

BREXIT

Brexit means bad news for global mobility

Report suggests UK talent pool will shrink in new landscape

While the UK will continue to be an attractive destination for employees on international assignments, its departure from the European Union will have negative consequences for global mobility programmes, a new report suggests.

The overwhelming majority – 77 per cent – of multinational corporations (MNCs) surveyed said it would become harder for foreign students and self-initiated expatriates to stay in the UK. This would diminish the talent pool available to businesses, and require talent-sourcing strategies for hiring foreign candidates to become more agile and responsive to a changing legal and political landscape.

The 2017 annual report from the RES Forum, which is made up of international HR and mobility

professionals, features the results of a survey conducted among 26 MNCs to assess the perceived impact of the June 2016 Brexit vote. The result caused shock waves in political and business circles around the world, says the study, so it is important to “understand how organisations are likely to be affected, and what the likely reaction of the expatriate population will be”.

The majority of companies – 58 per cent – said it would become more difficult to obtain work permits and that social security issues would be more complex. Another 69 per cent thought overall compliance work would become more difficult. In addition, half of the businesses surveyed felt a high degree of insecurity in relation to the implications of Brexit, and 40 per cent said it would be costly. A third of MNCs felt their preparedness to cope with Brexit challenges was low.

In respect of the ‘known unknowns’ around Brexit, such as further countries leaving the EU or the impact on financial markets, MNCs are simply monitoring

developments and waiting for more precise information, according to the report, *The New Normal of Global Mobility: Flexibility, Diversity & Data Mastery*.

Beyond Brexit, MNCs believe the world is “facing tough times” as it becomes more deeply divided between rich and poor, as well as more violent, nationalistic, protectionist, insecure, volatile and uncertain.

“It is certain,” says the study, “that depending on the actual shape that Brexit takes, organisations and their production, service delivery and global mobility may be strongly affected.”

On a more positive note, the companies surveyed also felt that long-term demand for international assignees would continue, and that the UK would remain an attractive destination.

“Just like reacting to external risks and dangerous developments in hostile countries, MNCs should devote leadership attention and their creative

capabilities to understanding not just the threats but the opportunities that Brexit and other geo-political environments entail,” says the report’s author, Michael F Dickmann, professor of international HRM at Cranfield School of Management.

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“Half the companies surveyed felt a high degree of insecurity in relation to Brexit”

INTERCULTURAL RELATIONS

Mixed blessings

Cross-cultural relationships (the deeper the better) boost creativity

Developing close or romantic relationships with people from different cultures can expand an individual’s creativity, innovation and entrepreneurship. Research shows that by exposing individuals to new ideas, such relationships provide the cultural learning that shapes creative thinking.

“*Going Out*” of the Box: *Close Intercultural Friendships and Romantic Relationships Spark Creativity, Workplace Innovation and Entrepreneurship* cites the



Nicknamed the Three Brexiteers, Liam Fox, Boris Johnson and David Davis are tasked with navigating the UK’s post-EU future