

BREXIT 'WILL MAKE DEALERSHIP STAFF SHORTAGES WORSE'

Growing exodus of non-UK nationals threatens dealers' operations

The three million EU citizens living and working in the UK will be able to apply for settled status under Government rules to be laid out this summer, enabling them to stay in the country after Brexit.

However, with fears increasing over Britain's economic plight once it leaves the EU and a growing anti-immigration sentiment making many feel uncomfortable, many non-nationals have already decided to leave the country.

Motor retail has been one of the industries hardest hit by this sudden outflux and with fewer EU citizens moving to the UK because of Brexit, it has already become increasingly difficult for dealers to recruit and retain staff.

'Brexit will shrink talent pool'

The motor retail sector relies on a proportion of foreign workers, particularly technicians, valeters and bodyshop staff, but there are also senior managers from manufacturers and major dealer groups in Europe based here who could be affected by Brexit.

"Car dealers are already facing a shortage of high-quality staff to fill positions across their business operations," said Karl Davis, managing director at Coachworks Consulting.

"For many years, the industry has struggled to attract bright young talent from schools and universities. After Brexit, that talent pool will become even smaller."

Davis said while it was unlikely dealers will lose employees directly because of Brexit it will certainly be harder for them to hire new staff in the future. He said the ongoing recruitment challenge at entry level and from other sectors will be exacerbated after leaving the EU, particularly



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**KARL DAVIS,
COACHWORKS
CONSULTING**

for dealers in London, who are largely dependent on EU nationals working as valeters and workshop technicians as well as customer-facing roles, such as reception and sales.

"Dealers affected by a shortfall of desirable staff because of Brexit will feel the impact across all job functions. EU nationals currently play an invaluable role in filling important roles across the board and that rich source of fresh talent will be missed by many dealers post-Brexit."

Guy Liddall, managing director at Motor Trade Selection, said he has already seen people leaving the country because working in the UK is no longer financially advantageous. However, he has also seen EU nationals who have made the UK their home and don't want to return.

"Because of the weakening pound, a lot of people who have moved to the UK because earnings were significantly higher than in their home country are going back," he said. "However, there are also people who are settled here and aren't staying just for financial gain."

Staff retention also at risk

Martin Peters, sales director at Autoclenz, whose workforce is 74% non-UK nationals, said the uncertainty around Brexit has not helped with retention either. But he added that those staff who have chosen to remain do so because they feel valued.

"The core of our people are valeters, who sit at the bottom end of the wage scale, so it's always been a notoriously difficult recruitment process and Brexit certainly hasn't helped that," he said. "Further up the pay chain, attracting and keeping the right kind of higher-skilled workers, like repairers and body shop staff, is a major challenge too."

Louise Wallis, head of business development at the National Franchised Dealers Association (NFDA), said recruitment for skilled jobs has been a perennial issue for the industry, regardless of Brexit. She said leaving the EU will enable the sector to refocus its efforts on apprenticeships for UK nationals to address the significant skills shortage.

"The problems with the skills gap have been embedded within the industry for a long time, particularly with technicians on the commercial vehicle side of the business," she said. "We need to focus on training our youngsters to take on these specialist roles and better utilise the talent pool we have already got at our disposal."

ALEX WRIGHT

RESOURCES

THE LAW & POLITICS OF BREXIT

Brings together lawyers, economists and political scientists to discuss and debate the constitutional implications of Brexit.
www.am-online.com/BrexitLaw

WITHDRAWAL BILL GUIDANCE FOR BUSINESS

Government information about the EU Withdrawal Bill designed to "ensure that the UK exits the EU with maximum certainty, continuity and control".
www.am-online.com/WithdrawalBill



BREXIT - BUSINESS PLANNING GUIDE

MHA MacIntyre Hudson gives its key guidance to retailers, covering topics such as strategy and operations; VAT and duty; talent and employment; finance and the economy.
www.am-online.com/BrexitGuide