

# Recruiting highly skilled migrants to the Sunnhordland region

– A company perspective



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## **Strategier for å rekruttere internasjonal høykompetanse arbeidskraft til Sunnhordland – et foretaksperspektiv**

Denne oppgaven tar for seg følgende spørsmål:

- *Hva er foretakets strategier for å rekruttere internasjonal høykompetanse arbeidskraft?*
- *Hva er regionens rolle i rekrutteringen av internasjonal høykompetanse arbeidskraft?*

Oppgaven er basert på empiri fra et kvalitativt casestudium av Sunnhordland, og da særlig med fokus på kommunene Stord og Bømlo. I dette casestudiet inngår informanter både fra foretak og fra kommunale representanter i regionen. I tillegg har tre arbeidsimmigranter blitt intervjuet. Det empiriske materialet utgjør en del av et triangulært forskningsdesign, hvor bruk av teori og sekundær kvantitativ data utgjør resten av triangelet.

I første halvdel av oppgaven redegjøres det for teorien som er brukt i oppgavens analyse. Her avklares også hva som menes med begrepene internasjonal høykompetanse arbeidsmigrant og region. Videre tar oppgaven for seg metodiske tilnærminger og diskuterer arbeidets generaliserbarhet og validitet. Analysen er delt i tre deler. Første del skaper en oversikt over foretakenes rekrutteringskanaler, hvor disse rekrutteringskanalen også knyttes til ulike geografiske nivåer. Denne oversikten gjør det tydelig at foretakene ikke er de eneste aktørene som er relevant å inkludere når man ønsker å forstå kompleksiteten bak rekrutteringsprosessen. Andre del tar for seg ulike former for rekruttering og arbeidsfleksibilitet. Her diskuteres motivasjoner for å rekruttere på kortsiktig eller langsiktig basis. Et viktig argument her, er at høykompetanse arbeidskraft rekrutteres med mange ulike tilknytningsformer til foretaket. I denne delen av analysen diskuteres også viktigheten av språk og kultur, samt foretakets tidligere erfaringer i rekrutteringsstrategier. I den tredje delen av analysen diskuteres regionens rolle i høykompetanse arbeidsrekruttering, og dens evne til å tiltrekke seg arbeidskraft. Kapittelet viser til ulike initiativ for samarbeid mellom private og offentlige regional aktører og betydningen av disse i en analyse av rekrutteringsstrategier. Det rettes særlig søkelys mot regional markedsføring som et viktig aspekt i rekruttering.

Avslutningsvis konkluderer oppgaven med at regionen er en viktig variabel i foretakets evne til rekruttering av internasjonal høykompetanse arbeidskraft. Videre samarbeid om markedsføring, samt økt kommunikasjon mellom private og offentlige aktører, foreslås som viktige grep for å utvikle Sunnhordlands evne til å tiltrekke seg arbeidskraft som innehar den kompetansen bedriftene er ute etter.

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# 1. Introduction

This thesis is based on sixteen interviews with regional actors in the private industry and the public administration in Sunnhordland. It investigates strategies of recruiting highly skilled migrants from a company perspective. Its main objective is to explain how highly skilled migrants are recruited, why they are recruited, and which actors in a region are directly or indirectly involved in recruitment strategies.

## 1.1 Context

The world today, is one characterized by an intertwined global economy. As a capitalist economic system has become the norm for powerful international institutions like the World Bank and IMF, a global trade system has developed. This is a system that is based on free flow of products, capital and workers, built on the idea that every producer will use their comparative advantage to maximize their output. The idea is to create a “global marketplace” with equal competition and no trade barriers or subsidies. So far this global picture is just a sketch. In reality, trade barriers, trade unions, trade agreements, taxations, immigration policies, international rules and regulations and national policies dominate the world trade and industry. There is no doubt that achieving free flow of workers across national borders is by far the most challenging task. The diversity of religion, culture, ethnicity, gender, skills, language etc. are all factors that make it difficult to move workers around the globe. Williams et al. state that: *“In capitalist economies there is a contradiction between increased liberalization of trade and capital flows, and the maintenance of tight regulatory controls over migration”* (Williams et al. 2004; p.28-29).

In a post-Fordistic mode of production in today’s economy<sup>1</sup>, there has been a shift in the organisational structure of enterprises. This is characterised by growing global interconnectedness (Dicken 2007). Minimizing costs and maximizing output is the mantra for any capitalistic corporation, clearly demonstrated by Multinational Corporations (MNC). Parallel to this, there is also an increased development of small niche industries with specialized production aimed towards meeting specific consumer demands that are not being met by the MNCs (Hill & Jones 1995). Global or local, the new structure of production has led to a demand for a workforce that is more flexible and adaptable to new changes (Hill & Jones

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<sup>1</sup> Production is often outsourced and supplies of many goods and services come from abroad, to meet requirements such as cheap labour and comparative advantage

1995). There is a global demand for human capital. This especially concerns those who are highly skilled, possessing qualities that are in demand and highly valued within industries. These can be qualities such as organizational skills, high engineering and technical skills, language skills and so forth. The highly skilled are assumed to be those workers best equipped to maintain and develop a comparative advantage for a corporation or enterprise in a competitive market. Therefore one can state that there is an international demand and an international labour market for workers with certain skills.

Understanding the movement of highly skilled labour is a challenging task, and there has already been a lot of research on this field. For many years, researchers have focused on the global trend of the highly skilled moving from developing countries to industrialised countries, and the effect and consequences this has had on the migrants' countries of origin. Concepts such as 'brain drain' have developed, which is used to describe the process in which the developing countries are drained of human capital that benefits richer countries. Another hot topic in management literature as well as in geographical journals of migration, has been the MNCs strategies to increase human capital within the firm through exchanging their highly skilled expatriates across borders. In the field of geography, research has been done on the individual migrant's choice of destination, the companies' reasons for recruiting the highly skilled, the role of the 'global cities' in highly skilled migration, strategies of retaining etc. In other words, highly skilled migration is a well researched field in both geography as well as other academic research fields. There are many contributions to be made on the subject, and my thesis is intended to be such a contribution.

### *1.1.2 Highly skilled recruitment in a Norwegian context*

Even if highly skilled migration is considered to be a global phenomenon, this does not necessarily mean that all parts of the world are equally reaping the benefits of the human capital of the highly skilled. The global cities seem to be the most popular destinations for a large proportion of these migrants (Ewers 2007). However, a lot of industries that require highly skilled labour are located in regions outside these global cities. The interesting question then becomes: How do companies located in peripheral regions recruit highly skilled international labour?

I embarked on these questions during a global financial crisis in the autumn of 2008. The financial crisis especially affected the labour markets around the world and caused high increases in the unemployment rate in most countries. Norway has not been drastically

affected by this crisis, partly due to the high activity and income in the petroleum sector, but it was interesting to see how the Norwegian media referred to the labour market situation before and after this period.

Before the beginning of the financial crisis in the autumn of 2008, the media published several articles on the scarcity of qualified labour in Norway and on the upswing in the number of recruitment agencies and temporary help service firms. In May 2006, an article was published with the headline “We are experiencing an acute lack of qualified labour” (Klokeide 2006; Dagens Næringsliv, my translation) claiming that Industry on the Norwegian west coast lacked over 11.000 qualified personnel, according to a report that had been published by Hordland Fylkeskommune (Hordaland County). Another article in Dagens Næringsliv from 2007, found that two out of every third company who were considering the recruitment of internationals, mainly did so because of a lack of qualified Norwegian labour. Also, many considered foreign labour to have higher qualifications (Bjørgum 2007; Dagens Næringsliv). Aftenposten reported in 2006 an article on problems of recruiting enough personnel for the oil and gas industry in Rogaland, just south of Sunnhordland. This article stated that Rogaland needed more than 1000 engineers, and were now head hunting qualified labour internationally (Elsness 2006; Aftenposten.no). Further, newspaper articles were written on Norway as an attractive destination for labour immigration within the European Economic Area (EEA), and discussed Polish and German criticisms, that Norway is brain draining them (Aftenposten.no 2005; Ånestad 2007: Dagens Næringsliv). In 2007, roughly 15000 Polish workers came to Norway on short-term contracts (SSB 2010).

Before the financial crisis then, labour recruitment, the need for international labour, and Norway’s ability to attract the skilled labour deemed necessary, were all hot topics in the Norwegian media. Then came the financial crisis, and the media focus shifted somewhat. The focus seems to have turned towards discussions of labour recruitment and flexibility, rather than focusing on recruiting quantities of labour.

Dagens Næringsliv reported a downturn among temporary help services in 2009. In an article from March 2010 it is stated that during 2009, 10% of all staffing agencies were bankrupt. At the same time, Norway’s largest staffing agency, Adecco, experienced a one million kroner decrease in their annual turnover (Haarde 2010; Dagens Næringsliv). In December 2009, it was specified in an article in Dagens Næringsliv that Hordaland was still in recession, with 40% of the industry still expecting a reduction in personnel in 2010. The managing director of Bergen Næringsråd, Marit Warncke, stated in this article that industries involved in shipping,

maritime production, construction and oil and gas, were particularly affected by the present recession. Warncke said that: *“In Western Norway it is now our largest and most important industries that are most strongly affected by the crisis”* (Segrov 2009; Dagens Næringsliv, my translation).

In spite of this, the media continued to be concerned with labour recruitment issues. In 2009, the principal at Handelshøyskolen BI, (BI Norwegian school of Management) Tom Colbjørnsen, stated that: *“A new upswing is expected within a few years. In a more long-term perspective it is not unemployment, but the shortage of labour, that will be Norway’s biggest challenge”* (Colbjørnsen 2009; Dagens Næringsliv, my translation). In May 2010, Hordaland Fylkeskommune reported on their online homepage that 40% of the companies in Hordaland expected an increase in annual turnover for 2010, and that there would be an increase of roughly 6500 employees (HordalandFylkeskommune 2010).

In October 2009, the president of Manpower, Maalfrid Brath, wrote a contribution to Dagens Næringsliv, advocating the many advantages of temporary help agencies. Her argument was that high fluctuations and the need for labour and competence requires a high mobile flexibility of labour, to which a temporary help agency can provide a good solution. An important point in her article is that the temporary help agencies preserve the rights of the employees, providing secure employment as opposed to temporary contracts (Brath 2009; Dagens Næringsliv)

Norway has a very low unemployment rate<sup>2</sup> and an ageing population. In other words, Norway is very much in need of labour for the years to come, both high and low skilled. In May 2010, Anne Kværneland Bogsnes, head of The Norwegian Labour and Welfare administration (NAV) in Hordaland county, said to Bergens Tidende that there will probably be an increased need for imported labour in Hordaland in the next few years (Hjertenes 2010; bt.no). Bogsnes also pointed to the remarkable pace at which the labour market has been turned ‘back on track’ after the financial crisis which dominated all of year 2009. In the same article, Nina Broch Mathisen, head of the state organisation Innovation Norway Hordaland<sup>3</sup>, pointed to the need of importing labour from countries that can provide the competence that Norway needs. She

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<sup>2</sup> 3,5% in February 2010 according to Statistics Bureau Norway

<sup>3</sup> This public organisation’s role is to provide or arrange financing, link customer enterprises to know-how and help them build networks for the innovation projects.

states that this will be a challenge, as there is a global demand and high competition for competence (Hjertenes 2010; bt.no)

## **1.2 Research questions**

As highly skilled labour is a valuable commodity in today's knowledge economy, and is believed to be a very important asset to Norwegian economic development, I thought it would be interesting to investigate how companies recruit this type of labour. My main research question for this thesis is therefore:

- *What are the companies' recruitment strategies for recruiting highly skilled labour?*

I wanted to investigate this in relation to the geographical location, the region, in which the company is located. Another main question in my research was therefore:

- *What is the role of the region in highly skilled recruitment?*

I chose the Sunnhordland region for my case study for several reasons. Firstly, my supervisor was able to connect me to the daily manager, Sylvi R. Sørfohn, in the Regional Network Agency in Sunnhordland called Atheno. Atheno is a network with members from both the private industry sector and the public administration that focuses on industrial and entrepreneurial development in the Sunnhordland region. This connection was a very valuable starting point for my case study, as it gave me access to central regional actors that could be relevant for my case study research (the role of Atheno in my field work is discussed in more detail in chapter three).

Secondly, the Sunnhordland region was very relevant for my chosen research topic as the region is highly dominated by the oil and gas industry, and the marine industry. Many companies in this region possess world leading technology, their exports are internationally oriented and have some of the best engineers in the business. Sunnhordland south of Bergen in Hordaland County on the West coast of Norway, a two-hour drive from Bergen. The region has a population of 60 000 inhabitants divided into eight municipalities. To limit the extent of research area, I decided to focus on two municipalities, Stord and Bømlo. The Sunnhordland region will be thoroughly presented in chapter four, whilst what is meant by the term 'region' is explained in chapter 2.3. Using Sunnhordland as my area for case study presented some very interesting research questions in regards to highly skilled international recruitment:

- *How is the Sunnhordland region promoted and marketed in an international context?*

- *What regional and industry features are enhanced as an attempt to attract workers to this region?*
- *What are the conditions and objectives for the recruitment of highly skilled migrants specified in the company recruitment strategies?*
- *Which regional actors are involved in strategy planning for acquiring highly skilled internationals?*
- *Are there differences in the perception of how the region should be promoted internationally? And by whom?*
- *Who's cooperating with whom?*
- *Who organizes the practical and the bureaucratic work for migrant workers and their families? What kind of infrastructure can be found?*
- *Are there strategies in the region for highly skilled labour retention?*

This thesis will investigate and analyse these questions through a triangular approach, using existing theoretical contributions and secondary quantitative data to analyse empirical qualitative data obtained through my fieldwork. My research design is explained in detail in chapter three.

### **1.3 Composition**

Chapter two is an overview of some of the theoretical contributions made to the research of highly skilled migration and the region. In this chapter I discuss the terms 'highly skilled migrant' and 'region'. I will look at types of highly skilled recruitment and recruitment channels. This will be then be discussed in relation to geography and the region. Further, I discuss the role of push/pull factors in highly skilled migration and its implications on choice of migration destination. I focus on strategies for attracting and retaining the highly skilled in the region, and the role of the state and international regulations.

Chapter three discusses methodological considerations. First, I present my choice of research design and my fieldwork. Here I discuss the implications of informant selection and the semi-structured interview. Secondly, I discuss my use of secondary quantitative data, followed by a short section on ethical considerations in my qualitative fieldwork. Thirdly, I note some reflections regarding my analysis of my primary qualitative data. The last section of this chapter discusses the case study in relation to theoretical generalisation and validation, as well as some strengths and weaknesses of my research.

Chapter four presents some quantitative secondary data, most of it which is collected from Statistics Norway. Here I present the two municipalities Stord and Bømlo as well as the Sunnhordland region. I mainly focus on demography, infrastructure and the labour market conditions. Secondly, I present some labour market characteristics in Norway, and describe Norway within an international context.

Chapter five is the first of three analytical chapters. This chapter creates an overview of recruitment channels used by my informants. I argue that such an overview can unveil which regional actors are involved in recruitment. When creating this overview, I have divided the recruitment channels into geographical levels, from the local to the global. Last in this chapter, two tables are presented. One of them visualizes the overview of recruitment channels and their relation to geographical levels, whilst the other one visualizes the overview of which recruitment channels were used by which of my informants.

Chapter six discusses the process of recruitment, labour attachment and relevance of labour flexibility. I argue for the need to be concerned with both long-term and short-term recruitment. I also discuss some geographical dimensions in the recruitment process, and the importance of language, culture, and previous regional experience with foreign labour.

Chapter seven incorporates the highly relevant role of the region and its ability to attract and retain highly skilled labour. I look at strategies of attracting and retaining labour, both from a public administration perspective, a company perspective, and a perspective that includes cooperation initiatives amongst both private and public actors. I argue that the Sunnhordland region still has a long way to go in terms of marketing itself to an international target audience, and that increased communication between public and private regional actors might be one way to improve the current situation.

Chapter eight presents some concluding remarks and suggestions for further studies. After a short summary of my findings, I make some suggestions for further actions that can be made in the Sunnhordland region to increase its attractiveness to highly skilled internationals, such as increase temporary housing possibilities and create possibilities for an international education alternative for the children of migrants. I especially stress the need for increased communication between private and public actors at an earlier stage in the recruitment process than what occurs in the situation today.

## **2. Highly skilled migration – a conceptual and theoretical approach**

This chapter is divided into six sections. The first is a discussion of the term ‘highly skilled migrant’, and a discussion on how these migrants are considered to be attractive human capital, for both companies and localities. Secondly, I argue that an overview of the different recruitment channels through which the highly skilled migrate, can be a useful overview for the understanding recruitment strategies of the highly skilled. The third and fourth section is a discussion of the term region, and some theoretical considerations as to why this is a geographical entity that can be helpful in the analysis of highly skilled recruitment. The fifth section of this chapter highlights some aspects of how the highly skilled can be attracted and retained in a region. Finally, some remarks are made on the importance of understanding the national and international legislative framework in which recruitment strategies are developed.

