortages**

Back at the beginning of this year, we were talking about an unprecedented **War for Talent** in the UK market; with unemployment at a 10-year low resulting in two jobs for every job hunter and key skills shortages in sectors such as STEM, Construction and Healthcare.

And then came the Brexit vote.....creating a whole new dynamic and with many employers putting their hiring plans on hold, whilst waiting to see what happens in the aftermath of Brexit. But is this slow-down in hiring just masking the problem of **skills shortages**?

An estimated **2.1million EU immigrants** are working in the UK today and providing vital skills that we don’t have in the indigenous workforce. Expectations are that the **Engineering and IT sectors** will be particularly at risk.....plus the NHS. Today, the **NHS employs over 57,000 EU Nationals** – including one in ten Registered Doctors.

Aiming to reassure the Financial Sector, Chancellor Philip Hammond has said there is ‘no likelihood’ that post-Brexit immigration controls would apply to EU workers who were highly skilled and highly paid.

**But what of the millions of EU workers who currently fill semi and unskilled roles?**

David Davis, the Secretary of State for Exiting the European Union, said that Britain will put British workers first after it leaves the EU. He said that while higher skilled migrants are unlikely to face immigration curbs, lower skilled workers are likely to require work permits to enter the UK.

According to the British Hospitality Association, there are not enough UK workers to fill the 700,000 jobs currently occupied by EU staff. **In London 70% of staff in travel and tourism are from outside the UK.**

Construction is another ‘at risk’ area – with **more than 100,000 construction workers coming from elsewhere in the EU. And the agricultural workforce in the UK is made up of 65% EU nationals** - that’s not even counting seasonal workers!

At a recent HopkinsLongworth event, guest panellist **Ian Woodward - Group HR Director for Ceasars Entertainment** said: *‘It is a concern to our organisation. Our front line customer-facing workforce is very diverse in terms of nationalities, and we need them. They are critical to our business, as is the way they interact with our customer base, which is also very diverse.’*

## Retaining current EU employees

Ian went on to say that: *'The initial Brexit impact was actually an employee relations issue. Customers were coming in and saying to our EU staff "so you're on your way home then?" and other employees saying "what are you going to do, are you going to go home?" Our immediate response was not to worry too much about the future, but realising that we **do** need to engage with our staff quickly. So, quickly we released a message from the top, our MD telling staff by video conference etc, "you are important to us."*

Another panel member, **Senior HR Executive & Leader Maria Stanford** commented: 'At the time of the Brexit decision I was doing an interim role for wagamama. The business could not function without the foreign nationals working there and we needed to reassure our staff. The message from the Chief Executive at wagamama to these staff was "for now nothing is really changing, but I recognise that you **feel** different" and the real emphasis was on being part of the wagamama family. We ensured our employees are equipped to know what to do when the inevitable questions about "am I still wanted here" came around.

## So what do we conclude?

Any slow-down in hiring due to the uncertainty of Brexit is **masking** the underlying challenges around finding, attracting and retaining Talent.

You can guarantee that any talent shortages we were tackling at the beginning of 2016 can only be exacerbated by Brexit – at least until such time as we have a solution to the status of EU workers in the UK.

## So what can you do about it?

Many organisations are taking a 'wait and see' approach to Talent post-Brexit – not something we would advocate. So, how can you take a more proactive approach?

- Conduct a **Talent Impact Assessment** – understand where your risks and pressure points lie
- **Communicate** with your current EU employees and reassure them of their importance to your business
- For those companies with European Talent Mobility Programmes, a strategy for **currency protection** should be considered to guard employees against the devaluation of the £
- Some organisations are offering advice and **support on residency and citizenship** to help secure existing EU staff – using legal and HR expertise to support employees through the process
- Ensure you have a short-term **Talent & Workforce Planning Strategy**. What are you doing TODAY to secure talent before it becomes even more scarce
- Think about your medium and long-term Talent & Workforce Planning Strategy. Are you investing in **Apprenticeships, Graduate Recruitment** and other programmes to **grow your own talent**
- **Make sure your voice is heard**. Join forces with the CIPD or your own industry association / professional body to lobby and influence parliament.

**Sitting back to wait and see is not an option.**