

Who says the BREXIT is no good?

Talent Recruitment Strategies
that take advantage of the BREXIT



When the UK joined the European Economic Community (EEC) on 1 January 1973, nobody could imagine that quite exactly 40 years later, in January 2013, then Prime Minister David Cameron announced a referendum on EU membership before the end of 2017.

What started as the attempt to regain political power in his political party ended on 23 June 2016 with a 51.9% vote to leave the EU.

Since then UK politics did not much to develop a roadmap for leaving the EU, but raised the level of confusion and even further incited insecurities of the future of the UK inside their country and throughout the world.

What is next?

A separation is not the solution to globalization challenges – and what made the UK great some hundred years ago will not be the solution to today's challenges. What matters today is integration within a global context to be relevant in the future.

The British will be very busy for the next years to handle their relatively nonsensical EU exit in a complicated way – and the longer politics in the UK do not seriously prepare for the BREXIT, the more likely a hard and economically devastating break will be the outcome for the UK, but not necessarily for the rest of the world.

If you cannot change it, you should try to take advantage of it

So, isn't there a positive aspect of the BREXIT?

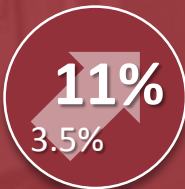


In the past 20 years
the number of non-UK nationals working in the UK quadrupled



From 1997 to 2017 the number of non-UK nationals working in the UK quadrupled from 928,000 to 3.55 million

More than 11% of the UK workforce is from abroad

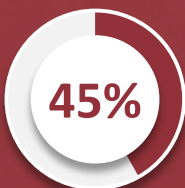


In the same period the proportion of non-UK nationals working in the UK increased from 3.5% to 11.1%

UK nationals **88.9%**
working in the UK 28.31 mio.

EU nationals **7.3%**
working in the UK 2.32 mio.

non-EU nationals **3.8%**
working in the UK 1.23 mio.



of EU nationals working in the UK
are highly educated and skilled



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The BREXIT vote paralysed the UK labour market

The UK labour market is already experiencing the negative impact of BREXIT: shortages of EU migrant labour is growing in many sectors as the availability of candidates fell in the past month at the fastest pace within 16 months.

The UK has difficulties to attract and retain talent

In the past months UK companies faced difficulties to recruit and retain EU employees. The pool of applicants applying for UK jobs shrinks dramatically and especially younger talent from the EU is no longer considering the UK as a place to work.

Even worse, especially highly-skilled foreign talent started to seek employment outside of the UK.

The BREXIT brain drain hits UK life sciences

Sustaining world-class capabilities and competitiveness in the life sciences industry requires access to global talent.

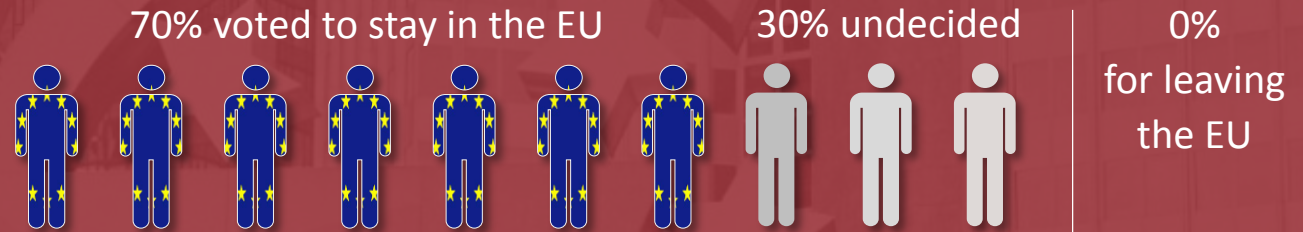


Since the referendum vote, the UK's attractiveness to exceptional talent dropped dramatically and the percentage of overseas candidates accepting offers from UK companies dropped by 50%, despite the fact that British firms are offering non-UK nationals an average of 28% more than local applicants in order to fill job vacancies.



The British Chemical Industries Association (CIA), representing the chemical and pharmaceutical businesses throughout the UK, performed a pre-referendum survey among its member companies that had a quite remarkable outcome:

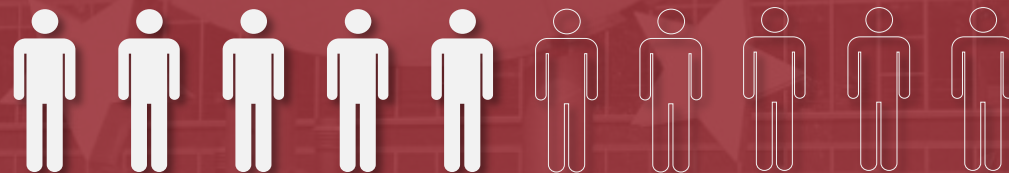
The British Chemical Industry was against the BREXIT



BREXIT dramatically impacts the Chemical Industry

UK-based companies in sectors highly dependent on the EU market will be heavily impacted by an EU exit if new FTAs were not created. As the UK chemical industry is an enabler for other industries by highly integrated and interconnected supply chains, the impact on the British economy is expected to be dramatic:

50% expect negative effects of the BREXIT on the UK and their business



LH	720	PEKING
LH	840	BILLUND
UA	933	WASHINGTON
A3	489	RHODOS
LH	114	MUENCHEN
LH	168	BERLIN-
LH	330	VENEDIG
LH	432	CHICAGO
LH	728	SHANGHA
PC	996	ISTANBU
BA	909	LONDON