There are several geographical journals specialized on the topics of international migration, economic geography and regions<sup>4</sup>. The topics can be studied from several perspectives, such as through a management approach, labour market approach, country of origin and destination approach etc. My interest in highly skilled migration led me to browse through GEOBASE<sup>5</sup> using various keywords, such as ‘highly skilled’, ‘migration’, ‘skilled labour’, etc. to get an idea of what literature had already been written on the subject. I found that a lot of articles focused on highly skilled migration in Multinational Corporations (Ewers 2007; Salt 1992; Tzeng 1995; Williams et al. 2004), and also on migration policies and the consequences of migration (Iredale 2001; Millar & Salt 2007; Williams 2009). Since my thesis was to have a regional geographical perspective, I also carried out searches on skilled migration, recruitment and region. Through my searches I found a lot of articles on ‘the global city’, urbanism, policies, education, short-term migration and off-shoring (Asheim & Isaksen 2002; Beaverstock 2005; Benson-Rea & Rawlinson 2003; Bogren 2008; Burkert et al. 2008; Ewers 2007).

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<sup>4</sup> International Migration, International Migration Review, International Migration and Integration, International Journal of Population Geography, Population, Place and Space, Regional Studies, The Canadian Geographer, Geoforum, Geojournal

<sup>5</sup> A bibliographical database for the Earth, Geographical and Ecological Sciences that according to Elsevier's website covers more than 2000 journals and 1,4 million per reviewed articles

In this thesis region and place is a specific variable in my analysis of companies' recruitment strategies. I argue that regional actors, other than those in the companies that are recruiting the highly skilled, play an important, and sometimes direct part in the company strategies of recruiting highly skilled internationals.

My analysis draws on theoretical contributions from research on highly skilled migration and regional geography, and is combined with my case study perspective and empirical material. The goal of this thesis is to make a theoretical contribution to the field of social geography concerning company recruitment strategies of the highly skilled internationals and the role of the region in this recruitment.

This chapter reviews the theory that contributed to my case study development and analysis.

## **2.1 The highly skilled migrant**

There are many terms used in the academic literature to describe the highly skilled worker. Among the most common are 'highly skilled professionals' (Iredale 1999) 'highly skilled migration' (Ewers 2007; Khoo et al. 2007a; Koser & Salt 1997; Salt 1992) 'multinational transferees' (Tzeng 1995) 'highly skilled workers' (Williams et al. 2004), 'movement of expertise' (Koser & Salt 1997) 'highly skilled employees' (Burkert et al. 2008) 'transnational professional or 'expatriates' (Coles & Fetcher 2007) and 'temporary migration of a skilled workforce' (Bogren 2008, my translation). Koser and Salt (1997; p.287) write that the *"definitions of highly skilled migration, and who it includes stem from the interplay of three broad conceptual bases, centred on the migrant, the state and the employer"*

The definitions might vary after academic discipline, e.g. whether one is investigating the highly skilled as human capital, as subject to national and international regulations, or as part of a competitive strategy in a MNC. Based on this, Koser and Salt (1997; p.287) state that: *"it is unsurprising that the existing literature does not agree on a single label for highly skilled migration"*. Evidently there will also be variations regarding the purpose of the study regarding questions that are in focus and which scientific approach is used, e.g. if it is a geographical, economic or a sociological type of research approach

**Table 2-1: Various terms used in the literature to describe the highly skilled**

	<b>Definition</b>	<b>Authors and Type of research</b>	<b>Geographical level</b>	<b>Temporality</b>
<b>Highly skilled professional or Highly skilled migrant</b>	Those with university degrees or extensive experience	In: Iredale 1999. Geographical approach on the need to import skilled personnel.  In Koser and Salt (1997), Salt (1992), Khoo et al (2007a), Williams et al (2004) and Ewers (2007). Geographical approach to the highly skilled in all four articles using this term	International perspective, with national empirical examples  Koser and Salt (1997) and Williams et al (2004) use the term in an international context, Salt (1992) has a European perspective, Khoo et al. (2007a) focus on Australia, whilst Ewers (2007) focus on the highly skilled and the global city	Articles investigates both a temporal and a non-temporal aspect of migration
<b>Multinational transferee</b>	Temporary migrants that are considered high-level employees by the companies transferring them	Tzeng (1995) Geographical approach on multinational enterprises and labour migration	International perspective	Research is limited to temporary workers on 1-3 years contracts
<b>Highly skilled employee</b>	Those with a university degree	In Burkert et al (2008) Geographical approach, investigating regional disparities in the employment of high-skilled foreigners	Regional perspective on different regions in Germany	No temporal limitations
<b>Transnational professionals and expatriates</b>	Those who make career related migration (specific skills not specified)	In Coles & Fetcher 2007) Anthropological and gender studies approach	Focus on Euro-American mobile professional	Only focus on temporal migrants

Looking at the various definitions in table 2.1. it is evident that some definitions of the highly skilled are broader than others, and often depends on the research perspective. Iredale (1999) chooses to apply the term ‘*highly skilled migration*’ following OECD’s definition, including a wide range of workers, from highly skilled specialists, executives and managers, investors and businesspersons, as well as so called “key-workers”. Ewers (2007), includes students and scholars, NGO workers and entrepreneurs in addition to those categories mentioned by Iredale. Williams et al. (2004) define a highly skilled migrant as someone with a large stock of human capital, both formal and informal skills, which make a migrant worker a valuable asset to an employer. Khoo et al. (2007a) leave us with a quite open definition of the term ‘highly skilled migrant,’ but mention computer programmers, engineers and nurses, as

examples. However, they do not specify if, in their view, being a highly skilled migrant requires some form of higher education and training, or if it applies to all workers that are specialized in a certain trade or profession, regardless of education.

‘Multinational transferees’ is a term used by Tzeng (1995), and it includes an aspect of temporality as well as types of professions when it comes to defining highly skilled labour migration. A transferee is someone who pursues his/her career in an international labour market for high-level manpower. The transferees are exemplified as being professionals, managers, administrators and technical workers and are categorized as being temporary migrants, as opposed to permanent migrants. This is the definition closest to what is called ‘expatriates’, a term used to describe highly skilled business migrants, most of which are transferred abroad through inter-company networks (Bogren 2008; Coles & Fetcher 2007).

Burkert et al. (2008) choose to categorize a ‘high-skilled employee’ as everyone who has a university degree. However, Koser and Salt (1997; p.287) argue that:

“Being a graduate is not in itself sufficient to be regarded as highly skilled in labour market terms, since many graduates are not employed in jobs requiring high-level expertise. Conversely, many people whose work is deemed to be highly skilled are not graduates”

Their argument falls in line with the definition presented by Ewers (2007) and Iredale (1999).

Amongst my references, the highly skilled migrants are broadly defined, incorporating both higher skilled and lower skilled labour, emphasising the human capital in each worker rather than their professional title. It is also evident that when using the word ‘migrant’, it implies both a mobile and a temporal aspect to the term ‘highly skilled’, and these aspects should not be ignored.

In this study I will use the term ‘*highly skilled migrant*’. I choose to use this term in the broad definitional sense of the word, as presented by Koser and Salt (1997), Ewers (2007) and Iredale (1999). It should be noted that this is an analytic, theoretical point of view.

### *2.1.1. The highly skilled migrant as human capital*

A common denominator for all highly skilled migrants is that they are considered to have *human capital*, meaning that the knowledge embedded in the worker is a commodity value. Their value might be in form of formal education, training and professional experience. This type of commodity value is highly sought after in today’s economy and recruiting the highly

skilled can be a competitive strategy for companies. “*Highly-skilled foreign workers provide human capital in the form of both technical skills serving research and innovation and an intimate understanding of the markets of their respective countries and regions*”(Ewers 2007; p.122). Acquiring the right type of expertise can be a crucial component in wealth creation, both for companies and for the place to which they move (Millar & Salt 2007). Their expertise can be necessary e.g. to solve problems that a company might experience, for improving efficiency and logistics, and their knowledge can be taught to the existing staff. As human capital, they can foster innovation and economic growth as well as create and improve communication and networks by linking the region and its businesses to other places in international networks (Ewers 2007; Williams et al. 2004). Recruiting the highly skilled can also be a way to cope to what Atkinson has called ‘functional’ and ‘numerical’ flexibility of labour (Nesheim 2005). This is further discussed in 6.1.

The movement of human capital will have effects on places of origin and places of destination. Recruiting human capital can have both economic and social advantages, not just for the company recruiting, but also for the entire region and country in which these migrants settle. At the same time, there is a focus on what consequences the emigration of the highly skilled will have on their country of origin.

A lot of the literature on the migration of the highly skilled discusses ‘brain drain’, the loss of human capital in third world countries as a result of high skilled emigration. I will not go into this further, as it is a demanding discussion. The relevance of this point to my thesis however, is that the receiving countries of highly skilled migrants, seem to be the net winners of the migration (Williams et al. 2004; p.38).

Whilst the highly skilled contribute to the national economy with their capital and taxes, making the destination of their migration the financial net-winner, the highly skilled also contribute to their specific localisation with other qualities. They can link their company to international professional networks (Nagel 2004) and increase localised knowledge which might lead to a stronger regional advantage, as well as helping the region to avoid a lock-in (Hassink 2005). The place that a highly skilled decides to migrate *to* will therefore stand to gain advantages compared to the place that the highly skilled migrates *from*. This can again lead to uneven development between places of all sizes, as mentioned in Williams’ (2009; p.318) concluding remarks on studies of International migration in Europe: “*International migration plays an important role in the production, reproduction and contestation of uneven urban and regional development in Europe*”. In viewing the migration of the highly skilled as

an essential element in the global economy, recruiting human capital can be seen as a business strategy for ensuring competitive advantage (Koser & Salt 1997).

The ‘highly skilled’ do not constitute a homogenous group. They differ in age, nationalities, gender and professions, but as mentioned, they do share a high level of human capital. Being resourceful human beings, they should not be thought of as passive participants whose destination is determined by global economic forces, rules and regulations (Findlay & Li 1998). On the contrary, focusing on their decisions, choices and motivations is a central part in understanding their migration behaviour (Beaverstock 2005; Bogren 2008; Ewers 2007; Koser & Salt 1997; Nagel 2004).

### *2.1.2 Motivations for recruiting the highly skilled*

When examining the recruitment strategies of recruiting the highly skilled in Sunnhordland, it is interesting to make some observations about their motivation behind their recruitment strategies. Some motivations might be rooted to the specific location, whilst other motivations may be part of a more general trend in highly skilled recruitment. The main reasons that are repeated are recruitment for overcoming skill shortages, (Millar & Salt 2007) in especially a shortage of graduates with a satisfying level of education (Salt 1992), and the need of finding people at short notice (Khoo et al. 2007b).

Recruiting the highly skilled has also been thought of as a way to increase a competitive advantage, getting the ‘best of the best’ in the sense that knowledge is power. When discussing the competition among world cities for the highly skilled, Ewers (2007; p.121) writes that: “*When specific skills are lacking, the easiest way to improve a knowledge base is to import one*”.

One should look at a migrant as an active player on the scene who makes a decision by looking at the pros and cons of migrating (Meijering & van Hoven 2003; Nagel 2004). Burkert et al. (2008) draw our attention to several factors in play when mapping out the reasons for highly skilled migration, especially among those individual migrants who are not ‘tied’ to a company. These are so-called push/pull factors and are, in most cases, embedded in geographical spaces, I will return to this argument after my discussion of the term ‘region’ in 2.4.1. Either way, migration should not be considered in abstraction from the location and motivations involved. It implies the movement of people from one place to another. *Where*

and *why* are important to understand when analyzing recruitment and migration in all types of migration channels.

## **2. 2 Recruiters and recruitment channels**

The ways in which the highly skilled migrate from one place to another are many (Koser & Salt 1997; Nagel 2004). Sometimes the highly skilled migrants are recruited directly by the company, whilst in other cases they might be recruited by intermediaries, such as a recruitment agency. Migrants may also have arrived at the destination place for different reasons altogether, such as social reasons, cultural interest, or as the result of earlier recruitment, by another company. In mapping out the different types of channels through which the highly skilled are recruited, one can provide a good basis for understanding both corporate recruitment strategies and other flows of migration to a given place. If one wants to understand the complexity of highly skilled recruitment, this is a necessary overview to establish. In chapter five, I try to create a recruitment channel overview based on my empirical material and the theoretical considerations that are presented in my readings.

A narrow focus that i.e. has strict focus application only to on intra-corporate transfers, will exclude those who were recruited through different channels, like through a local newspaper advertisement or through a recruitment agency (Koser & Salt 1997). By accounting for various recruitment channels one can also investigate whether the highly skilled migrants are recruited as a conscious strategy to acquire new knowledge and competence to the region, to avoid regional lock-in, or rather, if international highly skilled recruitment is the result of lack of available competence locally and nationally. In other cases, companies might look to the success of other in highly skilled recruitment, and choose a “follow the leader” strategy (Rusten 2004) to obtain a similar success. One should not forget that actors such as recruitment agencies may function as recruitment intermediaries or be motivated by other reasons that are non-related to labour recruitment. Factors such as ethnic migration (Nagel 2004). In other words, when mapping out recruitment channels, it is also necessary to look at the reasons and motivations for using those recruitment channels.

I would like to stress the concluding remarks of Findlay and Li’s (1998) analysis of migration channels to and from Hong Kong, where they state that “*The concept of migration channels (...) remains an organizing framework rather than an explanatory model*” (Findlay & Li

1998; p.699). In other words, in order to understand strategies of recruiting the highly skilled, it is not enough to understand *how* migrants are recruited from A to B.

Further, I will try to illustrate some of the most common recruitment channels through which the highly skilled are recruited.

### *2.2.1 Intra-company transfers*

I have chosen to elaborate on intra-company transfers, in an effort to demonstrate the complexity of actors influencing a single recruitment channel. This is a type of recruitment channel that is often mentioned and analyzed in relevant literature. Intra-company transfers are normally used by large Multinational Corporations (MNCs). These are companies with offices in various countries around the world which sometimes transfer their employees through an intra-company network, creating an inter-company international labour market (Tzeng 1995). There are several MNCs represented in the Sunnhordland industry, and as is specified in chapter four, these are important actors in the labour market. It is therefore likely that many of the highly skilled that are recruited to the Sunnhordland region have been recruited through intra-company transfers.

Intra-company transfers can be based on different schemes. Whilst some employees seek to be transferred on their own initiative, for various personal reasons, others can be transferred as a company strategy to exchange or contribute to the human capital in their other international office locations. Some MNC transfers can be a compulsory practice assigned to certain positions within the company, whilst other transfers can be the result of individual migrant decisions, or by internal headhunting of company competence. In other words, reasons for intra-company transfers are many.

Common for these migrants however, is that they move within a MNC organizational structure, embedding the same organisational values (Salt 1992). This can give them an advantage, as they do not have to adapt to new forms of organisations. Still, culture and language within the company might differ greatly. Thus other skills like a second/third language and an ability to adapt to new surroundings are often required from the highly skilled migrants. MNCs often use these intra-company transfers to deal with immediate skill-shortages or to enhance the human capital of the company by enhancing the language and culture skills of their employees (Ewers 2007; Khoo et al. 2007a). These intra-company

transfers normally last from one to three years and are considered quite costly for the employer (Salt 1992; Tzeng 1995).

Williams et al. (2004) presents a study conducted by PriceWaterhouseCoopers in 2002. This research stated several reasons as to why international human mobility is important for MNCs. Among these are:

“... to support global integration and management of business; (...) to support the transfer of skills throughout the business to locally engaged staff; to reduce overall costs; to overcome actual or potential skill shortages; and to provide personal development opportunities for key employees” (Williams et al. 2004; p.32)

A MNC is not a passive structural framework in which employees can transfer freely on individual initiative. Quite to the contrary, the MNC plays an active role in deciding who gets to go where and as a result, the location of MNC headquarters and senior management staff becomes an important aspect in analyzing migration as a firm’s strategic behaviour (Dicken 2007). *“While the stage of corporate internationalization can affect the number of transferees, the structure and management style of a multinational can influence the direction of migration and the selection of personnel”* (Tzeng 1995; p.142).

### *2.2.2 Recruitment through other channels*

A large percentage of the highly skilled migrants can be considered as ‘autonomous’ migrants in the sense that they are not transferred within a company structure. Companies of all sizes can recruit these autonomous migrants. They can be recruited through international recruitment agencies or through already existing migrant and ethnic networks (Iredale 2001). As the Sunnhordland industry is largely dominated by SMBs (see chapter four) it is important to account for other recruitment strategies besides intra-company recruitment. I will not elaborate on these migration channels in detail, but I will briefly illustrate the wide range of other possible migration channels through which the highly skilled can be recruited.

In most cases, highly skilled migration of any kind is assumed to be dependent on intermediaries such as recruitment agencies or personnel offices (Faulconbridge et al. 2009; Koser & Salt 1997; Meijering & van Hoven 2003). The role of these intermediaries is considered to be of crucial importance, as these are actors that actively choose the highly skilled that they consider as the ‘ideal type’ of worker for a given position. This means that a recruitment agency can have a reproductive role in deciding *who* fits the description of ‘highly

skilled' and who does not. The intermediaries of recruitment can become 'gatekeepers' in certain migration channels (Faulconbridge et al. 2009). In other words, recruitment agencies can influence recruitment strategies through the choice and selection of candidates.

