



# BREXIT WHAT NEXT FOR RECRUITMENT?

## FUTURE PROOFING YOUR BUSINESS

# BREXIT - WHAT NEXT FOR RECRUITMENT



.... What is your next move

# Ian Knowlson

- 30+ years in Recruitment Industry
- Founder of Selling Success
- NLP Master Practitioner
- Work with 20-30 annually recruitment businesses
- Track record of outstanding GP growth with clients
- Support them produce and deliver 3-5 year growth plans
- Typically growing 30-300% year on year



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**BREXIT -**

**What Next for  
RECRUITMENT?**



# POST BREXIT BOOM

Like many I am predicting a post Brexit boom for certain sectors of UK economy

Due to:

- Brexit certainty
- Stable UK Govt
- Pent up demand
- UK Govt Spending
- US/China Trade deal

Growth to get stronger as the year progresses



# GLOBAL CONDITIONS – SKILLS CRISIS



- **Acute shortages already exist**
  - Technology
  - Engineering
  - Healthcare
  - Finance
  - Construction
- **More than 1 billion jobs (1/3 of jobs worldwide), are likely to be transformed by Technology in the next decade.**

# UK CONDITIONS – SKILLS CRISIS

## CIPD Report 2019

**67% of employers reported issues recruiting up from 51% in Spring 17**

- Low-skill Applications down from 24% to 16% summer 2019
- Med skill apps down 19 to 10
- High skill apps down 8 to 5





# NICHE CONDITIONS FOR SUCCESS

**Brexit will initially  
reduce the availability of  
EU Skilled Workers**

**Demand exceeds supply  
Good levels of UK  
supply**

**Wage and Rate  
increases**

**Opportunity for Niche  
Recruiters**





# RECRUITMENT OPPORTUNITY

Rate rises where you  
have loyal pool of  
workers

Increase in demand for  
Temps/Contractors

Agency staff have good  
sourcing skills

Variable rates for supply

Exploit competitor's weak  
relationships

New Markets

- US, Australia, Middle East, Asia



# RECRUITMENT THREAT



Worker shortage where  
you have a transient  
Labour

Recruiters have poor  
sourcing skills

Fixed supply rates

EU offices

Economic downturn

# RECRUITMENT THREATS



**Reduction in foreign workers**

**Reduction in demand for Permanent staff**

**Client and worker relationship disruptions**

# NO DEAL END OF 2020 BREXIT

Could lose 25% of  
exports

Economic Impact

Temps Terminated

Perm Recruitment  
Stop

Six months to recover  
from shock

Credit terms issues



# NO DEAL END OF 2020 BREXIT



## UK Workers need permits to work in Europe

- Ireland
- Germany
- France

## Huge disruption

# OVERALL – THREATS & OPPORTUNITIES

## THREATS

Worker shortage

Poor Recruiter skills

Fixed Rates of supply

Loss of Perm

Client relationships

## OPPORTUNITIES

Rates rises

Demand increase

Staff need good sourcing skills

New markets

Strong relationships will thrive

Exploit competitor's weak relationships

# IR35 CURVED BALL

- **New IR35 Rules**
- **Govt Review**
- **30-50% premiums outside UK**
- IT, Engineering, Energy, Financial Services, Project Management
- **Already started to Middle East & mainland Europe.**
- **Wait & See**





# 2020 - LAUNCHING ACCELERATED GROWTH PROGRAMME

## x6 Two Day Workshops

- Presentations
- Workshops

## Three coaching sessions

- Work through your actions and implementation plans

## Diagnostic

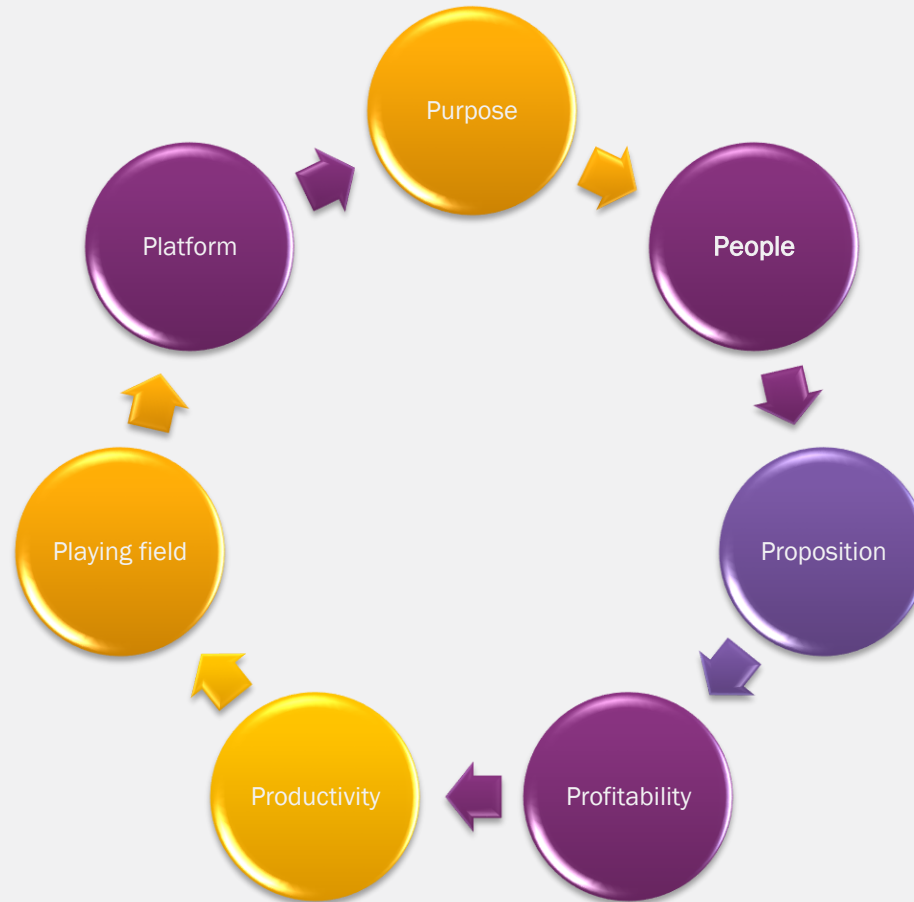
- Identify their business inhibitors to growth

## Diagnostic Feedback

- 1-2-1 Skype feedback
- Inhibitor feedback



# THE SEVEN “P”S



# CASE STUDY – ALPHA RECRUITMENT

## 2013

- MD + 2 staff
- £1.2m turnover
- Rented One room Office
- Avg Margin – £1.55 per hour
- MD – delivered 80% of business

## 2019

- MD + 10 staff
- £7.5-8m
- Purpose built office
- Avg Margin – £2.58 per hour
- MD – delivers 0% of business



# CASE STUDY – NU-STAFF CHEPSTOW

## 2017-19

- Simplicity Customer
- Created a Nu Staff 2020 Vision
- Introduced New
  - Staff bonus scheme
  - Website & social media strategy
  - Customer Service
  - Launched Driver division
- New Commercial & Sales Directors
- MD Taking more of a strategic role
- Revenues & GP up 200% in two years



# ANY QUESTIONS

