



THE ADECCO GROUP



Brexit tracker

Summer 2017

Data collected as part of the survey for the CIPD/
The Adecco Group Labour Market Outlook (LMO), Summer 2017

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Almost half of UK employers have yet to react to the EU referendum

One in two organisations in the UK have not undertaken any action in respect to their workforce as a direct result of the EU referendum last year. A similar number (57%) reported that they don't have enough information to start making a decision about a post-Brexit recruitment strategy – while that may be true there is a lot that businesses can and should be doing in the meantime.

Given that the impact is likely to be largest in London, it is unsurprising that these companies have been the most active. Only four in ten organisations in London have so far failed to act and one in five has already identified areas of their workforce where EU nationals form a large share.

Public sector organisations have shown themselves to be more active than the private sector with only 43% of organisations failing to act thus far, compared to more than half of private sector ones.

This could well be linked to size as 70% of small and medium organisations have so far failed to act, compared to just one in three (34%) larger organisations. The proportion of private sector respondents who were from a small or medium organisation is twice that seen in the public sector.

Smaller organisations are less likely to have developed internal communications functions. One in four large organisations are likely to have communicated with staff about the implications of Brexit compared to just 12% of smaller organisations.

Smaller organisations were also more likely to say they already had enough information to start making decisions on their future recruitment strategy, however, so it's also possible that they have 'decided not to act' rather than 'failed to act'.

How businesses have reacted so far:

Communicated to staff about possible implications



Identified roles where share of EU nationals is particularly high



Workforce audit



Reviewed recruitment strategy



Reviewed workforce development strategy



Mapped out key skills





Intention to act

One in three companies currently don't expect that they will alter their recruitment practices following Brexit. This figure rises to more than half (56%) when just looking at smaller organisations.

Of those that expect to act, the biggest response was to upskill the current workforce. Worryingly, a reduction in workforce is the second most likely response. It is interesting that employers are far more likely to use a range of practices that would broaden the diversity of their workforce (such as hiring more apprentices and older workers) before simply increasing wages.

Employers in London are the most likely to consider moving operations outside of the UK (12%).

Which of the following recruitment practices do you believe your organisation will be taking as a result of Brexit?





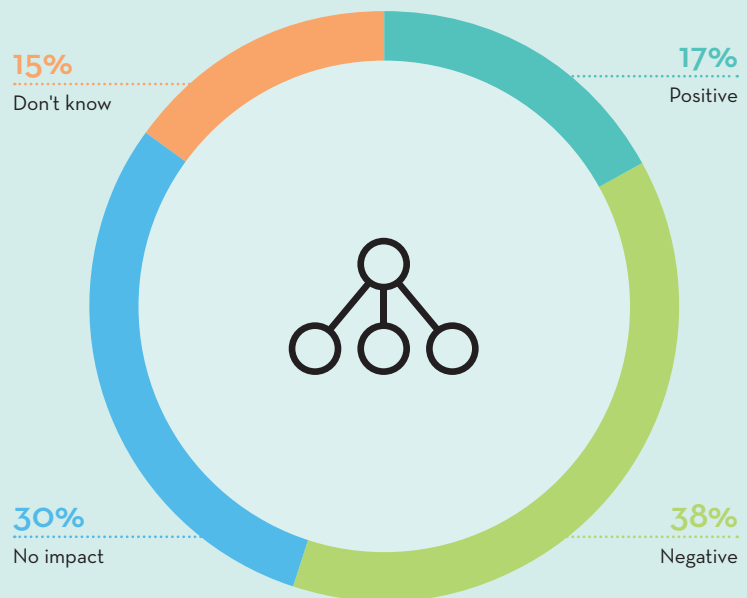
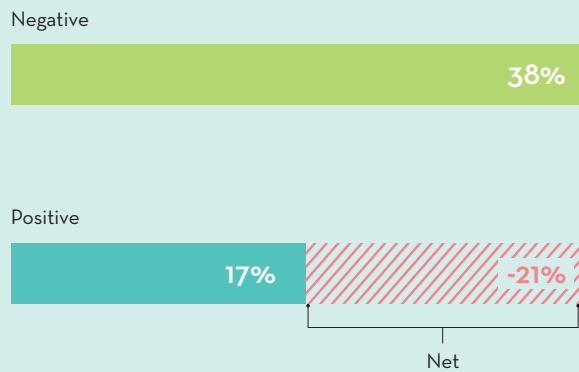
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Expected impact

It is interesting that so many companies have failed to act, and don't intend to act, given the negative expectations going forward. Almost four in ten (38%) of organisations expect there to be a negative impact on their business from future immigration policy. Given that only 17% expect a positive impact, the net impact expectation would be -21%.

Those that believe they already have enough information to start making decisions are nearly twice as likely to expect either a positive impact (30%) or no impact at all (53%).

What impact do you expect future immigration policy to have on your organisation?



The above data was collected from 15 June to 7 July 2017, as part of the survey for the CIPD/The Adecco Group Labour Market Outlook (LMO), Summer 2017. More information on the research methodology can be found [here](#)