Other possible ways of recruiting the highly skilled are through marketing and advertising on a global scale. Media, i.e. newspaper advertisement and online application possibilities can therefore function as a channel for encouraging migration, in the sense that it can provide information about jobs and locations on a global scale.

Another important recruitment channel for recruiting individual highly skilled workers is through universities and student migration (Williams et al. 2004). One should also keep in mind that migration might be motivated by non-work related factors, meaning that the destination for many migrants might not be the result of direct recruitment. Migrants can enter countries by migration channels such as on temporary visas, by marriage (trailing spouse), as tourists or as asylum seekers (Nagel 2004).

## **2.3 The Region**

When doing fieldwork in the Sunnhordland region, and when using region as a central variable in the analysis of company recruitment strategies, it is important to include some theoretical aspects and considerations regarding the term 'region' and its connection to the highly skilled migrants.

Highly skilled migrants are not spread randomly throughout the world. They tend to agglomerate in big cities or in large industry areas. The companies' ability to recruit new labour from an external labour market will be dependent on the region's attractiveness for the highly skilled. What makes a place, a region or a city a target destination for the highly skilled migrants? What exactly is it that constitutes a region?

I would advocate that in understanding and analyzing industry development and production it is most convenient to use the term 'region' when talking about industrial territoriality. My argument is that the territorial entities of 'nation' and 'city' both have limitations to which the 'region' proves to be a better alternative. I will try to explain this further.

### *2.3.1 The limitations of using the nation or the city as geographical entity of analysis*

Even though an industry is always located within one or several nation states, nation borders usually define a very large territorial entity. When looking at highly skilled migration to a

specific place or region, one should take into account the national restrictions put upon the migrants and their employers (discussed in 2.6). A country's resources may be very diverse depending on which part of the country is in focus. The population may be vast and heterogeneous creating a myriad of cultures within the same nation state. Some regions might be more successful than others in recruiting highly skilled migrants. In addition to this, some nations are divided in federal states, meaning that not all law is national, but might differ from state to state. This is highly relevant to take into account as rules and federal laws might regulate industry development.

The term 'city' is a narrow territorial term, referring to a centralisation of human population, manufacturing and service industries, centre for infrastructure such as airports and train stations, location for educational and research institutions such as universities, centres for art and culture, location for sporting events and concerts, etc. (Bogren 2008; Ewers 2007). In the literature of highly skilled migration, one often reads about the term 'the global city'. It is evident that a city of a certain size and certain qualities attract a high proportion of the highly skilled workers. However, it might also be a territory that excludes or turns away some groups whilst welcoming others, i.e. the rich are welcomed whilst the poor are excluded. Limiting the unit of analysis to cities will exclude all those production sites located outside of cities that also require highly skilled competence.

Ewers (2007) emphasizes that the general 'quality of life' in a city is a prominent factor when highly skilled migrants consider the place as a temporary or permanent future home. 'Quality of life' factors can be examples such as general physical security, cost of living, crime rate, climate and so forth (Ewers 2007; Khoo et al. 2007a).

I will state that as territorial entities for research, the city might be too marginal, and the nation state to large, when looking at the migration of the highly skilled.

### *2.3.2 What is a region?*

A region then, seems to be a suitable territorial entity for analysis, including both cities and the area around. The next question is then: what defines a region?

The book 'Organizing European Space', by Jönsson et al., examines the theoretical implications of the term 'region' and provides a table of different types of regions and classification principles:

**Table 2-2: Types of regions and classification principles**

<b>Basis of division</b>	<b>Principle of division</b>	<b>Example</b>
<i>Nature</i>	Transportation facilities	Islands, peninsulas, plains, valleys
<i>Culture</i>	Linguistic and ethnic similarity. Shared history and religion	Basque, Catalonia, Wales, Scotland, Wallonie, Sicily, Lombardy
<i>Function</i>	Intensity of flows (goods, people, ideas)	City-regions, urban regions, daily urban regions
<i>Administration</i>	Territorial range of decisions and regulations	<i>Länder, départements, cantons, counties</i>

*Source: Organizing European Space (Jönsson et al. 2000; s.139)*

This table demonstrates that the word ‘region’ can have many different connotations. In using this term for research, it is vital that the researcher establishes *what* is meant when using the word region, and *why* this connotation of region is being used as opposed to other connotative meanings.

One way to view regions is to divide them into types of production in different areas of the nation state. Operating with this definition of region would however be difficult. These large and generalizing categories offer no clear boundaries and they are in many ways also very misleading and simplified. For example, if one were to look at all the geographical locations of the oil industry in Norway as one region, this would be a region that stretched across many administrative boundaries along the entire Norwegian coastline. In addition, many companies in the oil production have their headquarters in the capital. Should they also be included in this definition of a region? And what about subsidiaries and customers, should they be defined as belonging to such a region? Using such a definition of region causes more questions than it provides answers.

Another way to view a region is as an ‘identity region’. The population of a nation state, even in a fairly homogenous country such as Norway, tend to identify themselves with different regional territories. This identity can be founded in history, language and dialects, in culture such as art and music as well as types of industry familiar to each region (Hansen & Selstad 2003). Jönsson *et al* (2000) states that: “*Regionalization implies that human beings and activities are, and will remain, tightly bound to a local and regional environment*” (Jönsson *et al.* 2000; p.20). An example of a strong identity region in Norway is the Sunnhordland region, which has been known to exist as an identity region since the late 12<sup>th</sup> century (Helle 2006) and has a solid historic identity.

However, as the focus of this thesis will be on highly skilled migrants and industries, I will view the region from an economic and functional perspective, as the recruitment of highly skilled workers is, after all, primarily a strategy to ensure economic growth. The term ‘region’ will in this paper therefore mean a functional region. As Jönsson et al. (2000; p.139) describe it, “*the functional region is demarcated from the outside world in terms of travel, transportation, contacts and other dependency relations that connect people and structures*”.

The Sunnhordland region is both acknowledge administrative and functional region. On the administrative side, it has its own inter-municipal council, Samarbeidsrådet Sunnrhordland, that communicates regional interests to Hordaland Fylkeskommune, (the Hordaland County council). As is shown in chapter four, the eight municipals in the region are physically linked through bridges and underwater tunnels. In official statistics, e.g. reports from Hordaland Fylkeskommune, Sunnhordland is often presented as a region in terms of labour market and industry.

As stated by Jönsson et al. (2000), a functional region is an entity in which there are dependency relations between people and structures. Just as a region is dependent on companies and people for economic activity, so are the companies and the people dependent on their locality. Budd and Hirmis (2004) relates the competitiveness of firms to a locational advantage that is not necessarily determined by economy alone.

“Increased competitiveness will be determined by locational advantage, which depends on non-price and non-trade factors like the degree of institutional embeddedness, governance structures and demonstration effects that can be assessed as part of the external economies that a place may derive” (Budd & Hirmis 2004; p.1021)

Even if one chooses the region as a geographical starting point for analysis, other geographical levels should not be neglected. Instead, choosing the region for geographical analysis might mean that other geographical levels are seen in *relation* to the region.

#### **2.4 Analyzing highly skilled recruitment through a geographical perspective – push/pull conditions**

Geography is a central component in highly skilled migration. Who goes where is not just determined by salaries and job opportunities. “*Some highly skilled people may move for reasons unrelated to their expertise*” (Koser & Salt 1997; p.287). For various reasons, some regions seem to attract and easily recruit highly skilled workers, whilst other regions struggle.

This might be due to individual geographical differences between places. Why does a highly skilled migrant decide to move to city A and not city B? Recruiting the highly skilled is not just about finding the right people and offering them a job. Ritsilä and Haapanen (2003) wrote that:

“Qualified individuals choosing a residential location expect a supply of relevant jobs, as well as interesting educational, cultural and recreational opportunities for themselves and their families. Thus, the location decisions of skilled labour are connected to the infrastructure and production of regions” (Ritsilä & Haapanen 2003; p.437-438)

This argument clearly emphasizes the importance of geography in the analysis of highly skilled recruitment. If one chooses to look at e.g. corporate strategies alone, and ignore the location of the company in question, many important aspects of the migration process are lost. It pays to approach the subject from a more holistic view. “*The mobility of international human capital is geographic, but as part of a web of place-based national, urban, corporate and structural factors, as well as individual push and pull factors*” (Ewers 2007; p.122).

#### 2.4.1 Understanding migration through push-pull theories

Factors like labour market conditions, housing market, life style factors, environmental conditions and political regulations, in both sending and receiving countries, should all be accounted for if one wants to understand the migration flows of the highly skilled (Burkert et al. 2008; Khoo et al. 2007a). When investigating skilled migration in global cities from a British Arab perspective, Nagel (2004; p.200) states that: “*The diversity of patterns and experiences within the category of skilled migrant prompts us to reconsider the relationship between skilled migrants and localities*”. Thus, all regional actors who are influencing one or more of the above mentioned factors in a region are potentially interesting for understanding the relationship between the region and its appeal and ability to recruit highly skilled migrants.

The sociologist E. S. Lee was one of the first researchers on migration to introduce the aspect of the migrants’ decision making when looking at migration flows. He constructed a model of ‘push-pull’ factors, with the hypothesis that all migrants would consider pros and cons before making a decision to move. Also, they would take into consideration the problem of ‘intervening obstacles’ of moving, like costs and regulations. When the destination’s pull-

factors were greater than the difference between the push-factors at home and the intervening obstacles, the decision would be to move (Aase 2006). Explaining migration through this fairly simple model has of course been highly contested in newer research on migration. Explanations of ethnic or religious chain migration, relative deprivation, behaviourism and Marxism, are all valid attempts to explain a higher complexity of migration. However, the use of 'push-pull' factors in migration research is still a useful tool in understanding the migrants' reasons for moving, and maybe to explain why some places seem to 'pull' highly skilled more easily than others.

In their research of the recruitment of the highly skilled in Australia, Khoo et al. (2007a) found that the migrant's reasons for moving were better employment opportunity, higher salary, company transfer, gain international experience, liking Australia's lifestyle, lack of suitable employment in home country, a dislike of social conditions in home country, escape war or political situation. Their general conclusion was that the 'pull' factors seemed to be more important than 'push' factors in the respondents' decision for working in Australia (Khoo et al. 2007a). Khoo et al's.(2007a) conclusion was that:

“The reasons indicated by skilled temporary migrants for coming to work in Australia showed the importance of both economic and non-economic factors in motivating skilled labour migration. There also appear to be very different motivating factors depending on migrants' country of origin” (Khoo et al. 2007a; p.505-506)

When it comes to understanding recruitment strategies for recruiting the highly skilled then, knowledge about locational 'pull' factors are important. Even though Khoo et al's research was carried out at a national level, I will argue that factors such as lifestyle, climate and employment opportunities are strongly attached to regional areas. In Norway for example, the climate differs greatly between the north and the south, between the east and the west, and this might affect the choice of migration destination for the migrants. This is another argument for why the Sunnhordland region is included as a variable in the analysis of company recruitment strategies.

Many social geographical articles mention several types of 'pull' factors that can influence the migrant's decision making.

One important factor, which is frequently mentioned, is that all migrants are part of one or more networks. (Benson-Rea & Rawlinson 2003; Nowicka 2007). This means that the existing presence of highly skilled migrants may have a self-enforcing effect in the recruitment of new highly skilled migrants. In general, the larger cities are thought to have a

higher 'pull potential' than smaller cities (Ewers 2007). Derwing and Krahn (2008; p.188) attributes this to the city's diversity, as *"a city that has a lively arts scene, significant numbers of immigrants, a strong gay community, good educational opportunities, and businesses that rely heavily on intellectual capital is a city that is likely to draw and retain newcomers"*.

## **2.5 Attract and retain – regional marketing**

*"...migration is not just about jobs, it is a highly emotional experience"* (Spoonley & Bedford 2008; p.214).

How does the region make itself attractive for highly skilled migrants? And what does it take to make them stay?

A vital factor in order to attract the highly skilled to a specific region is the ability to provide attractive and interesting jobs. Developing industrial clusters and providing a good institutional framework for both large and small corporations and entrepreneurial activity can foster economic development. *"Young university graduates especially might be attracted to dynamic, high-growth regions"* (Burkert et al. 2008; p.387). In particular, the location of office branches in the form of 'centres of excellence' can be a highly valued regional asset. These are office branches with a high level of autonomy and competence. Rusten et al. (2005; p.526) write that *"Centres of excellence permit regional offices to increase their perceived value within the firm; enhance profitability as specialist expertise is created; develop competitive advantage for the firm as well as attracting quality staff to the branch office"*. Regions in which these centres of excellence are located can thus benefit from the firm's location in the forms of stable economic development and its appeal to high quality staff.

Making a region attractive means making the place interesting for families as well as individuals (Ritsilä & Haapanen 2003). Emphasizing the central location of a place, with both national and international links, can give the impression of a dynamic and interesting region with good opportunities for mobility and travel. This can increase attractiveness by advertising: *"... better access to the outside world valued by those wanting a more urban lifestyle"* (Jakobsen et al. 2005; p.254).

To make the region an attractive destination, it has to be marketed. Most migrants make their decisions about their destination prior to getting a first hand knowledge of the place (Benson-Rea & Rawlinson 2003). In other words, their knowledge is based on secondary information.

Derwing & Krahn (2008) have done research in the city of Edmonton, Canada, on how immigrants had been attracted and retained outside the metropolis. Their findings are very interesting to me as the Sunnhordland region might experience some of the same problems as Edmonton, also being located outside the metropolis. They found that almost one third of the new-Edmonton residents had come to learn about the city via the *Internet*. They state that: “*If a host community would like to influence the choices of potential immigrants, the best ways to do so are via their family and friends already the resident in the community and via the Internet*” (Derwing & Krahn 2008; p.191). In scarcely populated regions one cannot assume that the potential highly skilled immigrants already have prior connections in, or knowledge of the region. Promoting the region through the Internet in a satisfying manner can be a determining factor in whether the highly skilled come to know about the region or not.

An example of such regional promotion is Spoonley and Bedford’s (Spoonley & Bedford 2008) case study on International migration and labour markets in New Zealand’s regions. They discovered that one of the regions, Southland, had made active use of the Internet as part of a campaign to cope with regional skill shortages. The webpage [movto.southlandnz.com](http://movto.southlandnz.com) promotes a particular quality of life, and it promises a supportive local network that will assist new immigrants with everything they need to settle. The page offers information about the region, the labour market, the community, business and tourism. This particular webpage is an example of how information can be centralized and easily accessible for those who are curious about the place.

Mapping out the degree of available online information can therefore be an important variable when analyzing recruitment strategies as it can give an idea of the level of available information from an international starting point. Also, in understanding a region’s attractiveness to highly skilled *internationals*, language should be taken into account. As websites can be used to obtain knowledge prior to their arrival, one cannot assume that all those who are interested speak the native language. Making information available in international languages such as English, French, German, Spanish, Arabic and Chinese (depending on target audience) can be crucial for attracting the ‘right’ people. This online information also needs to be linked to the right platforms, making it easy to find for those who are interested. Fragmented information, scattered across the web with nothing linking the

information together, is most likely not going to make a region seem attractive and forward thinking.

One should also remember that not all migrants move as individuals. Many of them are part of dual-career households (Coles & Fetcher 2007; Nowicka 2007). The regional labour market and availability of jobs for both career migrants might be one challenge for a region's ability to "pull" labour. This is further discussed in 7.2.1.

### 2.5.2 *Retaining the highly skilled in the region*

All highly skilled migration is not temporary<sup>6</sup>. It is therefore natural to consider the element of retention in recruitment strategies. Are the highly skilled selected with an underlying thought as to who will stay? And what can be done by employers and by the region as a whole to retain the highly skilled? Looking at some research on retention strategies can be helpful for further identifying if these are present in my own informants' recruitment strategies. In many ways, the factors that make people stay can be the same factors that attracted them in the first place. These are, as mentioned above, factors that enhance quality of life and provide prospects of career development.

Some of the literature argues for integration into the local community as a very important aspect for long-term settlement. Wulf and Dharmalingam (2008) apply the term '*social connectedness*' to explain the reasons for long-term stay.

"Social connectedness can be developed at a micro level through social participation in activities outside the home, including clubs and associations, political activities, volunteering, sports and recreational organisations, religious organisations, community or school-related groups, cultural, educational and hobby-related groups or service clubs" (Wulf & Dharmalingam 2008; p.152).

Using empirical data from a survey of migrants, who had come to the more rural areas of Australia through an immigration programme, Wulf and Dharmalingam (2008) found that that the assistance provided by sponsors to migrants upon arrival was important. They concluded that regional communities should pursue policy interventions that "*include encouragement and shared participation with migrants in local community activities and [that] offers of assistance to migrants by sponsors and community residents*" (Wulf &

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<sup>6</sup> Aspects of labour flexibility and labour attachment are discussed in 6.1

Dharmalingam 2008; p.159). In chapter seven I investigate if these types of efforts have been made in Sunnhordland.