Abflug
Departures

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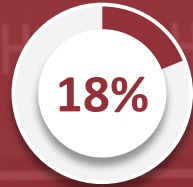
What are the BREXIT implications to the British Chemical Industry with respect to talent?



of chemical companies believe that recruiting replacements, should non-UK born EU workers leave, would be challenging or extremely difficult



of British chemical companies believe that a lack of ability to recruit from abroad would harm their business moderately or significantly



of British chemical companies say that access to global talent is vitally important for innovation and R&D

EU research funding will be inaccessible



of British chemical companies are currently part of EU funded research projects and none has experienced any difficulties accessing EU funded projects so far

Source: British Chemical Industries Association Survey (May 2017 data)



Having the best talent determines how successfully a business responds to market changes and economic instability. Securing talent has always been a key priority for business and BREXIT places this issue in the spotlight once again.

BREXIT is not just a political topic, it is a reality now. Some already know that it will have a big impact, others are insecure how it will impact their business.

However, one thing is clear:

The BREXIT is a unique opportunity for recruiting exceptional talent from the UK



On average, 20% of the highly-skilled specialist science-type roles of the workforce in the British Chemical Industry are non-UK born EU employees that perfectly match the profiles sought after in continental Europe.

Due to the BREXIT insecurities, there is a window of opportunity to recruit top talent currently located in the UK to continental Europe. Especially for German-speaking EU employees a relocation to Germany or Switzerland is highly attractive.

“You say goodbye and I say hello
Hello hello
I don't know why you say goodbye,
I say hello”

The Beatles (1967)

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Conditions worsen for EU citizens in Britain

The dramatic weakening of the British Pound and the lack of clarity about future immigration rules is putting off EU nationals from taking up roles in the UK.

The future post-BREXIT rights and status of the roughly 3 million EU nationals currently residing in the UK remains unresolved – and is expected to be a key battleground between the UK and the EU in the coming divorce talks.

Many in-demand talents don't wait to see how BREXIT plays out, but already seek new opportunities abroad:

Germany is more attractive than ever

Germany is not only the 4th largest economy in the world, but the innovation powerhouse of the EU and global economy. Combined with the high income levels, relative low cost of living, high security and stability ratings, and no social gaps, Germany is one of the most attractive countries to work and live in Europe.

Britons apply for German citizenship

In the few months after the BREXIT decision more than 2.800 Britons became nationalised in Germany, which is 361% more than in the whole year before. And until end of May 2017, the 2016 record of applications for citizenship was already broken.



361%



HR Executives know that they need to plan for the BREXIT

What is an appropriate HR Strategy to take advantage from the BREXIT?

Insight



Understand your talent needs and actively anticipate and plan to meet your company's future needs and requirements

Strategy



Prepare to take advantage from BREXIT with a proactive and strategic stance
This applies to recruitment of talent from the UK as well as retention or relocation of employees in the UK

Realisation



Execute an approach tailored to your needs with partners that are experienced, knowledgeable, and trusted advisors to take full advantage of the BREXIT



What makes the right partner to take strategic advantage from the BREXIT?



Experience

Specialised executive search firms with a clear industry focus and the relevant knowledge and long-term experience in executive search as well as strategic recruitment projects



Geography

Only a true cross-border coverage offers a strategic advantage to clients that are serious about strategic hiring and leveraging the BREXIT for their own talent acquisition needs

Search firms that operate their own, dedicated and experienced research teams based in the UK allow for effective project execution



Reputation

A reputation as a trusted advisor within the talent base is a prerequisite to be accepted as a consultant to candidates when it comes to decide not only on career development but also on relocation

In Summary

What does the BREXIT mean to my business and talent base?
And how can I take proactively advantage from the BREXIT?



1

Highly-skilled and sought after talent becomes available for positions in continental Europe, especially Germany and Switzerland



2

The window of opportunity opens and should be actively utilized as others don't wait



3

Take advantage with a strategic approach that anticipates future needs and challenges



4

The right partners are key to successfully recruit EU nationals from the UK and retain talent at your sites in the UK

Some further thoughts ...

Free movement of talent is a prerequisite for science and innovation

In theory ideas can cross borders, but in reality ideas and innovation is bound to the brains and bodies of people. The recent European history showed dramatically what happens if you build an “iron curtain” that also stops scientists and scientific collaboration at the border.

Today, the high growth, high value, innovative sectors – especially the technology and life sciences sectors – in our world consist of clusters and global centers of excellence, academic or corporate, and it is absolutely necessary that scientist can cross borders and exchange their ideas freely and collaboratively work on future innovations. Therefore, the impact of BREXIT on science and innovation is of particular concern.

Talent is the key determinant for business success

Having the best talent determines how successfully a business responds to market changes and economic instability. Securing talent has always been a key priority for business and the BREXIT makes this a crucial issue for the UK industry. BREXIT will make it much harder for UK companies to recruit and retain top talent and already inhibits EU talent from coming to the UK.

Businesses and people are much quicker than politics

While politics need a rather long time to put decisions through the legislation process and finally to work, people and businesses are much quicker in their decision making – and execution.



“The BREXIT is a historic opportunity for those who can take advantage of it – the others will call it a crisis thereafter.”

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