



THE ADECCO GROUP

# Brexit tracker

Winter 2018/19

Data collected as part of the survey for the CIPD/  
the Adecco Group Labour Market Outlook (LMO), Winter 2018/19



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# The Journey to Brexit

**This report has been tracking Brexit sentiment over the last two years. In this last edition before the official leave date it will look back at the trends seen in certain segments of the data.**





# Public Vs private

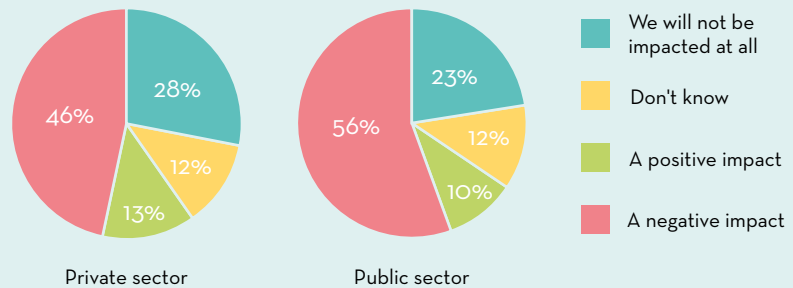
In terms of overall impressions of Brexit, both public and private sectors have tended to be aligned in their discontent over Brexit, and do not feel ready for it. The public sector has been consistently more negative.

In both public and private sectors, a majority say they do not have enough information to start making post-Brexit recruitment decisions, even at this late stage. Historically both sectors have also seen a majority of respondents expecting a negative impact on their business from future EU immigration policy. In this edition a negative impact is still the largest response, but it is under 50% for the private sector.

Although the overarching feeling was negative, the private sector has tended to have more positive respondents throughout this series of reports. The proportion of those ready to make post-Brexit recruitment decisions has never been below one-in-four whilst for the public sector it was only higher than that on one occasion.

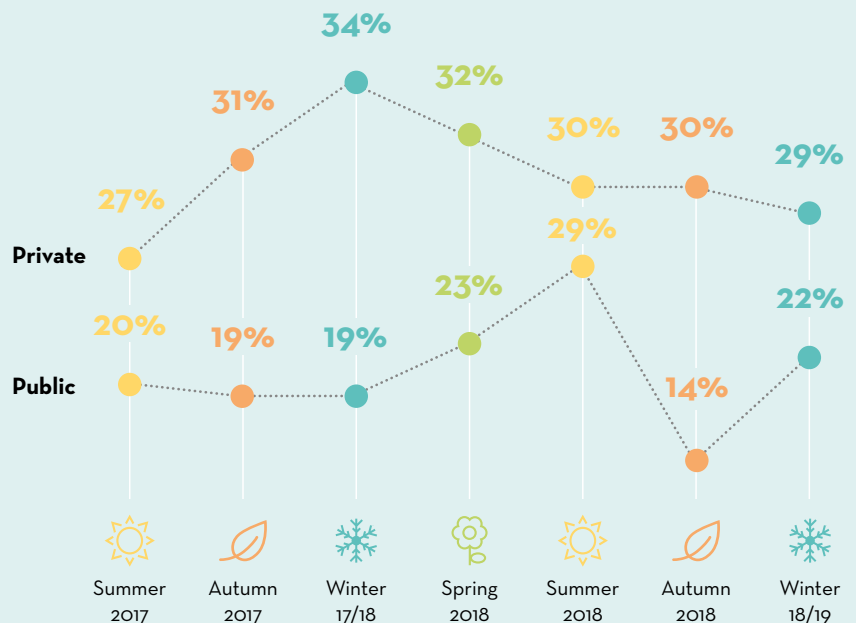
The private sector has consistently been more decisive on the Brexit process than the public sector, with generally fewer responses of 'Don't Know' to all questions.