## **2.6 The role of the state and international regulations in migration analysis**

There is no such thing as a non-restricted global flow of workforce. There are limitations implemented by national governments and by international laws. Depending on the country, there are various restrictions and requirements as to who is eligible for a work visa. Governments are often caught in a dual role. They are to ensure that the industry in the country is able to stay competitive and be profitable. This often requires external workforce and competence. *“Migration has been shown as essential for countries to reap the benefits of global flows of trade and capital and gain comparative advantage over other nations”* (Ewers 2007; p.121) At the same time though, the government should be an active participant when it comes to ensuring workplaces for its own population and avoid a high unemployment rate. Some governments have introduced a separate work permit system for highly skilled migrants (Khoo et al. 2007a) like Canada and Australia which have implemented points systems to cope with the changing demands in the labour market (Creese et al. 2008; Millar & Salt 2007).

In chapter four I investigate whether Norway has a similar visa system, or if not, what the regulations for labour immigration in Norway are.

As is obvious, state policies are also influenced by larger institutions, such as the European Union and the OECD. Memberships in these institutions require the members to follow international policies and guidelines when developing national state policies. The EU in particular plays a strong role in determining labour migration policies within the Union and for members in the EEA. Within these institutional borders there is a freedom of movement and employment rights (Williams 2009) and these are policies that cannot be overruled on a national level. The EU policy objective by enabling this free movement of labour is to become a competitive and knowledge-based economy (Dicken 2007). In Norway in 1954, legislation was developed, allowing free movement of labour all Nordic countries. Today, the same rules apply for all labour within the EEA area. Norway’s labour market regulations can be read in appendix A1.

Institutions such as the OECD and agreements such as the General Agreement on Trade in Services (GATS) are also active in encouraging guidelines and establishing standards for the mobility of professionals (Iredale 2001).

In analysis of the recruitment strategies of the highly skilled, the researcher therefore needs to carefully consider the regulative framework in which the recruitment strategies have been made.

### 3. Method

This chapter will first present my choice of research design, my collection of data and some theoretical considerations regarding my choice of a methodological approach. It will then be followed by a discussion and reflections on my fieldwork and analysis, elaborating on both the advantages and limitations it presents. My research design presents a triangulation of data sources as a way to ensure rigour and validity to my analysis of my empirical fieldwork, which is represented by a case study.

Presenting a thorough description of my research method is necessary for several reasons. It gives the reader an understanding of how the research was carried out, trying to create an objective platform in which the reader can draw his or hers own conclusions concerning my research. Hay (2005) writes that this thoroughness is a way to ensure credibility and rigour, a form of trustworthiness between the reader and the researcher.

I choose to use the terms ‘method’ and ‘research’ as defined by Hay: “*The term ‘research’ is used here to mean the whole process from defining a question to analysis and interpretation. ‘Method’ is used as a much more specific term for the investigative technique employed*” (Hay 2005, p.4)

#### 3.1 Research design

My research design features a triangulation of data sources. By combining primary data with secondary statistics, and also by drawing on previous academic writings on similar subjects, I hope to achieve a solid ground for my analysis and interpretation. This triangulation is what Yin refers to as making use of *multiple sources of evidence*, ensuring quality and validity in a case study (Yin 2009; p.42). The previous chapter reviewed theories that can provide a basis for my analysis. My qualitative research and empirical findings build upon these theories, and focuses on a specific case encompassing several interviews, which investigates the theory further. To give my qualitative research a more solid ground, I have supplemented it with secondary statistic data, presented in chapter four. Theory, qualitative and quantitative data thus represents the three corners of the triangle, which is methodological triangulation. My findings will then be possible to compare to previous literature written on my thesis’ subject, as well as existing statistics collected from public, reliable databases. This, in addition to a transparency and reflexivity in the writing of a thesis, is a way of giving the reader the best possibility of verifying the findings (Hay 2005; Hellevik 1999).

### 3.2 My fieldwork

For my fieldwork, I chose case study as my methodological approach. Concerning the selection of methodological approach, Yin (2009; p.18) writes that: *“you should use the case study method because you wanted to understand a real-life phenomenon in depth, but such understanding encompassed important contextual conditions – because they were highly pertinent to your phenomenon of study”*. Through a case study one can gain access to a better understanding of the conditions, advantages or limitations for company recruitment. Another distinction made by Yin, which separates the case study from other forms of study such as historical studies or experiments, is that one cannot manipulate the behaviours of the informants in the study, and that it is preferred for examining contemporary events (Yin 2009). The goal of a case study can be to expand and generalize theories, and combining empirical findings with existing theory (Hay 2005; Yin 2009). The use of case study as my main methodological approach seemed to be the most fruitful and preferable method tackling my research questions. I will return to the questions of generalization and validation of a case study later in this chapter under section 3.7.1.

My fieldwork was mainly conducted over two weeks in September 2009 in Stord and Bømlo in Sunnhordland. I was introduced to Sylvi R. Sørfohn, the managing director of Atheno by my supervisor. She gave valuable help through my planning process. Half a year before I started my fieldwork, I met with three members of the Atheno team and I presented the outlines of my upcoming thesis subject. They were each given a copy of my research proposal. On the basis of the information she was given in this meeting, Mrs. Sørfohn sent me a list of candidates, which she thought would be of interest to my research. The process of selecting the informants is described in 3.2.1. In the end, my group of informants consisted both of persons from Mrs. Sørfohn’s suggestion list, but also of persons I had come in touch with through others or by my own initiative. (See Appendix A2 for an overview of all my informants.)

I planned my interviews within a two-week period. Before leaving for my fieldwork I had scheduled ten interviews. During my fieldwork I was able to schedule another six interviews. That gave a total of sixteen interviews within a two-week time span. My goal was to interview as many relevant candidates as possible during the two-week period. The ten pre-scheduled interviews did however secure a minimum of ten informants. Limiting my fieldwork within

only two weeks was mainly due to financial limitations<sup>7</sup>. Organizing my interviews proved to be difficult as, my informants were hard to get in touch with over the phone. Once contact was made, my reference to Atheno and Mrs. Sørfohn was very helpful. There is no doubt that the confidence Atheno had given me, translated into mutual confidence from my informants. All informants who felt they matched the criteria which I explained to them over the phone, agreed to participate in my research and they were all available for an one-hour interview in the period of time I had set aside for my fieldwork. After having agreed to participate in an interview, I sent my informants some information about my thesis' project so that they could get a better insight in my project.

### *3.2.1 Selecting informants*

Deciding whom to interview is a decision that should be motivated from the research proposal and from the theoretical groundwork that has been done prior to doing the fieldwork. My selection of informants can be categorized as what Hay calls *criterion sampling* (Hay 2005), meaning I was willing to interview those who fit the criteria set beforehand. The selection of informants was not meant to be representative in the statistical sense, but rather, I hoped to interview individuals who might have important information, experiences and viewpoints regarding my research subject. Even though my thesis has a company perspective, I wanted to include different categories of informants, like CEOs, representatives from the municipality administration and some highly skilled migrants. I thought this would both be necessary and interesting. Investigating the extent to which public authorities enabled the companies' recruitment process was important to answer my research questions. In addition to my informants' professional positions, they all lived in the Sunnhordland region. My informants' regional place attachment was interesting to me as I imagined they could be tied together in various types of social networks with each other (Stord and Bømlø are after all small municipalities). A strong regional attachment could also play a role in their inter-regional communication and interaction.

Before contacting any informants, I divided my informant criteria into three different categories; 1) Informants from private enterprises within the oil and gas industry (nine

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<sup>7</sup> I had to pay for a rental car and hotel accommodation

interviews in total, two of which were members of the Atheno group), 2) Public administration staff (four interviews in total, three on municipal level and one on the Sunnhordland level) and 3) Highly skilled migrant staff (three interviews in total). Group 1 and 2 were my main focuses.

Category 1: My informants from the private industry in the Sunnhordland region were carefully selected. To narrow my research I chose the Oil and Gas industry, as this is one of the main industrial fields in Sunnhordland, as well as a field that requires highly skilled labour (See chapter four). All enterprises were located in either Stord or Bømlo.

The informants for this research were required to have competence and experience of recruiting workers to their enterprises. They were therefore selected on the basis of the position held within their enterprise, and would typically be director of Human Resources, Head of personnel or Company Director, depending on the size of the actual enterprise. I assumed that people holding such positions would have knowledge concerning the recruitment process of highly skilled workers within their enterprise. They were also likely to have knowledge of the company's goals and challenges. They would know what kind of competence is needed to ensure further company development, what kind of personnel is recruited from an international labour market and why. They would also have experience of how this competence is recruited, from where, through which channels and with what kind of strategy.

It is clear that corporations of different sizes will have different resources, different in-house competence base and different experience in regards of working with international recruitment. (See further discussion on this in chapter five). They do not have the same available networks and they have different needs. To ascertain whether the company size could be a relevant factor when looking at recruitment strategies, I focused on selecting informants from both large and small enterprises. The small enterprise in this context is defined as a Small and Medium Business (SMB), employing a staff of less than 250 employees. A large enterprise then, is a company that employs more than 250. The idea was to provide a more "holistic" picture, an insight on different challenges an enterprise might face when recruiting, and if that could be related to the size and structure of the corporation. Though my research was conducted according to a holistic model, which involves assessing different types of enterprises within a region, these informants do not constitute a representative selection of the region's enterprises. Alternative informants might also have

provided valuable information and insights, which, if interviewed, might have changed or further developed the discussion I am presenting in my thesis.

Category 2: The interviews with representatives from the public administration were a vital part of my qualitative research. They are responsible for the creation of policies in the region, and a representative for ensuring that national policies and regulations are being followed. They are also in charge of maintaining and developing the regional infrastructure, providing such things as areas for housing and business development, maintenance and local infrastructure, planning and running schools, child care services, health services etc. These are all important elements in ensuring the region's attractiveness, which again is important for companies if they want to recruit migrants to that particular region. Public officials could also be valuable informants as they might play a part in how the region is marketed and promoted towards an international audience, for example by constructing informational websites and promoting tourism. I operated with two geographical administrative levels, the municipality levels Stord and Bømlo, and the Sunnhordland level. In selecting informants from the public sector I emphasized the following: The informant should be some one central to public affairs in relation to private business/industry. They should have a good overview of the municipal responsibilities as well as knowledge of tasks and further development plans related to industrial development within the municipal and/or the region Sunnhordland.

I had two key informants from this group, the mayors of Stord and Bømlo. These are public and political officials who are responsible for the industrial and regional policies in the region, and should have sufficient knowledge about the region and its industry. In Bømlo I also chose to interview the leader of Industry and Development as he is a public official working with a specific area central to my research. Due to a recent change of staff, I was not able to match this interview in Stord municipality. I therefore chose to only use one public official representative from Stord.

I selected one informant from the public administration on the regional level Sunnhordland, The informant worked in "Samarbeidsrådet for Sunnhordland, IKS", an inter- municipality organ designed to enhance communication and planning in the region Sunnhordland, in which both Bømlo and Stord are members, as well as five other municipalities. From such an informant I expected to gain access to information concerning communication between

municipalities, and also communication lines between the private industry and the public organisations.

I hoped that this selection of public informants would give me an insight into the regional division of responsibilities regarding industrial development and the public tasks necessary for the recruitment of labour. Selecting these prominent public officials would hopefully also help create a greater understanding of the region's goals, economy, priorities and ambitions for future development on a functional regional level (as discussed in chapter two).

Category 3: A third perspective through which I chose to view recruitment strategies of the international highly skilled, was through interviewing some representatives of high skilled staff themselves. This third perspective was incorporated as an alternative frame of reference. Selecting these informants were not my main priority during my fieldwork, as these actors do not participate directly in the planning of regional strategies for recruiting and retaining labour. I felt, however, that I should talk to at least three migrants to get a cross-reference for information obtained from their employers. My criteria for these informants were the following: they should be an employee in one of the enterprises already acting as my informant; the subject should fit my definition of the term 'high skilled migrant', as described in my theoretical chapter; also, I wanted this group of informants to represent both genders and preferably not the same nationalities.

I found it difficult to find suitable informants among the international migrants, both due to the fact that none of these were in the Atheno network, and that the permission to interview these people had to be given by their employer. I could not ask my informant in the enterprise to recommend an employee to me directly, because I wanted to make sure I got a representative story, not only the hand picked success stories. That could have compromised my results. My solution to the problem of selecting informants who fit my requirements, but were still selected somewhat at random was therefore this: With the consent of my company informant I contacted the union secretary. I gave a summary of my research task to my contact person, and explained the need to get an interview with some international migrants. In most cases I was given a selection of several persons which fit these criteria and then I chose my subject on random from this list. The main point to stress here is that my informants in the enterprises had no knowledge of whom I had chosen to talk to of the migrants they employed, and the migrants were guaranteed full anonymity in my research.

Before focusing on my interviews it is necessary to discuss some of the characteristics of the qualitative method.

### **3.3 The qualitative method**

The qualitative method is a method used for acquiring primary data from the field through interviews and field observation. There are many ways in which this can be done. In conducting my case study research I chose to conduct face-to-face interviews, in a semi-structured manner, with a number of informants

In all qualitative research there are important factors that need to be considered. Firstly, when doing interviews it is important to create awareness about your own role and status in a relation with the informants. How could I be sure that my informants gave me the information I wanted? How did I present myself when doing fieldwork? Did my status as a student provide me with an advantage or a disadvantage? Did my image of myself, and my behaviour correlate with the impressions and opinions that my research subjects had of me?

According to Aase and Fossåskaret (2007), the definition of a 'status' is a social position to which there are attached a set of rights and duties. A relation between two or more people is established between statuses in a status-set and the participants in this relation have certain expectations and obligations to each other (Aase & Fossåskaret 2007). A status-set can be influenced by individual characteristics such as gender, age and profession. Different statuses give access to different types of information. It is important to be aware of the fact that the status-set between my informants and I has played a part in determining the information I obtained during my interviews.

My status during my fieldwork was always as 'student doing research'. In my opinion, this status was not limiting. I was comfortable and familiar with the status-set that existed between me, and the people that I interacted with during my fieldwork. Being a student and doing research on a specific topic, people expected me to ask questions, and no one expected me to know everything beforehand. The people I talked to seemed only eager to help and contribute to what they considered to be important research. My collaboration with Atheno was an important door opener, and my project had been announced in the Atheno newsletter. I also believe that the assurance of their anonymity provided a great deal of trust between them and I, and had a positive effect on the quality of information I received. I felt that all informants answered all of my questions without any hesitation. My status as a woman led me to

experience a difference in how I communicated with male and female informants. In most of my interviews with men, I asked questions, whilst they seemed eager lead the conversation through most of the interviews. My female informants seemed more interested in some sort of a dialogue, and I experienced that when I participated and shared in the dialogue conversation, they shared with me in return, maybe more than if I had just listened in silence. Most of the time, I found my ability to alter ways of communication as an advantage as I adapted to a type of dialogue that my interview subjects were comfortable with. I did not, in any way, experience discrimination as a girl in a male dominated environment. My office space at Atheno also gave me access to both formal and informal information about the region and its industries.

### *3.3.1 The semi-structured interview*

The semi-structured interview is defined as: “*An interview is a data-gathering method in which there is a spoken form of direct access to the person being interviewed*” (Hay 2005;p.79). This is a setting where the researcher has targeted his or her informants in advance and prepared a set of questions, or question guidelines. Usually the interviews are conducted within a certain time frame. Using interviews as a technique is good to collect data on informants’ opinions, knowledge and emotions on certain topic (Hay 2005). Interviews that are too structured however, might restrict access to valuable information on related topics, which might be of interest to the researcher. The form of interview chosen depends therefore on what information the researcher look for. Different questions lead to different answers. (Kvale 1997). I asked both open questions such as: “Could you tell me about the recruitment process when you recruit international labour”? I also asked more specific questions like: “When you recruit international labour, do you recruit on a short-term or long-term basis?”. My complete interview guides are enclosed as attachment A3.

Semi-structured interview were my primary method of research throughout the case study. To me, this seemed to be the most fruitful approach, as I had many informants and not too much time and resources. As my informants represent three different categories, I had correspondingly three different interview guides. The advantage of the semi-structured interview turned out to be the flexibility of my interview guide and the ability to adjust it according to new information I obtained during my fieldwork. When I did my first interviews, I followed my interview guide closely. For the following interviews I incorporated questions

about new information that I obtained through previous interviews into my later interviews. Questions were therefore added to my interview guide as my fieldwork proceeded. With this learning curve it is possible that I would have obtained other or more information from my first informants, if they had been interviewed at a later stage in my fieldwork. I was however lucky to learn about some big inter-municipal projects in an early stage of my interviews, and I incorporated questions about these projects into my interview guide.

### 3.3.2 *The interviews*

All my interviews were conducted face to face. This personal relation is thought to be of great advantage to qualitative research as the personal contact is likely to lead to more meaningful answers and a higher rate of response (Hay 2005). Before starting an interview I always made sure to repeat the greater outline of my main research questions and goals. This was information that already was sent by email to my informants. Some of my informants in the public sector would be quite hard to keep anonymous, as they are easily recognisable due to their position within the municipality. All of these informants agreed to be represented with full name in my research. I made sure that the interviews always took place in a closed room where the informant could speak freely and in private. The interviews were recorded on a digital recorder so that I would not be distracted by having to take notes. After having guaranteed each informant that the recording was for my own sake only, and that the recording itself would never be made public, the recorder did not seem to put any limitations on the information obtained from my informants. They were all promised the opportunity of reviewing potential quotes before I submitted my thesis, to make sure that they are not wrongly quoted or misunderstood, as recommended by Yin (2009).

