

# Managing talent in SMEs in uncertain times: Brexit, a Titanic disaster?

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Managing people has become imperative in the face of today's business challenges and one of the key strategic issues for owners and leaders in global organisations.

The UK's 2016 referendum decision and the subsequent triggering of "**Article 50 of the Lisbon Treaty**" in March 2017 have set into the motion the formal processes for what the country refers to as **BREXIT**.

Five months on from the initial Brexit date (**March 29, 2019**) and we are still in the grip of uncertainty, and it seems like politicians are only just starting to enter the endgame. Unless otherwise agreed during the current negotiations, the UK's membership with the EU (i.e. European Union) ends on October 31, 2019.

Whether the county thinks about Brexit – or even if it tries not to think about it at all – one thing it can probably agree on is: it has gone on for a long, long time and looks like it is heading towards a definitive resolution. Rather than bringing clarity, this doubt caused by prolonged extension has plunged businesses even further into the dark.

The truth is the government still doesn't have a clue as to the true impact of Brexit on businesses in the UK. It's like watching the movie "**TITANIC**" which sunk in 1912: you know the iceberg is out there and the ship is sailing directly for it but no amount of screaming at the UK government seems to make them turn the ship around. Meanwhile UK citizens are cavorting around thinking they are on a journey to a better life!

The UK is a showcase for some of the brightest and best talent in the world. A knowledge hub where many of the top minds from the EU and around the globe have sought to make their mark. And then along came Brexit. A seismic political event that has shaken the economy, creating uncertainty for organisations and EU citizens working or

planning to work in the UK. It seems that no corner of the modern UK workforce is left untouched by Brexit.

While it is definitely a transformative decision, the interest comes with a lot of uncertainty mainly for businesses, employees, and job seekers. Business sectors like Tech, hospitality, manufacturing, education, social care and the industry at every level across Europe like the Small and Medium-Sized business (SME) is currently holding its breath. SMEs have been long acknowledged the engine room of the economy, employing more than half of all private sector workers and contributing 50% of UK GDP.

They represent the seedbeds that spearhead innovation and bring new ideas to the forefront, and their entrepreneurial flair and talents are widely regarded as what's needed to ensure that the UK makes success of Brexit. So it is of concern that, according to the Federation of Small Businesses (FBS), SMEs will be hit the hardest in the event of a no-deal Brexit (<https://www.fsb.org.uk/docs/default-source/fsb-org-uk/a-skilful-exit—what-small-firms-want-from-brexid.pdf?sfvrsn=0>).

With the current political turmoil and no firm exit deal still in place, small businesses continue to struggle with the uncertainties caused by Brexit. Even when the March deadline seemed to be drifting towards a no-deal scenario, SMEs in the UK at least had a deadline to work towards making preparations for life post-Brexit. They have had to steer through a seemingly constant sea of confusion and conflicting information to try and prepare as best as they can for life beyond membership with the EU – from working out how to keep their supply chain running, manage and retain their talent to the question of whether they should relocate entirely.

For the last three years, talent management tops Brexit when it comes to the main concerns for UK SMEs and seems to be over the next coming months. As the Brexit talks and debate intensify across parliament, and the leadership contest throws the nation into a deeper uncertainty, a growing number of SMEs are dealing with their plans and strategies in hiring and managing its talented workforce and holding off recruitment of key roles.

Yes, the future now remains ambiguous as ever, and no one knows exactly what will happen in the years, months, and even days to come. For many Businesses, the ongoing uncertainty around Brexit and the UK's negotiations with the EU is creating numerous concerns. In fact, according to recruitment solutions provider, Guidant Global, 39 per cent of hiring managers are finding that the volatile environment has directly impacted access to talent (<https://www.theglobalrecruiter.com/hiring-managers-report-struggle-to-find-skills/>). But certainly, waiting until October to start hiring and managing talents for key roles within the organisation might actually be a bad move, and something owners and managers of SMEs will live to **BRE- GRET**.

The reality is that, with Brexit, the world will not end. And with all businesses, SMEs will face a period of uncertainty and vulnerability. While the final terms of Brexit are still to be decided, owners, recruiters and HR Leaders cannot stand still waiting for the final agreement before addressing the likely impact on recruitment within their organisation.

Although Brexit has undoubtedly introduced uncertainty in many respects, rather than simply watching and waiting, small businesses have an opportunity to get on the front foot of taking the initiative to make workforce planning a priority, and ensuring that their businesses have the resources they need to successfully negotiate the coming changes.

It is therefore vitally important that they plan ahead and fully consider all the possible economic implications of the UK's departure from the EU. As SMEs form the backbone of the UK economy, one more clarity emerges that it is important that they are able to act fast on any changes and capitalise on opportunities; as this will be key to executing any post-Brexit strategy.

What's more is that SMEs should remain competitive through maximizing opportunities to hire and manage the best talent and support them during uncertain times. They should widen their talent net and help their employees upskill and grow as necessary. While it's all good and well to err on the side of caution, there is something to be said of proactivity in uncertain times like these.

Rather than to sit on the fence, SMEs should instead focus on making sure they have the right talent to meet the demand. Those that weather the storm will be those that plan for all eventualities; stay flexible and are able to take advantage of the situation. Hence, it is now the perfect time to implement employee retention strategies to make sure their business can hold on to its best and brightest. At the end of the day, it all comes down to how SMEs react to Brexit that will affect its success.