

# CII PROFILE

COMMERCIAL  
INSURANCE



## DID YOU KNOW?

Since the new sentencing guidelines came into force in February of this year, there has been a significant increase in the number of fines for health and safety offences. So far, 55 companies have received fines worth at least £100,000, which is 32 more companies than last year. Manufacturing firms must remember to provide their employees with accredited training, and implement more comprehensive and frequent risk assessments.

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### The Manufacturing Industry in Post-Brexit Britain

Brexit has sent shockwaves throughout the nation, but the changes it brings may actually be beneficial for the manufacturing industry.

### Easy Marketing Guidance for Manufacturers

Customers have turned toward digital media in order to search for products, which means your firm needs to be able to adopt new strategies to meet those changing needs.

### Addressing the Major Leadership Gap in UK Manufacturing

Read about how your firm can overcome the challenge of hiring and retaining employees with strong leadership skills.

## The Manufacturing Industry in Post-Brexit Britain

On 23rd June, Britain chose to leave the EU in a historic vote, which has forced the nation to prepare for systemic change. Yet, while Britain will remain a part of the EU for at least another two years, during the transition, there will undoubtedly be a period of instability—leaving the future of UK manufacturing uncertain.

While it is still too early to definitively state how Brexit will impact manufacturers, early reports have suggested that the decision could potentially be beneficial for the industry. Some of the benefits include:

- **Renewed interest both nationally and internationally for British-made products:** As the value of the pound has dipped, British-made products have become more affordable.
- **Increased adoption of agile manufacturing processes:** Brexit may present the impetus for manufacturers to streamline processes in the face of uncertainty. Firms must be able to adjust to new markets, develop bespoke products and adopt continuous improvement strategies to remain competitive.
- **Reduced corporation tax:** Former Chancellor of the Exchequer George Osborne has stated that he plans to reduce the tax from 20 to 15 per cent. However, the new Chancellor, Philip Hammond, has stated he may 'reset fiscal policy' in this year's Autumn Statement, leaving it unclear if he will follow through with Osborne's plan.

However, despite the possible benefits to the sector, Brexit could still expose UK manufacturers to detrimental risks. Depending on the outcome of the negotiations, your manufacturing firm may be required to pay new taxes and customs costs on exported goods. You may also find it harder to hire qualified employees from outside of Britain.

While the effects—both beneficial and detrimental—are still only speculation, you should explore all possibilities in order to properly prepare. Turn to the insurance professionals at **Crendon Insurance Brokers Ltd** for more guidance on preparing for legislative changes.



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## Easy Marketing Guidance for Manufacturers

Even before Britain's vote to leave the EU, the UK manufacturing industry was making an effort to adapt to the widening presence of digital technology. In fact, according to a study published by IHS Engineering360, an information resource for manufacturers and engineers, 77 per cent of engineers across the globe use digital media to find parts, services and suppliers. While your firm may cater to more than just engineers, the research still highlights that if you want to remain competitive during this period of uncertainty, then you must adopt digital media to help generate leads.

To help your firm during this transition, follow these five steps:

1. Identify and research your three primary types of customers—are they procurement professionals? Engineers? CEOs? Understanding what motivates your target customers will help you market to them more effectively.
2. Contact some customers in each of the three groups you identified, and discuss what sort of problems they regularly encounter and what solutions they prefer. (They should be problems that your customers encounter while on the job.)
3. Identify how your firm could offer potential solutions to each of those problems; this may include products or services that you offer.
4. Collect all of your customer research into three distinct documents. Each document should clearly describe each type of customer so that anyone at your firm could read it and understand the customer's challenges and what solutions that customer needs.
5. Publish social media content based on your research. This could involve shaping the information into a narrative. For example, if your firm has recently developed a new product, your post should focus on how that product can solve a common problem.

For more information on bolstering your marketing efforts, contact **Crendon Insurance Brokers Ltd** today.

# CIPROFILE

## Addressing the Major Leadership Gap in UK Manufacturing

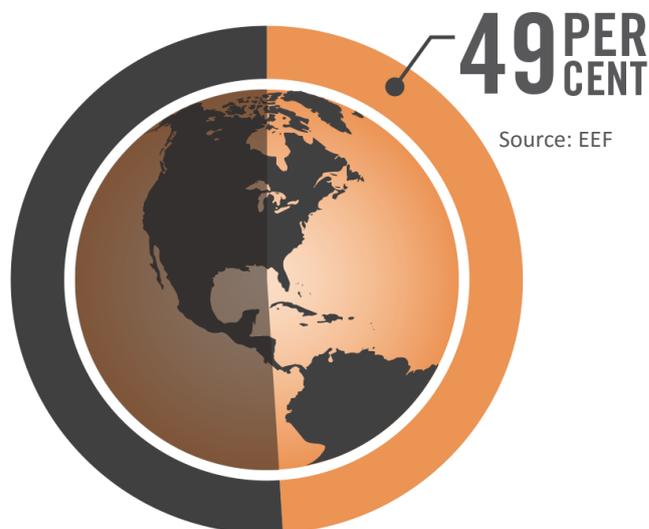
One of the most significant challenges currently facing the UK manufacturing industry is successfully recruiting and retaining employees with strong management and leadership skills, according to the Engineering Employers Federation (EEF) Skills Report 2016, published in July. This is a particularly troubling finding, since weak leadership could contribute to an unproductive workforce.

In order to help your firm develop successful leaders that inspire a more productive staff, consider implementing these four practices:

1. **Implement training programmes for both leaders and employees:** Identify the skills gaps in each of your departments and schedule training sessions to address those deficiencies.
2. **Offer flexible working hours:** This allows employees to achieve a healthier work-life balance.
3. **Have your managers hold team discussions:** Regular discussions can help identify problems and concerns affecting your employees. This would provide your managers with the opportunity to have regular practice at addressing employee problems and concerns.
4. **Develop mentor programmes:** Most likely, some of your employees will have valuable skills that new or existing workers do not. By establishing a mentor programme, you can address skills gaps while fostering team unity.

To supplement the above practices, the EEF has developed a free online quiz to help identify employees with leadership potential, which can be found at [www.eef.org.uk/training/why-train-with-eef/leadership-and-management-quiz](http://www.eef.org.uk/training/why-train-with-eef/leadership-and-management-quiz).

## The Future of UK Manufacturing



A staggering 49 per cent of UK manufacturers believe that the productivity of the sector is failing to keep pace with other developed countries.