The interviews usually commenced with a “warm up” conversation (Hay 2005, p.92). I usually was offered coffee and in some cases shown around the office and work area. I let my informant strike the starting point of the conversation on the theme that was in question. After letting the informant present his or her thoughts on various subjects that were important to them, I narrowed the interview by following my interview guide and digging deeper into the themes and questions that were of my interest. This approach is described by Hay as “*funnelling*”, meaning that “*the initial focus is on general issues, followed by a gradual movement towards personal matters and issues specific to the informant*” (Hay 2005, p.85).

Information gained through adhering to such a method was always adequate for my research despite the varying of both interview structure and order.

Analyzing the data on a later stage, it is important to be aware of the fact that the information accumulated in the interview might be influenced by an informant telling me what he or she believes will be of value to my research. It might also be that the stories I've been told are somewhat polished truth as to put my informants in a better light. Even so, I felt that my informants related to my genuine interest in what they had to say. All but one interview were conducted in Norwegian.

### **3.4 The quantitative method**

Quantitative data provides a good backdrop for analysing primary data accumulated through the interviews. As my case study is based on the qualitative method, all quantitative data used in my paper (chapter four) is secondary data. Clifford and Valentine categorizes secondary data as "*information that has already been collected for another purpose but which is available for others to use*" (Clifford & Valentine 2003; p.67). With this definition comes the need for awareness that the data has not been collected for my research primarily, but is collected by others for another purpose entirely. It might therefore be influenced by cultural or political values, which could be a disadvantage. On the other hand, secondary data, and especially governmental data, can be of great strength as the resources used to generate this data far exceeds the capacity of one single researcher to do the same (Clifford & Valentine 2003). Most of the data in my thesis has been obtained online from Statistics Norway (SSB) which has the responsibility for official statistics in Norway (ssb.no2010) All companies are obligated to report their data to this bureau, which makes the SSB data base very comprehensive. The SSB is obligated to follow the national and international laws on statistic representation, but operate as an independent research institution (StatistiskSentralbyrå 2009).

If used as statistics, quantitative data can be used to present an overview of a certain theme, or, as Clifford and Valentine puts it: "*data as context (...) to provide a description of the characteristics of the place, space or group that is the focus of research investigation carried out by other means*" (Clifford & Valentine 2003; p.75). The secondary data can be helpful in creating a complementary aspect to the qualitative research approach. In my research, the use of statistics from the SSB helps to outline the current situation in the region of Sunnhordland regarding population, employment rate, the regional infrastructure, without being subject to

any further quantitative analysis. The statistics also help to put my thesis into a contemporary framework, as the statistical data is updated to 2009/2010 in most cases.

### **3.5 Ethics**

Throughout my research I have taken the ethics of academic research into account. “Ethics: Refers to the moral conduct of the researchers and their responsibilities and obligations to those involved in the research” (Hay 2005, p.282). Informants must be given the possibility of *privacy and confidentiality*. Further, the informants have the right to *informed consent*. They must know the terms of their participation in the research and possible consequences of the research that is carried out. As previously mentioned, information about my research was given to all informants in advance. All participants agreed to participate voluntarily and those who were not participating in virtue of their public position were guaranteed anonymity. “*Public figures must assume that the social aspects of their activities can be made subject to research*” (Nasjonale Forskningsetiske Komiteer 2006, p13. My translation). To ensure privacy protection of all informants, my research has been reported to The Norwegian Social Science Data Services (Nasjonale Forskningsetiske Komiteer 2006).

### **3.6 Analysis**

All data presented in my thesis have been created and interpreted by me, the researcher. Reading academic contributions, outlining my research topic, creating an interview guide, conducting the interviews, transcribing them, and then writing my final thesis, are all stages in which I have had to make considerations regarding relevance of information. I applied meaning to words and expressions, such as ‘region’ and ‘high skilled migrant’ (see chapter two), and narrowed my search field and therefore excluded other research topics, which might also be of relevance. The data presented in a thesis are the result of the researcher’s choices, his/her knowledge and interpretation, it is ‘constructed’ (Aase & Fossåskaret 2007). Credibility and trustworthiness of my analysis is therefore best ensured through an attempt at creating transparency. Hay presents the term ‘writing-IN’, which puts the process of the writer and the writing in focus. “*If we are to locate our knowledge, then we must locate ourselves as researchers and writers within our writing*” (Hay 2005, p.253). The personal way in which I have chosen to write my thesis is therefore to demonstrate the reflective process present in my research.

“If conscious reflexive writing produces qualitative texts that are open to scrutiny by research participants and audience, and if they present challenges to taken-for-granted ways of seeing and knowing, and provoke and promote questions about ‘place’ in the world, then perhaps this goes some way towards establishing the ‘validity’ of a qualitative research” (Hay 2005, p.263).

When writing my analysis I focused on incorporating the theories I presented in the theoretical chapter, with my empirical findings. Andersen (1997) and Yin (2009) argue that intertwining these two elements, the theoretical and the empirical, gives the reader a good basis for understanding arguments of a thesis and ensure external validity. I will return to this in 3.7.

### *3.6.1 Organising the data*

When organizing and evaluating the data, it can be helpful to find *categories* and *patterns*, and creating a platform from which one is able to evaluate the data (Clifford & Valentine 2003). As mentioned, all my interviews during my fieldwork were recorded. I also used my field diary for notes and reflections. Transcribing the interviews is helpful for several reasons. Firstly, by converting my data to text for further analysis, I avoided the problem of ‘selecting’ information that I thought most important at a too early stage. By transcribing all that was recorded, I was obligated to go through all the data material (Hay 2005). This way, one might say that I allowed the data to *speak* to me, as a researcher, instead of controlling the data, and telling it what to say (Clifford & Valentine 2003). Secondly, Transcribing is an important part of validating research. Even if analyzing is a highly subjective process in which the researcher decides which aspects of the data should be emphasized, the ideal is that the same patterns and categories would emerge from the transcribed data, no matter who is doing the analysis. Transcribing all recorded data is then a way in which the researcher can establish the research validity and reliability (Hay 2005)

I decided to analyze all my transcriptions by categorizing them in themes, as suggested in the literature (Clifford & Valentine 2003; Hay 2005). Each theme was ascribed a different colour, and keywords from all interviews were written on an A3 sized paper, creating a mind map. I found this process to be extremely helpful. It gave me an excellent opportunity to thoroughly go through my data material, and I felt it gave me a very good overview.

### 3.7 Generalization and validation

How can one generalize on the basis of a case study? And how can one verify that these generalisations are valid?

Andersen argues that a generalisation is almost never about finding a universal application. Generalizing a study is not the same as claiming to have found a universal law, even though in some research, especially in the natural sciences, this is the ambition. My case study is carried out in a specific geographical context, with a characteristic industrial structure. My informant material does not fit quantitative representational standards, but the type of companies that have participated in my fieldwork are very characteristic of the Sunnhordland region. Andersen defines the term 'generalisation' like this: "*Generalisation is about concept formation and a clarification of the relations which are valid for a certain type of phenomenon under certain conditions*" (Andersen 1997; p.16, my translation). According to him, the critical aspect of a case study's generalizing values from empirical findings to theory is the connection between the empirical research model and relevant existing theory. If this connection is established, there is no reason why a case study should not be used for generalisations. In my thesis I have strived to make the connection between theory and analysis as strong as possible when suggesting regional trends on labour recruitment. In chapter two I positioned my thesis in relation to the existing theory, and my analysis in chapters five to seven is based on existing theory as well as my empirical material.

Anderson (1997) further writes that a good case study should be able to describe the complex case material in a simple fashion, without compromising important information. Developing existing theoretical terms or introducing new ones for a type of phenomenon, can be an example of a theoretical development. Andersen states that "*generalization is not just about extracting the essence of a given data material, but also to deduce new, observable implications from new or established generalizations*" (Andersen 1997; p.134, my translation). Through my thesis I argue for the relevance of the region when analyzing the recruitment strategies of the highly skilled. I observe that it seems highly relevant to include locality and regional actors in understanding a company's recruitment strategy of the highly skilled. My arguments are underlined by empirical examples from my interviews as well as statistics. Andersen also emphasizes the value of having a rich case material, as it can help the researcher to find important additional variables or new conditions for validity (Andersen 1997).

### *3.7.1 Induction and deduction – achieving external and internal validity*

Yin describes external validity by claiming that: “...it deals with the problem of knowing whether a study’s findings are generalizable beyond the immediate case study” (Yin 2009; p.43). The case study relies on analytic generalization. It tries to generalize the results into a broader theory. To do this it helps to have a *deductive* starting point for the research (Andersen 1997). The condition for deduction is existing research and publications on the field of research, and that one as a researcher chooses to work in theoretical domains that already are subject to discourse. The existing theory can provide a good basis by narrowing and focusing an area of research. By developing the case study research proposal through this deductive approach, the case study itself can reveal new patterns and observations that can contribute to further theoretical discourse (Andersen 1997). In this sense, the case study becomes implicitly comparative, as it compares its empirical findings with existing literature (Andersen 1997).

After one has accumulated data through, for example, a triangulation research approach, the analysis of the empirical data, the mapping of the main variables and the categorisation, can lead to “*new observable implications of new or established generalizations*” (Andersen 1997; p.134). This can be described as an *inductive* approach.

Together then, deduction and induction are two complementary approaches which, combined, can help to achieve the external validity of the case study and its generalizations.

Internal validity of the analysis can be achieved by demonstrating the causal relationship between conditions as opposed to spurious relationships (Yin 2009). In my thesis, internal validity has been achieved by using my analysis to demonstrate that there is a strong connection between the region, its actors, and the companies’ choice of recruitment strategies.

### *3.7.2 Strengths and weaknesses of my research and method*

My triangular research design gives my thesis a solid basis by building on existing theory and statistics. However, by choosing one design, I have eliminated other designs. By choosing a qualitative approach to my fieldwork I might not have uncovered factors that would have been prominent in a quantitative approach. My choices are however conscious decisions of what I have considered to be the best approach to answer my research questions. I believe that the variety of informant categories that are presented in my fieldwork strengthens my arguments as they represent more than one point of view in the region.

There are however several factors that could have weakened my fieldwork. Firstly, my informants represent a small selection of regional actors, both in the private and public category. Even though I felt that my informants gave me very useful information on my research topic, I remain unaware of what information other possible informants might have unveiled. It is important to stress, yet again, that my selection of informants is not a quantitative representative selection. Secondly, my qualitative fieldwork was carried out in one particular region, and limited to two municipals. This region is not necessarily comparable to other regions. Especially my argument that the Sunnhordland region plays an important role in strategies of recruitment makes the specific region an important variable in the analysis. If one carried out the same type of fieldwork in a different region, an important variable would be changed, which could lead to different results. Thirdly, when I carried out my fieldwork the world was in the middle of a financial crisis. Most businesses were experiencing a downfall in production, and the level of recruitment amongst my informants was not as high as it had been some years before. When asked about current recruitment strategies, the financial situation might have been a strong influence to my informants' answers. In most cases my informants differentiated between the period before and after the financial crisis, and some claimed they had hardly been affected by it. According to their answers, the financial crisis seemed to have mostly influenced the volumes of lower skilled recruitment, whilst highly skilled recruitment was still ongoing, in spite of the financial situation. Strategies of retaining both local and foreign competence seemed to be of high priority.

### **3.8 Summary**

This chapter has presented my research design and methodological choices, its advantages and its challenges. I have explained how a triangular research design has been used, linking my findings from the qualitative research to both existing theoretical literature as well as secondary quantitative data. The qualitative method of the semi-structured interview has been my main approach, and the interviews conducted in my fieldwork provide the basis for my case study analysis. The importance of self-reflexivity and transparency of the research has been stressed. In writing myself IN the text, a term introduced by Hay, I have demonstrated that all my findings are influenced by my own choices and perspectives. I have discussed the ways in which a case study can be generalized from empirical findings to theory.

## **4. Labour market conditions: Demography, economy and geography, a statistical approach**

This chapter will present some facts and statistics, relevant for the following analysis. The intention is to provide the reader with a concrete overview of the resources and industrial structure in the Sunnhordland region, and in particular the two municipalities Stord and Bømlo, which is where I carried out my fieldwork. In addition the chapter will summarize some main characteristics of the national regulative framework related to international labour migration. Finally, the chapter presents some statistical data concerning the labour market structure on an international level. The regional and national figures are covered by data from Statistics Norway in addition to statistical and survey data from other secondary sources, whereas the international data are from OECD.

The Sunnhordland region is one of the most affluent industrial regions in Western Norway with large international oriented market and activities, in particular within the petroleum, maritime and marine sectors. This region is one of Norway's largest manufacturing sectors measured by assets and employment and is an important contributor to the Norwegian economy as a whole. In 2007 the manufacturing industry in the region had a total turnover of 21 097 048 000 NOK. Compared by size with the four other counties in Western Norway, 1 of every 10 Norwegian Kroner in the manufacturing industry turnover came from the industry located in Sunnhordland (Atheno 2009). What is interesting about this region is its strong position in a highly competitive international market. The recruitment of highly skilled labour is a vital part of maintaining the competitive advantage that has developed throughout the years. At the same time, some of the largest actors in this industry are oriented towards order-based projects. This leads to fluctuations in the production and also in the labour activity. The industry therefore faces challenges such as how to achieve a stronger flexibility in their labour force. Looking at recruitment strategies of the highly skilled internationals, it is interesting to see how these factors can influence the company strategies. How do the companies balance their need for recruiting highly skilled labour, with their need to adjust their size of labour stock according to production activity? These are challenges that are further discussed in chapter five. This chapter however, looks at some of the labour market conditions in general, on various geographical levels.

## 4.1 Bømlo and Stord Municipalities



**Fig. 4-1: Map over Sunnhordland.**

*Source: Rusten*

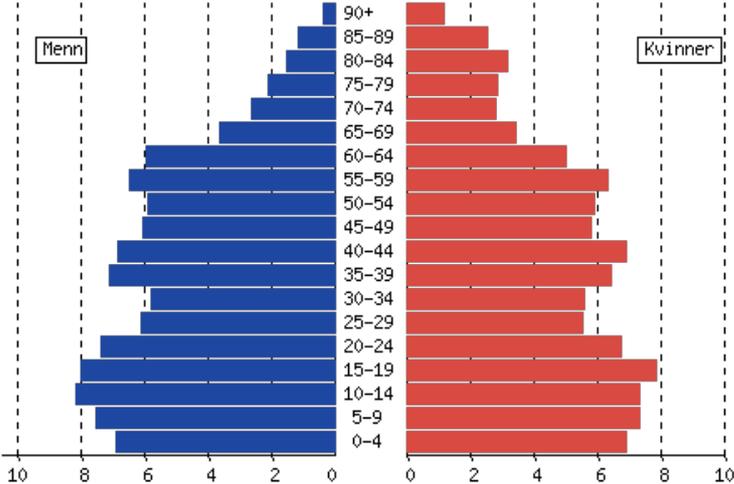
### 4.1.1 Bømlo Infrastructure

As seen in fig 4.1, Bømlo municipal is constituted of several islands that are located south of Bergen on the western coast of Norway. Since April 30<sup>th</sup> 2001, Bømlo has been connected to the mainland through the Triangle Link (Trekantsambandet), linking Stord, Sveio and Bømlo together with bridges and underwater tunnels (Trekantsambandet 2010). According to Trekantsambandet.no, the mainland connection gives the industry an increased accessibility to a larger regional labour market, a reduction in transport costs and expands their local market. The mainland connection can also have resulted in increased investments in the municipal (Trekantsambandet 2010). The mainland road connection between the different municipalities

in Sunnhordland is important in creating a functional labour market region, meaning that inhabitants in this region can live in one municipality whilst easily working in another. In Bømlo many inhabitants commute out of Bømlo to Stord and other nearby municipalities. In 2008, Bømlo had 1340 persons commuting out of the region in total, whilst only 486 persons commuted to Bømlo from other places (SSB 2010). Bømlo is connected to Flesland, the Bergen International Airport, as well as the cities of Bergen and Stavanger by boat. The boat to Flesland airport takes approximately one hour, as does driving to Stord airport from Bømlo. Public transportation to the region and its surrounding cities is also provided by bus.

Population

1<sup>st</sup> of January 2010, Bømlo Municipality had a population of 11 275 inhabitants. (SSB 2010)



**Fig. 4-2: Population structure Bømlo 01.01.09 by gender and age in percentage, males on the left and women on the right.**

Source: SSB

The low percentage of men and women in the age group 20-34 can be the result of the younger generation moving out of the municipal, possibly for educational or employment purposes. The increase in population from the age group 35 and older, can suggest that there is a level of return migration of native born when they reach the age of 35. This is however only one interpretation of the population pyramid and the data are not sufficient to draw any specific conclusions. In a population pyramid on Norway as a whole (regrettably with less variables for age) those aged 30-49, constitute the largest population group in Norway for both genders. This pyramid can be seen in appendix A4.