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



Source: Brexit Tracker, Winter 2018/19, The Adecco Group

YES - I am ready to start making post-Brexit recruitment decisions



Source: Brexit Tracker, Winter 2018/19, The Adecco Group



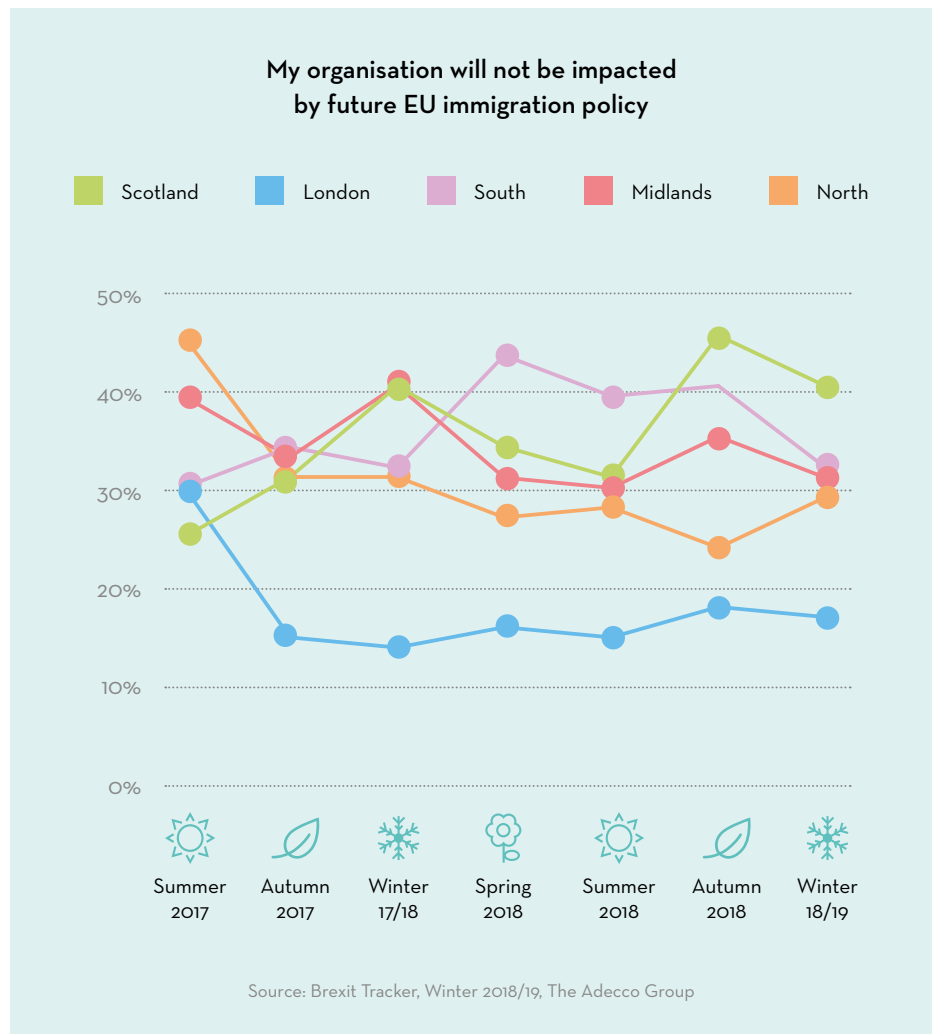
# Regional differences

London has regularly been the most polarised region in the UK over the course of this report. It has consistently shown the most positive reactions but also often shown some of the most negative. Brexit is a polarising topic as we all know, but London always received the fewest number of responses saying they would not be impacted at all by future EU immigration policy – never more than 20%.

London organisations are far more likely to have taken action with respect to Brexit, and three times more likely to be considering moving operations abroad as a result of Brexit. In this Winter 2018 edition, nearly one-in-six respondents in London organisations believe some of their operations will be moved out of the UK as a result of the UK's decision to exit the European Union.

One interesting reversal in expectations came in the north of the UK. The first Brexit tracker in Summer 2017 showed Scotland far out in front with almost half expecting to avoid the Brexit impact while the North displayed only half that figure. In this seventh edition, the North has the highest expectations of bypassing Brexit challenges while Scotland sits above only London.

In Scotland, those that now think they will be affected unfortunately expect this impact to be negative. When looking at the North the change is that people who were previously positive are now thinking nothing will impact them.





