

Brexit has sparked several changes in the professional eco-systems across Europe. Not only are countries of the European Union (EU) and the United Kingdom (UK) affected, non-EU European countries including Iceland, Switzerland, and Liechtenstein are also impacted by changes to the freedom of movement.

Moreover, countries outside of Europe may face lower competition to enter the UK market or angle for a new European headquarters within the euro zone. In short, multiple factors shifted on Jan. 1, 2021 and the company leader's mindset needs to follow suit.

To prosper in EU or UK markets post-Brexit EU, company leaders can learn to navigate the points-based immigration system and sponsor licenses, and investigate ways to continue operating or even growing within the newly separated jurisdictions. What leaders should not do in 2021 is let the Brexit deal change their talent acquisition and company growth strategy.

In order to keep your foot on the accelerator, we've gathered everything HR teams and their stakeholders need to do to continue expanding, hiring, and thriving post-Brexit.

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How does the points-based immigration system work for non-UK citizens?

If your company has existing teams in the UK, your legal and HR teams will need to learn to navigate the points-based immigration system.

The points system levels the playing field for EU and non-EU citizens seeking employment or

residency in the UK. Prime Minister Boris Johnson originally cited the [Australian points-based system](#) as a possible model for the UK post-Brexit, and it seems this idea was welcomed. For those who are familiar with Australia, New Zealand, or Canada's preferential selection of migrants with certain skills or education, the UK points-based immigration system will ring a bell.

One major boon of a points-based system for migrants is that they may [qualify for visas in advance of getting a job offer](#) lined up. For companies, this can mean that hopeful entrants to a country might have processed their immigration before even applying to open roles, simplifying their integration into their new employer's team. The post-Brexit system, however, does revolve around prospective migrants having a job offer in hand and favors those with PhDs, especially in science, technology, engineering, and mathematics (STEM) subjects.

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As a company helping an employee move to the UK, you will need to apply for a [sponsor license](#) for your job offer to validate the points system. Applications can take over eight weeks to be determined, and applicants should factor in the possibility of lengthy delays. For more information and expert guidance for hiring managers on the points-system, check out this eBook: [Brexit Simplified](#).

How can UK companies hire in the EU post-Brexit?

There are several regulatory changes for employers to be aware of if you employ UK citizens. If you are hiring UK citizens in the UK, immigration is not going to be of concern. But if your company is not based in the UK and does not have a legal branch in one of the four countries, then there are some hurdles to jump for your employees in the UK, citizens or not.

Here are your options as a non-UK company hiring in the UK:

1. Start local entity set-up.

Companies wishing to hire in the UK might be open to investing in a local entity. While developing a presence in the UK can secure tax advantages, it is a work-intensive way of hiring in another country. Nonetheless, if you're sure you want to permanently set up shop in the UK with a branch office and have the legal and financial resources to take on the creation of wholly owned subsidiaries, consider this option as a long-term market-entry plan.

2. Hire independent contractors.

One of the fastest ways to get started in a new market is to bring on contractors who have the technical knowledge or experience to help their client company hit the ground running. Though contractors may have multiple clients besides your company, this can be a rapid way to get local intel on the UK market. If you go this route, HR teams do need to be aware of classification rules and how to protect their company's intellectual property with contracted workers. To ensure your company is compliant, Globalization Partners can advise and guide you to the best solution for each individual situation.

3. Use an Employer of Record.

A global Employer of Record is a fast route to hiring compliantly in the UK, especially for small teams or market testing. Acting as an administrator, payroll manager, and regulatory assistant for companies expanding internationally, an Employer of Record provides the infrastructure and AI-led technology for HR professionals to easily coordinate global teams. This option means your employees in the UK will have access to in-country HR experts and you can hit the ground running in this new market — no need to learn the ins-and-outs of Brexit-imposed changes.



How can EU and non-EU companies hire teams in the UK today?

Whether the plan is to set up shop in the UK, or simply hire the best talent for the job and they happen to be located in the UK, companies have multiple options to build international teams.

Similar to UK companies hiring in the EU, companies located anywhere in the world can set up an entity in the UK, go the contractor route (with Globalization Partners if you want to hand over the risk) or hire via a global Employer of Record so that new hires get full employee contracts and persuasive benefits packages.

If your employees are already living in the UK, however, they may qualify for the [EU Settlement Scheme](#) (EUSS). Citizens of the EU, EEA, and Switzerland have until June 30 to achieve a settled or pre-settled status and continue to enjoy the benefits of the national health service, benefits system, and most importantly, continued residence in the UK.

Here's a high-level breakdown of the EUSS for hiring managers:

- Employees who have lived in the UK for five years will likely obtain settled status on application.
- Employees with less than five years continuous residency in the UK may obtain pre-settled status.
- Employers must not monitor their employees' application to the EUSS, but should offer support.
- Frontier workers, who work but do not live in the UK, can obtain a [frontier work permit](#).

How can companies continue to capture market share post-Brexit?

International expansion should never be put on hold due to regulation changes because, ultimately, regulatory changes are not unusual. The global press attention that Brexit news garnered might cause leaders to balk at the idea of expanding in or around the EU. However, small alterations to employment laws, trade deals, and movement of citizens happen so frequently that company leaders cannot be fazed by new rules dictating the freedom of movement.

Specifically in a post-Brexit economy, companies don't need to change their business strategy, only the methodology. To capture market share, companies can either go after a new sector of the local market or enter a new market. So if your business model would work in other countries, your mindset should not perceive any Brexit news as a real barrier.

[Specifically in a post-Brexit economy, companies don't need to change their business strategy, only the methodology. Click To Tweet](#)

Hiring managers, HR teams, and company leaders should decide together:

- How permanent do we intend our expansion to be?
- How sure are we that entering this market is a long-term bet on our success?
- What resources can we dedicate to international hiring?
- What is our exit strategy if we decide to withdraw from this new market?

Answers in hand, leadership can choose the right path into or out of the euro zone, and build

strong global teams regardless of where the talent is based.

For those that do not have infrastructure around the world, an Employer of Record takes away the headache of navigating shifting regulations. This solution is suitable for companies planning lean global hiring and new market testing. It also caters to major expansions anywhere in the world when companies want to hand over the legal and HR complexities of building cross-border teams.

Brexit is not a barrier to entry for international expansion.