### Industry

Bømlo municipal is largely dominated by small enterprises, so-called SMEs, (Small and Medium-sized Enterprises) that have 1-250 employees.

By the 1<sup>st</sup> quarter of 2010, Bømlo Municipal was the home of 336 SME enterprises. In comparison, there were only 2 large enterprises with more than 250 employees in the same quarter (SSB 2010). These numbers include all types of enterprises. In viewing recruitment strategies this point should be highly emphasized, as strategies between large and small enterprises might differ.

### What does Bømlo have to offer?

Bømlo is a small municipality, but according to the municipal website, and [visitsunnhordland.no](http://visitsunnhordland.no), it still offers a wide variety of leisure activities for its inhabitants. With the North-Sea as its closest neighbour, the sea seems to be frequently used by inhabitants and tourists. According to [VisitSunnhordland.no](http://VisitSunnhordland.no), fishing, boat-trips and water sports are central in the daily life in Bømlo. With a low population density the island nature can also be used for hiking and biking (Bømlo Kommune 2010; Visit Sunnhordland 2010). There are also a variety of organized sports for all ages (Bømlo Kommune 2010). Bømlo municipality considers itself to be a very children friendly environment, and offers full kindergarten coverage for all its inhabitants (Bømlo Kommune 2010).

The municipality has an active cultural scene. Mostraspelet and Bømlo Musikallaug are two important cultural institutions where both professionals and non-professionals can take part in productions. There are also public institutions for kids to learn and play music, or perform theatre (Bømlo Kommune 2010). Concerts and other performances take place on a regular basis (Bømlo/kulturliv 2010). For the public, Bømlo municipality offers a library, an emergency room, sports arenas and a space for cultural events. (Bømlo Kommune 2010).

#### *4.1.2 Stord*

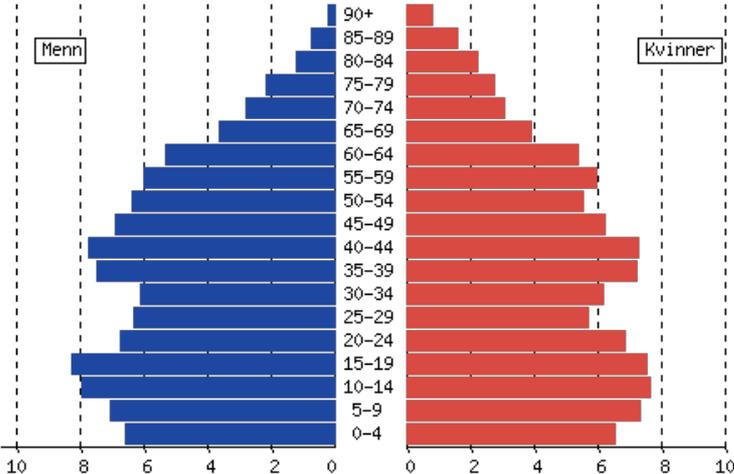
### Infrastructure

Stord Municipality is located on the south of the island east of Bømlo. Through the Traingle Link, the municipality has been connected to the mainland, and to Bømlo, by bridges and underwater tunnels since 2001 (Trekantsambandet 2010). Public transportation by bus in the

region is good, but driving to Bergen or Stavanger however, still requires taking a ferry. Stord has its own airport with 12 flights to Oslo per week. (VisitSunnhordland 2010). Driving from the city centre Leirvik, to the Stord airport takes around twenty minutes. The trip to the Bergen international airport Flesland takes one and a half hours. Inhabitants and travellers can also get from Stord to Bergen or Stavanger by boat. Stord seems to be the labour centre in the functional labour market in Sunnhordland. The labour market in Stord covers 104% jobs in relation to employees living in the region (Hordaland Fylkeskommune 2009). In 2008, 2132 persons commuted to Stord from neighbouring municipals, whilst only 1786 persons commuted out of the municipal for work (SSB 2010).

*Population*

1<sup>st</sup> of January 2010, Stord Municipality had a population of 17 565 inhabitants.



**Fig. 4-3: Population structure Stord 01.01.09 by gender and age in percentage, males on the left and women on the right.**

*Source: SSB*

As in Bømlo, the division of the population in different age groups can suggest that native born in the age 20-34 move away from the region, and that some return around the age of 35.

Industry

Like Bømlo, the industry in Stord municipal is highly dominated by SMEs. In the first quarter of 2010, there were 613 SMEs in Stord, compared to only 5 enterprises employing more than 250 employees (SSB 2010). These numbers include all types of enterprises. The large

enterprises are however considered to be cornerstones of the municipal economy, as some of them employ as many as 1140 employees on permanent contracts at the local office (RavnInfo 2009).

#### *What does Stord have to offer?*

According to the municipality website, Stord municipality has an active cultural scene and offers a wide variety of organized sports. On the tourist website, the island is advertised as an active maritime municipality, with great possibilities for biking and hiking (Visit Sunnhordland 2010). The public administration offers a public school for culture and arts, a public library, sports arenas and a swimming pool, as well as a public arena for cultural performances (StordKommune 2010). Stord also has a hospital and emergency room, which is used by all inhabitants in the Sunnhordland region.

#### *4.1.3 Comparing Stord and Bømlo*

Stord and Bømlo seem to share many similarities. Firstly they are both islands and have been connected to the mainland by the bridges and underwater tunnels through the Triangle Link since 2001. Both municipals offer public transportation by bus or boat. However, only Stord has an airport. The number of inhabitants is considerably larger in Stord than in Bømlo, although the population pyramids do illustrate a similarity in the population structure, as both municipalities seem to experience a decrease in inhabitants between 20-35, and an increase in population above 35. The industry in both municipalities is dominated by SMEs. Stord is the home of five larger enterprises whilst Bømlo only have two large enterprises. The large enterprises seem to be an important instance for employment in both municipals.

Both municipals seem to offer a great variety of leisure activities for their inhabitants and for tourists. Stord offers a wider range of public services than Bømlo, such as a Hospital and higher educational institutions.

#### *4.1.4 Stord and Bømlo compared to the Hordaland county and national numbers*

This table shows selected numbers on work and income in Stord and Bømlo, as well as in the county of Hordaland and the national average. .

**Table 4-1: Work and income in Bømlo and Stord, with regional and national comparisons.**

	<b>Bømlo</b>	<b>Stord</b>	<b>Hordaland</b>	<b>Norway</b>
Employees 15-74 years living in the municipality,, 4 <sup>th</sup> quarter 2007. Percentage of the population	73	74	73	72
Men	78	76	76	75
Women	67	71	70	68
Registered unemployed as share of labour force, year average 2008. Percentage	1,2	1,4	1,6	1,7
Men	0,8	1,2	1,6	1,8
Women	1,7	1,7	1,5	1,6
Net commuters to Bømlo and Stord 2007	-884	-994	--	--
Gross income pr. Inhabitant 17 years and over. 2007	317 500	317 400	324 400	322 500
Men	429 800	399 900	405 200	398 400
Women	202 300	324 900	244 600	248 400
Employees with employment in municipality, divided by industry 2007. Percentage				
Primary	6,9	0,9	2,2	3,2
Secondary	34,5	36,3	22,5	20,7
Tertiary	57,7	62,4	75,0	75,7
Employees with employment in municipality, divided by sector. 2007.percentage				
Public administration	21,5	24,1	28,0	28,7
Private sector and public enterprises	78,5	75,9	72,0	71,3

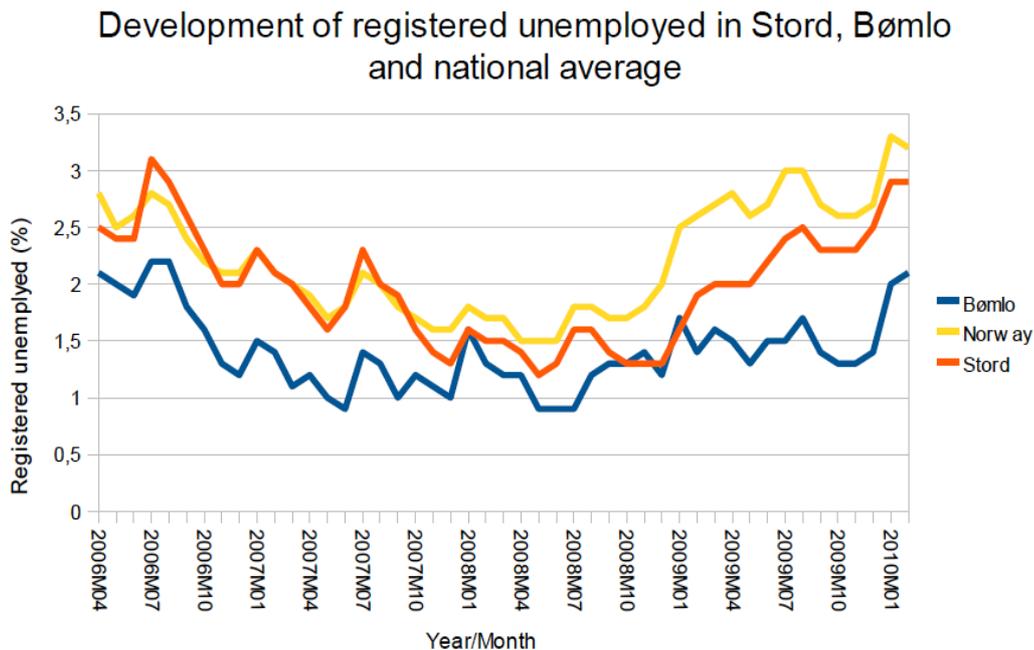
*Source: SSB (2010).*

From the numbers in table 4.1 we can make the following observations:

- In both Stord and Bømlo, more men than women are employed. One explanation for this can be the result of the type of industry and jobs available in the municipalities, as they might be characterized as traditional “male jobs”. It could also be because of culture, as some women still prefer not to work and stay home instead. The difference in employment between males and females from Stord and Bømlo seem to correlate with both the Hordaland region and with Norway as a whole.
- Both Stord and Bømlo had a fairly low rate of unemployment in 2008. However, figures from SSB 2010 show that the unemployment rate has increased. According to NAV’s official statistics from February 2010, Bømlo now has an unemployment rate of 1,9%, and Stord has reached a 3% unemployment rate (NAV 2010). This is still

lower than the national average of unemployment in February 2010 which was 3,2 % (SSB 2010).

- The development of unemployment from 2007 to present 2010, in both municipalities and the national average, is illustrated in the graph below



**Fig. 4-4: Development of registered unemployed Stord, Bømlo and national average. Percent. Registered full time unemployed, both genders.**

Source: SSB (2010).

- As figure 4.4 illustrates, there have been some fluctuations in the unemployment in both municipalities the passed four years. In general, the unemployment rate in Bømlo and Stord seem to follow the national trend. However, Bømlo seems to have a more stable unemployment rate than Stord, which seem to be experiencing more fluctuations in the unemployment rate. Bømlo has a fairly low rate of unemployment compared to the national average. There can be many reasons for the increase in the unemployment rate through 2009 and into 2010. One probable cause is the world wide financial crisis.
- Gross income pr. Inhabitant (both employed and unemployed) of age 17 years and over in Stord and Bømlo was in 2007 lower than both the Hordaland and the national average. There is however a remarkable difference between the income of men and

women, especially in Bømlo. One explanation for this might be the low female labour participation in the Bømlo labour market, as mentioned above.

- It is interesting to compare the percentage numbers of employees divided by industry. Bømlo and Stord demonstrate a much stronger participation in secondary industries than the Hordaland and national average. These numbers show that Bømlo and Stord are strong industrial municipalities.

In the report 'Hordaland i tal' issued by The Hordaland County council in 2009, we can also make some interesting findings regarding the Sunnhordland labour market.

**Table 4-2: Number employed in the industry sector out of total jobs in the region.**

Type of industry	Employees Stord	Percentage	Employees Bømlo	Percentage
Construction of platforms and vessels	2546	26,43%	43	0,89%
Other industry	236	2,45%	1281	26,43%
Other employment	6848	71,11%	3522	72,68%
Out of total jobs in the region	9630	100%	4846	100%

*Source: Hordaland Fylkeskommune*

Firstly, out of the total of jobs in the municipality, across sectors, 26,43% of these were within construction of vessels and oil-rigs. This is in strong contrast to Bømlo where one can only find 0,89% employed within the same sector. However, Bømlo could offer 26,43% jobs in the category "other industry", whilst Stord only had 2,45% in comparison (Hordaland Fylkeskommune 2009; p.14). With 26,43% of the jobs in Stord related to an industry with high fluctuations, this might explain why this municipality is experiencing higher fluctuations in the unemployment rate than Bømlo, as demonstrated above in figure 4.4.

The report also features a Vulnerability index (2009) of which municipalities that are most vulnerable to rapid or long lasting changes in industry and employment. The report states that "regions that have a high share of the total labour force employed in large companies, and/or in specific and exposed industries, can be vulnerable in recession and/or structural changes in other industries" (Hordaland Fylkeskommune 2009; my translation). The index table can be found in appendix A5.

The index shows that Stord and Bømlo have a high estimated vulnerability. The report attributes this to the degree of the labour market dependence on a few large corporations in the region (Hordaland Fylkeskommune 2009). What needs to be stressed about this vulnerability index however, is that it accounts for *potential* vulnerability. In fact, the municipalities that have the highest rate of vulnerability are in many cases strong economic regions. E.g., the industry in Stord and Bømlo is highly influenced by the global oil industry, and there is inter-dependence between the large cornerstone enterprises and the smaller actors in the region. This can have both positive and negative consequences. When the oil industry is in an economic upswing, the whole industry benefits from it, making the region economically strong, but at the same time, a worldwide oil recession can have dramatic consequences for enterprises not matter which size. According to the report, the net growth of new enterprises has been a factor in decreasing the vulnerability (Hordaland Fylkeskommune 2009). Again, the region's vulnerability to up- and down-turns in the global oil market, makes an interesting point in regards to the choice of recruitment strategies and means of retaining competence in the region in periods of recession.

## **4.2 The Sunnhordland region**

The total number of inhabitants in the Sunnhordland region pr. 01.01.10 was 61 189. The majority of these inhabitants live either in Stord, Bømlo or Kvinnerhad (SSB 2010).

### *4.2.1 The industry in the Sunnhordland region*

According to the report "*Sunnhordlandsindustrien – Statusrapport for regionen*", issued by the Atheno organisation in 2009, the region has 150 *industry* enterprises, where 5 of these employed more than 250 people, divided among the eight municipalities in the region. In 2007, these enterprises had over a 21 billion kroner turnover and employed 7,455 people altogether (Atheno 2009).

### *4.2.2 The labour market in Sunnhordland*

A collaborative report called "*Næringsbarometeret for Hordaland og Sogn og Fjordane*", issued by a group of regional partners from the public administration and private holders of interest, looks at possible future developments in the counties of Hordaland and Sogn og Fjordane. In a special article on the Sunnhordland labour market and its future prospects, certain comments are made. There is a concern for an ageing labour force, where more people are going into retirement than there are young people entering the labour market. Basing their

analysis on numbers from SSB, their prognoses is that the decrease in labour stock will continue towards year 2020, but at a slower rate than what has been seen in the past ten years. In 2010, Sunnhordland is at a 1-1- ratio between youth (19-25 years) entering the labour market, and elderly (59-65) about to exit the labour market (Næringsbarometeret 2010; p.8). To compensate for the increase of elderly population they suggest increasing the population participation in the labour market, and increasing GDP growth (*ibid.*).

In a survey carried out by the authors of the report, following prognosis' were made on the basis of 152 enterprise responses (Næringsbarometeret 2010; p.39):

- Almost 30% of the enterprises are expecting a worsened market situation, whilst 25% are expecting an improvement
- 30% of all the enterprises are expecting an increase in employment in 2010, whilst half as many are expecting a decrease.
- In the construction industry there are 65% who expect no change in employment and 30% expecting a growth.
- Within the industry, around 20% are expecting a decrease in employment, whilst slightly fewer are expecting growth

## **4.3 Norway**

### *4.3.1 Population and employment*

In 2009 Norway had 4.8 million inhabitants. Out of these, 2,5 million, roughly 50% of the population were employed. 47% of that 2,5 million were women (SSB 2010). As illustrated in figure 4.4, registered unemployment had reached 3,3% by the beginning of this year, 2010. At the end of 2008, 77 310 employees were on a short-term stay in Norway, meaning that they stayed for less than 6 months. Of these employees almost 80% came from other Nordic countries and EU member countries in Eastern Europe (SSB 2010). 23% of the short-term employees were, in 2008, employed in enterprises that sub-contracts them to other companies. (SSB 2010)

### *4.3.2 Industry and economy*

In the SSB report "This is Norway 2009" following facts were some of those that were mentioned:

- It is stated that Norway is one of the richest countries in the world. In European context Norway's BNP per inhabitant is 84% above EU average. (Purchase Power Parity not considered, also all is not wealth *creation* as much of this wealth is embedded in the value of oil and gas production which extracts from limited natural resources) (Report-SSB 2009; p.36).
- In Norway there were a total of 467 330 enterprises in 2009. 99,5 % of these enterprises had less than 100 employees (Report-SSB 2009; p.40). This suggest that no matter where one chooses to investigate recruitment strategies within Norway, the strategies of the SMBs are crucial of one aims to reflect the reality of the economic structure.
- There has been a decrease in industry employment, and today only 11% of all employees are employed in the manufacturing industry. However, production value in the very same industry has increased and has now a value of 700 billion Norwegian kroners (Report-SSB 2009; p.40).
- The petroleum industry produces a considerable higher value than what one would expect from the employment numbers. In 2009 it was the largest industry in Norway and contributed to over 20% of the national BNP (Report-SSB 2009; p.40).

