

# Getting on with Brexit – Next steps for HR

## Implications and actions for employers following Article 50

We set out below five key people-related priorities\* and subsequent actions HR can take now to prepare for Brexit.

On 29 March 2017, the Prime Minister officially triggered Article 50 to begin the formal process of withdrawing the UK from the European Union.

With the rights of citizens already an increasingly hot topic, people considerations will continue to rank highly among the practical implications of Brexit.

With the UK just over 100 weeks away from Brexit – only a couple of Christmases and summer holidays to go – there is little time for the UK to negotiate its new relationship with the EU.

Organisations need to work closely with their HR functions to devise and execute the people strategies that support their organisations' Brexit plan, while delivering business as usual.

### Key HR priorities

#### Communications



**71%** of organisations have already contacted their general UK employees about Brexit.

However, communication with employees and other stakeholders shouldn't be a one off.

#### What actions can you take?

- Develop a clear communication plan that covers your key stakeholders, e.g. employees, shareholders, regulators, customers, suppliers and other interested parties.
- Ensure your communications are updated regularly to reflect your organisation's latest messages and priorities as the UK's exit strategy unfolds.

#### Talent and labour force



Circa **50%** of organisations have a general UK employee workforce made up of greater than 6% non-UK EEA/Swiss Nationals.

This means that those organisations will need to manage employee concerns about uncertainty, and review their current staffing models.

#### What actions can you take?

- Identify who is affected by potential changes to immigration status and provide targeted support as appropriate.
- Identify potential talent and labour market scenarios (e.g. staff turnover, cost) and build appropriate modelling to inform business decisions.

#### Geographic and business footprint



**14%** of organisations have already experienced candidates withdrawing from UK job offers because of Brexit.

**65%** of organisations are not intending to explore new markets/change the emphasis on existing markets as a result of the EU referendum outcome.

#### What actions can you take?

- Assess whether there will be employee or cost challenges in exiting certain sites.
- Identify likely expansion territories and assess talent and location strategies for those locations.
- Review offshore EEA arrangements in light of new trading and data protection arrangements.

#### Data and technology



Around **30%** of organisations are not confident in the accuracy and availability of their workforce data.

This makes it difficult for those organisations to plan effectively for the impact of Brexit on their workforce.

#### What actions can you take?

- Collect, clean and consolidate relevant data (e.g. on employee nationality) and people programmes.
- Review planned technology implementations to determine which should be postponed or accelerated.
- Determine if new technology could help support Brexit activity, e.g. workforce planning

#### Maximising efficiencies



**20%** of organisations are increasing investment in their HR policies and programmes.

**16%** of organisations are increasing investment in their HR technology and systems.

#### What actions can you take?

- Revisit efficiency opportunities, i.e. are there efficiency/productivity increase opportunities which were previously discarded but could now be viable? For example:
  - Employment terms and conditions, including wider workforce collective agreements;
  - Retirement and other benefits;
  - People and HR policies and programmes.

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