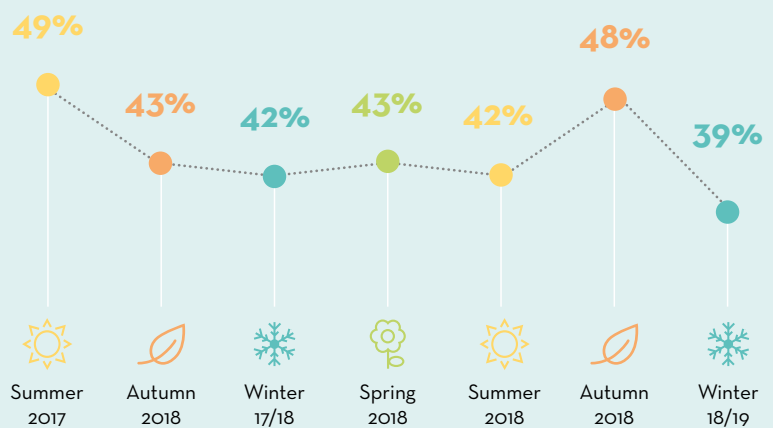
# SME viewpoint

Winter 18/19 saw a distinct shift in SME opinions on the Brexit tracker. It is the first time that fewer than 40% of SMEs have reported they don't expect to be impacted by future EU immigration policy. It is also the first time this answer wasn't the most prevalent amongst this group. Almost the same number (41%) now expect a negative impact.

In previous editions, roughly a third expected a negative impact, 10% expected a positive impact while 10% didn't know, so this marks a shift of negativity as Brexit looms.

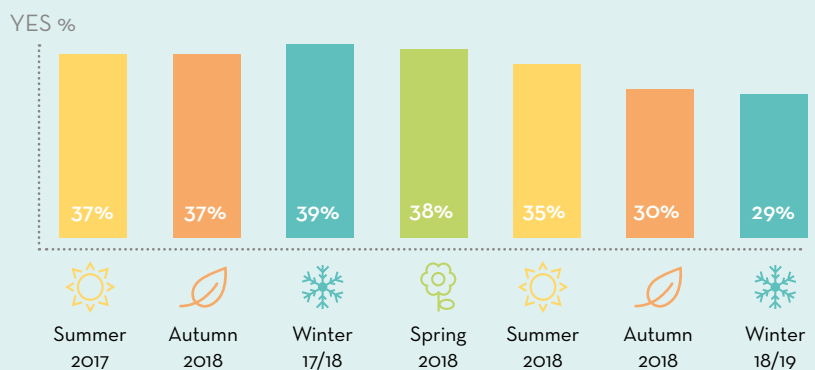
There is also an increase in the number of organisations that don't believe they are ready to make post-Brexit recruitment decisions.

SMEs which don't expect future immigration policy to impact their organisation in the future:



Source: Brexit Tracker, Winter 2018/19, The Adecco Group

Does your organisation have enough information to start making decisions about your post-Brexit recruitment strategy - SMEs



Source: Brexit Tracker, Winter 2018/19, The Adecco Group



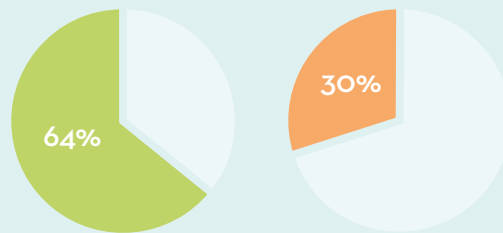
The number of SMEs that believe they are not ready to make post-Brexit recruitment decisions has always been the largest business segment, and generally a majority as well. This quarter was the first time the figure hit 60% and the first time less than 30% felt ready.

SMEs are twice as likely as larger businesses to have taken no action with regards to Brexit. The survey gave respondents an array of potential actions related to workforce planning and recruitment. SMEs were twice as likely to have not actioned any of them as a result of Brexit. This included:

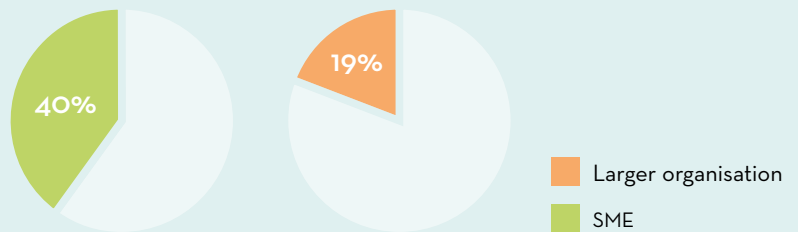
- Communicated with their staff
- Identified roles where the share of EU nationals is particularly high
- Audited their workforce
- Reviewed talent management, recruitment and workforce development strategies

SMEs are also less likely to have recruitment plans in place to mitigate potential skills shortages after Brexit. These include upskilling the workforce, hiring more apprentices and moving operations outside the UK.

Organisations that have not taken any action with respect to their workforce as a direct result of the vote to leave the EU.



Organisations that will not undertake additional recruitment practices as a result of the UK's decision to exit from the European Union.



Source: Brexit Tracker, Winter 2018/19, The Adecco Group