#### **4.4 Norway in an international context**

##### *4.4.1 Trends in population structure in OECD countries*

In the "*OECD Factbook 2009*", some trends in the population structure in all OECD member countries are discussed. One featured trend is the tendencies of an ageing population.

"The percentage of the population that is 65 years or older is rising in all OECD countries and is expected to continue doing so. The number of inactive elderly as a ratio of the number in the total labour force is also increasing throughout OECD countries. These trends have a number of implications for government and private spending on pensions and health care and, more generally, for economic growth and welfare" (OECDFactbook 2009; ageing societies).

For complete OECD figures on estimated development of the ratio between old and inactive persons over 65, and persons entering the labour market, see appendix A6.

No countries are expected to have a decrease in the dependency ratio. On the contrary, most countries demonstrate a sharp tendency towards a strong increase. Norway's dependency ratio is thought to increase less than the OECD average, but will still reach over 50% by 2050.

Looking at this development it is not far fetched to imagine that the commodity value of labour force will increase drastically towards 2050. Especially countries such as Italy and Japan will, according to these OECD estimations, soon be in need for imported labour supply to their national labour market.

#### *4.4.2 OECD labour markets and educational level*

The “OECD Factbook 2009” states that the employment rate increases with the country’s educational level in all OECD countries. People with a tertiary education are also mentioned as less exposed to unemployment. Native-born and immigrants do not, however, enter the labour market in the same way. The Factbook specifically mentions that in all OECD countries, employment rates are higher for the native-born than for the foreign-born (OECD Factbook 2009). Northern Europe is mentioned in particular. Difficulties such as language proficiency and recognition or acceptance of competence and diplomas acquired abroad, are thought to be some of the explanatory factors for this difference in labour market access. A table of employment rates of native-born and foreign-born population by educational attainment, can be found in the appendix A7.

Looking at the numbers from Norway, there is a drastic gap between the rate of employment for those with low education and those with intermediate education, both when looking at native-born and foreign-born. The largest divide between native-born and foreign-born in the Norwegian labour market is between those with an intermediate educational level. Whilst 80,4% of all Norwegians with this type of education are employed, only 68,5% of the foreign born had jobs. For those who are foreign-born with a high level of education, their foreign identity does not seem to be a significant problem for employment as 84,6% of them are employed, almost matching the native-born employment level of 89,4%.

Comparing Norway to the OECD average, foreign-born seem to experience a harder time getting jobs in other member countries. This can maybe be attributed to a general higher unemployment rate in OECD than the fairly low unemployment rates in Norway. It should be mentioned that these numbers are from 2006. As the world has experienced a strong financial crisis in the past two years, it is likely to assume that the rates of employment listed in the A7 appendix have been influenced by some decrease in all educational levels.

## **4.5 National and international regulations on labour immigration**

The national and international regulations for labour migration are very well explained on the home websites of the Norwegian Directorate of Immigration, udi.no. Norway is a member of the European Economic Area (EEA) and the European Free Trade Organisation (EFTA) that makes Norway part of a common European labour market. Employers and employees therefore relate to two sets of international labour regulations, those that apply to foreign nationals within the EEA, and those that apply for country nationals outside of the EEA area. Whilst labour movement within the EEA has no limitations, those internationals from outside the area are subject to Norway's Visa regulations (UDI 2010). After 'the new Immigration Act on International Regulations', all permits are now called residence permits. A full explanation on national and international regulations on labour immigration, see appendix A1.

### *4.5.1 Norway's report to OECD on labour immigration*

On the Government website one can learn that: *"Annually Norway sends a report to the OECD – Organisation for Economic Co-operation and Development – as a contribution to the common reporting system on migration for the OECD countries, called SOPEMI"* (Regjeringen 2010). The last report that was sent contains numbers from Norway from 2008 and some from 2009. In this rather extensive report it can be interesting to look at some of the findings on labour immigration:

- In 2007, work was the major reason for immigration from non-Nordic countries to Norway, with almost 50 per cent of the total immigration due to work. 42 per cent of the non-Nordic immigrants came from new EU member states, and the largest group was labour migrants, with families, from Poland.
- By the first of October 2008 there were 104 000 valid work permits in Norway and 66% of these permits were held by persons from the EEA- countries.
- In 2007 and 2008 there was an increase in the number of work permits issued to skilled persons from third countries (non-EEA member countries). The main country of origin for skilled labour immigrants is India, with more than 470 permits issued in the first 9 months in 2008, followed by Russia, USA, the Philippines and China, with more than 200 permits issued in the same period (Regjeringen 2010).

## 5. Creating an overview of recruitment channels

This chapter will focus on the channels through which the highly skilled migrants are recruited. As mentioned in chapter 2, the ways in which migrants are recruited and the reasons for their migration are many. By using my empirical data I will try to present an overview of all the recruitment channels that were used by my informants. This can perhaps provide a better understanding of the highly skilled recruitment to the Sunnhordland region, as well as an understanding of which regional actors are influencing the recruitment and through which channels.

A “map” over the various recruitment channels will provide an analytical framework through which I will analyze the actors’ motivations and intentions behind the recruitment. The overview of recruitment channels can also unveil ways in which professional migration has been the result of more accidental circumstances, and not as a direct result of recruitment strategies.

By demonstrating the wide range of recruitment channels my informants used, and by specifying which channel(s) they chose to use for recruiting at different geographical scales, I hope to do two things. Firstly, I hope to give the reader an understanding of the complexity, in which the international highly skilled are recruited in the Sunnhordland region. Secondly, I hope that this chapter will help the reader to understand my further analysis of the variety of strategies for attracting and retaining the highly skilled, and the many ways in which the region can work together and use marketing and cooperation as a strategy for further recruitment.

Even if my focus is on international recruitment, I have found it important to present recruitment channels on all geographical levels, from the very local scale to the global scale. When carrying out case studies in regional industry clusters and looking at the industry’s ability to innovate and transfer technology, Asheim and Isaksen (2002; p.85) argued that a *multilevel* geographical approach is highly significant as such clusters “*exploit both place-specific local resources as well as external, world class knowledge respectively to strengthen their competitiveness*”. The highly skilled can represent such a local and a global scale resource. One argument that can be made against this multilevel approach is that this paper focuses on the recruitment of highly skilled *migrants*, and not the highly skilled in general. However, I found, through my empirical data that many highly skilled migrants were already living in Norway at the time of their recruitment, and were therefore recruited through national, regional or local channels as well as the international ones.

This chapter therefore presents five different geographical levels, and within these levels, modes of recruitment channels are discussed. The five levels are:

- Functional Region (Sunnhordland)
- Broader Region (Western Norway)
- National (Norway)
- Nordic (Scandinavia)
- Europe (The EEA area)
- Global (Outside Norway, minus the EEA area)

The informants' motivations for recruiting at the respective levels, as well as their considered advantages and disadvantages of recruitment at each level, will be discussed under each section. In this particular chapter, the company perspective is dominating, although some data from my interviews with the highly skilled migrants is included in my analysis. Informants A-G are all company representatives with central roles in recruitment, whilst Migrant 1-3 are my migrant informants. Data from my interviews with representatives from the public administration will be presented in the following chapters.

## **5.1 Recruitment channels within Norway**

As mentioned above, I have chosen to segment the various recruitment channels within Norway into three geographical levels: a functional region, a broader region and the national level.

### *5.1.1 Recruitment within Sunnhordland, a functional region*

A regional cluster with an experienced pool of labour can be thought of as an important factor for a successful cluster development (Isaksen 2009). Recruiting locally can have many advantages for a company. Firstly, local recruitment can be quite cheap, both in advertising and in the selection process. Targeting the regional pool of labour, the company name is more likely to be known than it is in a larger context, and money can be saved in advertisement. Good candidates can be selected through local networks that can provide recommendations and credentials, and costs can be saved by low travel distance for the candidate's interviews and settlement. Secondly, recruiting locally can be a way of reducing risks. By recruiting from a familiar labour pool and through established networks, one can use this knowledge and these connections to obtain second hand information about potential candidates and their

skills. Recruiting locally can also be seen as part of a social contract, acting in a way that benefits the community, but not in a way that conflicts with mutual agreements that one should not ‘snitch’ personnel from one another (Rusten et al. 2011). Influences through both informal and formal networks can be a determinant in deciding upon who gets selected out of those meeting the position requirements. According to Isaksen (2009), local area recruitment, from other firms or from specially adapted educational institutions, is an indicator that the firm highly values the *location* of their company, and attributes much of their competitive success to this location.

There are many ways in which the local pool of labour can be targeted. Advertisement through local media, like regional newspapers and radio commercials is a strong signal that a company prefers to recruit from within their local community. The use of only the local (and in most cases national) language, or requirements such as experience with particular machinery and equipment, usually found in the region, can also be indications of a regional target for recruitment. On the other hand, a consequent recruitment within the region, but almost no recruitment from the “outside”, can lead to a regional lock-in, and jeopardize innovation and economic development (Belussi & Sammarra 2009)

For regional recruitment, my company informants in Sunnhordland used a wide range of recruitment channels. Most of them referred to advertisement in the local media as the first instance for recruitment. All of my informants stated a preference to recruit from geographic proximity as they considered this to be stable and non-expensive labour, meaning that there is little unintended turnover and therefore less costs related to recruitment and training. The local pool of labour was also thought of as a very qualified labour stock that was rich in knowledge and experience. Asheim and Isaksen (2002) argue that the local level is important as regional clusters can develop a specialised labour market. The regional networks can combine both formal and informal knowledge. The type of localised informal knowledge can be characterised as ‘sticky’, as it is “*partly embedded in local patterns of interaction, and in the fact that the local area holds persons with first-hand experience of the knowledge and on how to put it into use*” (Asheim & Isaksen 2002; p.86). Recruiting locally can also be related to qualities like trust, efficiency and work attitude.

Informant D emphasized the effect that regional recruitment had on the regional pool of labour:

“In the region we have obtained some skilled labour. We get some experienced labour from other companies and they get some from us. In that way there is always a circle there, where no-one really wins and I don’t think anybody is losing either, because it is very good for developing the skills in the region on a total” (Informant D).

My informant’s point was that the internal movement of labour in the region Sunnhordland, creates a valuable pool of knowledge that is territorially embedded in the region that can make local recruitment attractive.

Local recruitment was also considered valuable for retaining purposes, as many argued that the local labour was more attached to the place than external labour. In an effort to operationalize the term *place attachment* to meet several disciplines, such as geography, sociology and psychology, Carmen Hidalgo and Hernandez (2001; p.274) have come up of a broad definition of the term ‘place attachment’ which is: “*a positive affective bond between an individual and a specific place, the main characteristic of which is the tendency of the individual to maintain closeness to such a place*”.

Informant C stated that: “*We advertise locally. We want them to have local attachment, because experience shows that those who have it stay with us for a longer time.*” (Informant C). In other words, my informant wished to employ those who demonstrated an interest in the *place* for reasons other than their job, diminishing the risks of ‘losing’ them after a while.

The local office for The Norwegian Labour and Welfare Administration (NAV) as well as the newspaper ‘Sunnhordland’ were the two recruitment channels that all my informants mentioned as preferable when recruiting within the region. The NAV system is not strictly local, as it is an online system where all positions are advertised in a national database and everyone has global access. The companies do however have the opportunity to browse through the resumes and credentials of candidates wanting to work in a specific region, thereby limiting the geographical level of the search as far as a municipal level (Nav.no. 30.03.10). As the NAV system can be used for nation wide recruitment, I will return to the system in more detail when discussing national recruitment in 5.1.3. NAV’s membership in the European labour system (EURES) will also be discussed when discussing international recruitment in 5.2.1.

Even though most of my informants considered regional recruitment to be something positive, the use of this geographical level of recruitment was first and foremost for personnel in various production-type jobs, even if they did recruit highly skilled through these channels

from time to time. None of my informants considered the body of available labour in Sunnhordland to be large enough to meet the demands of highly skilled personnel needed by the industry. Even on a lower skill level, companies found it hard to recruit enough personnel. *“We’ve realized that we are so large that we have to recruit externally. We have to go outside the region”* (Informant F)

Besides using media and NAV for recruitment, some of my informants had apprentice programs with the local high schools and considered this to be a valuable recruitment channel, although not for highly skilled type jobs. Merges and takeovers can be viewed as a bulk recruitment strategy and in some cases triggered by this reason. However, such takeovers can also result in an overcapacity that might lead to a process of downscaling the number of staff. One informant stated that they had bought a company in the same region and acquired a lot of skills through this company takeover<sup>8</sup>.

All in all, I found that my informants used a multiple spectre of recruitment channels when recruiting labour in the Sunnhordland region. These are illustrated in table 5.2 in the end of this chapter.

### *5.1.2 Recruiting on a broader regional level, Western Norway*

Western Norway is a geographical entity that consists of the four administrative regions Rogaland, Hordaland, Sogn og Fjordane and Møre og Romsdal. This region has three main cities, which are Stavanger, Bergen and Ålesund.

Recruiting within these geographical boundaries can have many of the same advantages and disadvantages as local recruitment. Western Norway is the most central oil and gas industry region in Norway. It has a large pool of competent labour that is attractive for the Sunnhordland industry. Access to this pool of labour can be acquired in different ways. The companies can be embedded in larger regional networks that can be used for recruitment and recommendations. Some of the companies where my informants worked were part of larger corporations, which in fact had several offices in the Western Norway region. They all mentioned that they had recruited highly skilled labour through the inter-company network in the region. Many of them also used the service of various recruitment agencies. Many

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<sup>8</sup> I will not specify this further as it could endanger the anonymity of my informant

informants stated that they had strong ties with the regional educational institutions through R&D collaboration and recruitment schemes of newly graduates. Ewers (2007) states that targeting nearby schools and universities can prove to be a clever strategy as the choice of university usually is a solid determinant to where people choose to settle. Some students might engage in relationship with local inhabitants and choose to settle for social reasons.

The interest in regional labour can be more than just the challenge of obtaining the right skills. In some cases the companies might be part of formal or informal networks that are lobbying for political influence in the administrative regional centres. Recruiting persons that are part of such networks can then be of company interest.

There is also a cultural and retention element involved when recruiting from Western Norway. As the western climate in Norway differs greatly from the Eastern climate, one imagines that those who are born and raised in the east will not be as eager to settle in the west with the wind and the rain. This point was actually made by four of my informants as a reason for recruiting in Western Norway.

On this geographical level, many informants recruited through larger regional media, for example by advertising in larger newspapers such as Bergens Tidende and Stavanger Aftenblad, which are distributed throughout most of Western Norway. The NAV system was also an important recruitment channel as most informants advertised all their vacant positions in the NAV online system. It should be specified that all available jobs might not be formally advertised in this system.

Many informants said that even when recruiting in Western Norway, it was important that the worker they recruited had some sort of place attachment to Sunnhordland. *“Our experience is that if we want people to stay, which is the best, then we are best of recruiting people who, in one way or the other, has some attachment to Stord. Who knows what they are in for”* (Informant A).

Informant E stressed the importance of recruiting staff, if available, that were comfortable with the west coast climate: *“When recruiting machine operators, (...) I can’t be bothered to advertise in the larger newspapers. Because if I get someone from the eastern part of Norway, I know there’s a great risk that he’ll disappear with the first autumn storms.”* (Informant E). Limiting recruitment to Western Norway was then in many cases the result of a retention strategy within the recruitment strategy. However, like the Sunnhordland region, the pool of

labour in Western Norway had not proved to be large enough to meet the demand of highly skilled labour. Most informants had found it necessary to expand the recruitment horizon to a national geographical level to obtain the skills that they needed.

Recruitment in the Western Norway was carried out through a number of recruitment channels. These recruitment channels have been identified in table 5.2

### *5.1.3 National recruitment*

Most informants recruited from a national level. This was done in different manners.

#### *Recruiting from educational institutions*

One primary strategy for some informants was to recruit graduates. Many companies spent a lot of resources on promoting the brand name of the company at the biggest graduate recruitment fairs in the country. All informants also stated that they took on apprentices from all over the country, and that some of these were recruited after they finished their apprenticeship.

In addition to promoting the company at recruitment fairs, some informants had a strategy of placing their professional equipment in schools, for engineer students and the like to use during their education. Contributing with technical equipment and machinery can have several advantages. Rusten et al. (2011) mention four specific aspects:

- 1) It can provide recruits that are generally more updated (aspect of competence),
- 2) It can provide the candidates that are tailored to work in a specific company (aspect of competition),
- 3) The recruits will take notice of which companies are contributing to the educational institutions (aspect of marketing)
- 4) To provide technology to educational institutions can be less targeted, and perceived as companies engaging in and contributing to the society. (Aspect of society entrepreneurship)

One of my informants stated that the company she worked for, and their headquarters, had placed a lot of technological equipment in schools in the Bergen and Oslo area as a strategy to recruit graduates. The intention was that graduates would apply for a job involving the same kind of equipment when their degree was obtained. *“We have a policy for placing equipment in different schools. (...) We just employed a man from Oslo, and they had just gotten*

*equipment from our company at their school.*”(Informant A). They also collaborated with Høgskulen Stord/Haugesund with the intent to create awareness about their company and their need for skilled labour. This strategy then had the three aspects of competition, marketing and competence.

The fourth point made by Rusten et al (2011) about companies wanting to contribute to their local environment also seems to be of importance. Even though the focus on *graduate recruitment* was on the whole of Norway, my informants’ strategies of *implementing* equipment and machinery in the educational institutions seemed to be more directed towards a regional level. Even the local offices that were parts of larger corporations that had contributed to the educational institutions nation wide, also contributed to Sunnhordland and Hordaland. The emphasis my informants put on the importance of contributing to the educational institutions in their own region is important, as it demonstrates a strong attachment between the company and its location. Contributing and enforcing the human capital within the region seemed to be an acknowledged responsibility to many of my informants.

On collaborating with the local college, Høgskulen Stord/Haugesund, one informant said that *“It is a win-win situation. We boost the school system, and the industrial sector get what it needs”* (Informant F).

One informant in a smaller company felt somewhat disadvantaged on this recruitment arena, as they stated they did not have the resources for promoting their company, either at recruitment fairs or by contributing with equipment.

“As a small company we feel too small to do that, we don’t have the capacity. If we somehow could have done something like that in collaboration with others, it would have been highly appreciated by us smaller enterprises.” (Informant C).

As collaboration between companies and educational institutions was not a topic I systematically investigated during my interviews, I am not familiar with the SME’s contributions and collaborations on this subject in the Sunnhordland region.

#### *The use of NAV, recruitment agencies*

Another way to recruit nationally was through the NAV system or through recruitment agencies such as Manpower and Adecco. These are institutions that run local offices in the most parts of Norway. Manpower for example, has 40 offices spread throughout the country

and is the biggest recruitment company in Norway (Manpower 2010). As recruitment agencies was especially important when recruiting highly skilled migrants, I will return to a discussion of the role of recruitment agencies when looking at international migration channels in 5.2.

So far the NAV system has a local office in 447 municipalities, with the goal of reaching 457 local offices by first half of 2011 (NAV 2010). The span of local offices, combined with the access to the national online database, connects the local and the national labour market together. The NAV database is an online system where one can browse through all vacant positions throughout the country with the ability to limit the search options to county or municipal level. The employer in search of candidates have this exact same option, limiting their search of candidates to the local municipality, or broaden the search to a county or national level. The NAV database is a great tool both for employers and those looking for a job. It can provide a great overview of the Norwegian labour market, both available positions and the unemployed labour force. Of course, the online system does not account for those who are not actively looking for a new job, but that are willing to change jobs if headhunted.

All informants mentioned the NAV system to be of great value in their recruitment, both regionally and nationally. The emphasized benefits of this was the instant national reach for the job advertisements as well as easy access to all the candidate's CVs through online databases. One informant had received a lot of applications through the NAV system: *"A lot of our applicants refer to NAV's website. So it is obvious that a lot of those who apply are using NAV's database of vacant positions"*. (Informant E).

### Online recruitment

ICT is undoubtedly a useful tool for companies (Rusten & Skerratt 2008; Zappalà & Gray 2006). About half the companies interviewed posted their job advertisements in other online systems besides NAV. Either on the company website or on web portals such as finn.no. Some of my informants, especially those who were a part of a larger corporation, stated that online advertisement of vacant jobs on the company homepage was part of company policy. *"All our job advertisements are also online"* (Informant F).

As the Internet clearly was an important tool in my informant's labour recruitment, I did a short analysis of their company websites to see how vacancies were advertised, i.e. if the company posted general vacancy calls or specific job advertisements, and if they emphasized

and promoted their regional location. I would like to stress that this analysis is not representative of all companies in the region as a whole. I found that larger corporations, that might even have its own staff assigned to Internet marketing, possibly uses the Internet in a different manner than smaller companies with less marketing resources and staff<sup>9</sup>.

- Looking at recruitment, I found that all the larger companies used the companies' web page actively for recruitment; whilst among the SMEs it was not as common.
- Almost all of the companies part of a larger corporation structure, except one, were represented only on a centralized corporate website and had no "personal" website representing the local office only. Interested applicants could however target positions specific to the local office of choice through the main corporate web page.
- Common for almost all the websites was the lack of information about the job location. Besides an address and some contact information, and in some cases a scarcely detailed map of Norway, no information was given about the local office location. In fact, only two of the seven companies participating in my research provided some historic information about the company's activity in the region, but in no case did the information exceed more than a couple of lines of text. In addition, none them provided links to other regional informational websites.
- Most web pages were in English only. Two companies had the option of choosing Norwegian as an alternative language. One SME company web page was in Norwegian only.
- One interesting detail was one company web page that was in English only, except for the information about careers and available positions, which was in Norwegian. The web site had the possibility for online application, but none of this information was provided in English, only in Norwegian. This might be considered a strong signal that the company target audience for recruitment are those that can read and write Norwegian. Curiously enough, this was a company that had several nationalities in their staff, and English as their official working language.

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<sup>9</sup> When presenting my findings I will not refer to informants directly, as I do not want to create associations between their web pages (which might be know by many) and their anonymous given name in this thesis

- The smallest companies participating in my research seemed to use the company web page for marketing their products, and not with regards to recruitment. Even though contact information was listed, it was nowhere mentioned that they encouraged open applications on their web page.

#### *Some other options for recruitment within Norway*

Some companies made use of the option of intra-company transfers within national borders. Employees wishing to move to other places within Norway could apply for a transfer to another company location in Norway. *“When you work in our company there aren’t any restrictions as to where in the company you’re working”* (Informant A). Evidently, this was only a possibility for those companies that were part of a larger corporation structure. I will return to the subject of inter-company transfers in section 5.2.

Some informants stated that they advertised in Teknisk Ukeblad, a magazine frequently read by engineers and technical personnel.

Others had recruited skills through a company takeover within Norway. As is the case with recruitment on the smaller geographical levels, one has to assume that some recruitment is done through company networks, or maybe even personal networks, by recommendations and suggestions. One can also assume that some recruitment might be motivated on the basis of the networks that the recruited are embedded in as much as their specific skills. Interest in gaining political influence and policy lobbying can be a factor in recruitment through networks. Related to my case study however, I can only speculate, as none of my informants revealed such motivations and modes of recruitment.

Recruiting within Norway, I identified seven main recruitment channels that my informants had used. They are identified in table 5.2.

## **5.2 International recruitment channels**

Recruiting international labour is not necessarily an employer’s first option, it might just as well be a result of lack of other options. Still, recruiting international labour can have both its advantages and its disadvantages.

One factor that can be a problem for many employers when recruiting internationals is the difference of languages and cultures. Communication skills are in many industries very important for both the working environment, for interacting with clients and fully understanding work tasks, or strictly for safety reasons. The English language holds a distinctive role in communication as an international business language. Different work cultures, i.e. the contrast between working in a traditional hierarchical company structure and a flat company structure, or perceptions of gender equality, can also be challenges that an employer might face when recruiting international labour. Recruiting from foreign countries can also prove to be difficult in the sense that it becomes harder to recognise the migrants' skills and qualifications as one is sometimes unfamiliar with the level of the migrants' references and credits. Salt argues that: "*It is important for the mobility of such people [ed. the highly skilled] that their qualifications receive universal recognition*" (Salt 1992; p.486). An important step in increasing the possibilities of student mobility can be the standardisations of grade system. For example, the European Union has implemented a European Qualifications Framework (EQF). The intention is that "*by 2012, every new qualification issued in the EU will have a reference to one of the eight EQF reference levels*" (europa.eu 2010). There is also a process of creating a European Higher Education Area (EHEA) by 2010. "*The EHEA process promotes mutual recognition of periods of study, comparable qualifications and uniform quality standards*"(europa.eu 2010)

There is also the question of costs in such recruitment. Recruiting international labour, and especially highly skilled labour, is considered to be a rather costly choice of recruitment, and the employers are likely to calculate the net gain of such recruitment before embarking on the recruitment process itself. The company could be expected to pay the costs for the migrant's, and possibly a whole family's, moving process; the company might have to pay for initial housing, for language courses and they might need to provide staff that will help the migrants in the settlement process. In some cases the recruiting company might also have to spend their resources on providing the necessary papers for the migrant, such as a Visa and a work permit. Also one should not forget that the process of locating suitable international applicants in the first place, MNC transferees or not, might be a costly affair in itself.

Even if international recruitment is costly, it can have several advantages that can advocate for international recruitment as a first choice, rather than as a last resort. One important point is that international recruitment can be a determining factor in preventing a regional lock-in. By expanding the labour market horizon and by incorporating other traditions and knowledge

into the work process, companies can foster innovation and product development, which again will benefit the region in the form of economic development, and maybe also the creation of more jobs for the local labour market. The last point is not however a given causal effect of economic development. International recruitment can also be a way to achieve or maintain a competitive advantage by ensuring a high level of human capital. For large global companies, the exchange of labour on an international scale can be seen as a company strategy to increase human capital in the company as a whole. If successful, initiating international labour recruitment can have a self-enforcing effect as a result of a “follow the leader” strategy, where one company’s positive results can encourage imitation amongst other companies who then imitates others flow of success (Rusten 2004).

We can divide the international recruitment channels into two geographical levels: The EEA area in specific (including the Nordic countries), and international labour market as a whole. This division is mainly rooted in the difference between the rules and regulation in the two geographical levels, as explained in chapter four. Note that the international labour market as a whole includes the EEA area as well, only that the focus is on recruitment that has not been specifically targeted and limited to the EEA area.

#### *5.2.1 Recruitment within the Nordic countries and the EEA*

There has been a joint Nordic labour market since 1954, enabling free movement of labour between all Nordic countries. This has contributed to increased labour market flexibility in the Nordic countries and recruiting within this area has long been a possibility for those in need of labour. Since the beginning of 2010, the same regulations for movement of labour to and from Norway apply to all EEA members. Recruitment channels within the Nordic level will therefore be viewed together with the EEA area.

For a Norwegian employer, recruitment within the EEA can have several advantages. As is explained in chapter four, the EEA allows a free movement of labour within its borders. Recruitment from the EEA therefore involves very little extra paper work, which makes the EEA labour market very accessible for employers.

The NAV system, and its integration with the EUROpean Employment Services (EURES), can be another important recruitment channel. Through the NAV online database, one can search for suitable candidates in the entire EEA area, by country, by professional sector or by qualifications. It should be specified that applicant CV registering in the NAV/EURES

database is by no means mandatory, meaning that it does not represent the EEA labour market as a whole. The employees in the EURES organisation can advertise the company positions in all EU/EEA member countries, they help organize recruitment fairs abroad and put enterprises in contact with suitable applicants. (EURES 2010) *”We’ve used EURES actively for finding personnel with the proper background for our machines. Through them we’ve made recruitment efforts in Sweden, Denmark, Germany and the Netherlands.* (Informant G).

My informant was however disappointed, as they had not managed to recruit qualified personnel through this system. They were also required to browse to all applications themselves, which was considered to be a time consuming process. Informant G stated that the EEA had made recruitment a lot easier than it was before.

### *5.2.2 Recruitment from the international labour market in general*

Even though all but one informant stated that it was not a company goal to recruit international labour, they all had done it. The recruitment company as an international recruitment channel seemed to be specifically targeting highly skilled labour, both engineers and specialised workers. For the most part, international labour had been recruited because the skills could not be obtained within Norway. Khoo et al. informants’ in Australia used this same argument when asked why they recruited international labour (Khoo et al. 2007a). As with all the geographical levels, the international recruitment channels were many.

#### *Recruiting with the help of recruitment agencies and temporary help service firms*

The most common choice for my informants seemed to be the use of recruitment agencies and temporary help service firms, although some found this to be more successful than others. Koser and Salt have identified recruitment agencies as an institution with high influence over highly skilled migration (Koser & Salt 1997), and this identification seems to be well in line with my findings. No informants expressed distrust towards the level of competence in the recruitment agencies. There were two main reasons stated for this choice of recruitment channel. 1) You did not have to go through the process of finding and selecting the right candidates yourself. Instead you listed professional requirements for the candidates, and the recruitment did the search and sorting process for you. 2) All the paperwork for immigration and taxes was taken care of by the recruitment company.

Using the help of a recruitment agency seemed to be considered as efficient and less time consuming.

“We don’t recruit all the international employees ourselves, there’s a firm that recruit them and then we engage them. If we were to recruit like them we’d be shooting blinds (...) it is pretty demanding doing all the paperwork, it’s easier to engage them from a company who has recruitment as their job. That way we get them for “free”, and then we have an agreement with the recruitment agency that we can hire them after a while if we want to ” (Informant E).

Some informants also considered these recruitment agencies to be better at finding suitable candidates than they were themselves, due to their experience and networks. Out of those who used recruitment agencies to locate highly skilled internationals, most of them had chosen agencies located in the Sunnhordland region. In their research on Norwegian SMEs’ acquisition of external management consultancy expertise, Rusten et. al. (2005) identified social closeness and trust, gained through a shared culture and face-to-face interaction, as a reason for why companies sometimes chose local consultancy services as opposed to external ones (Rusten et al. 2005). The elements of trust and social closeness seem relevant also in my informants’ choice of recruitment agencies. Being located in the same place as the recruitment destination, the agencies could take responsibility for the migrants’ paperwork, questions upon arrival and social welfare.

“Some of these local agencies have a lot of competence, because they have been working with this [ed. recruitment] for many years. They have networks in other areas. They have systemized how to get them [ed. the recruits] through the UDI system, with the papers and the administration, and in addition, they know the area here.” (Informant E)

Another informant stated that: *“when you use a recruitment agency, who hires and then outsources personnel out to others, you can put up requirements, and if they’re not satisfying they have to take them in return. That’s the advantage”*(Informant G).

These statements can also suggest that employers enjoyed the flexibility of using such agencies.. The lease-contracts with the recruitment agencies are also short-term, meaning that the companies are not obliged to renew the contract and keep the recruits if they do not wish to do so.

Not all informants found recruitment agencies to be satisfying for highly skilled recruitment.

“They’re not looking to solve our problems, they want to earn money. (...) we don’t want to rent high skilled personnel, because you spend a lot of time on on-the-job training, and you never have any guarantee that they will stay with us, and not move on to the next firm. (Informant D).

Again there is the aspect of flexibility, only, in this case, the employer does not want to hire short-term labour, as he considers the risks to be too high, and the flexibility that the recruitment agency offers is considered to be negative. This informant did state however that they used temporary help service firms for the lower skilled jobs, such as plumbing and welding.

### Online recruitment

Online advertising on the company website had also resulted in international applicants. “*We’ve found through the company web site, we actually get international applications for local jobs.*” (Informant B).

Returning to the website analysis mentioned in 5.1.3, most of the companies that advertised vacant positions on their company web page, targeted an international labour market. Except for one case, all positions were advertised in English. The use of online job advertising was however much more common amongst my large company informants than with the smaller SMEs. One of my informants argued that he did not see a great value in advertising vacancies on their webpage, because of their small company size.

“With the larger companies there will always be people wondering what it would be like working for them, and searching for that type of information. But with a small company like ours, you either have to know about us already, or you have to already have seen a job advertisement, and then you look up our webpage” (Informant G).

#### *5.2.1 Using the global network – intra-firm and inter-firm networks*

All informants used their networks abroad for international recruitment. The larger companies, who were either foreign-owned or had offices outside of Norway, emphasized the value of being a part of a European or global network of competence within which they could recruit, so-called intra-company transfer: “*Our corporation has built an engineering centre in India. (...) We bring the engineers here or we set the jobs out to the office in [ed. a country in Asia].* (Informant A). For many of the migrants, moving to Norway for a short period of time

was required as part of an inter-company training. This move can be characterized as a “*tour of duty*” and is common in many Transnational Corporations (TNCs) (Ewers 2007). For Nagel, this employee mobility is seen as crucial for distributing expertise within global companies (Nagel 2004).

Informant D said they had found great value in their global network, as they some years ago had tried to acquire a special skill that, at that time, had seemed to be unavailable locally and in Norway. “*We used our [ed. Business] network and asked other Human Resources departments if they had some local applicants with a background that would be of our interest, and then our search led us to a company employee in Italy*”. (Informant D). Khoo et al. (2007b; p.192) state that the importance of such intra-company recruitment and use of transnational business networks “*demonstrates the global perspective of many employers today in the labour hiring process*”.

Salt (1992) argues that big organizations are sometimes characterized by a universal system of values, shared by all offices around the globe, which makes the personnel systems country neutral. This then, enables a global company to optimize their human resources worldwide. The reality might not necessarily be as simple as Salt (1992) imagines it. In 6.2.3 I discuss the importance of language for communication, and the problems that can arise due to differences in culture. In chapter six, my empirical findings will show that the personnel that move within in a global company system are far from country neutral.

Another way to make valuable use of a global business network was an approach chosen by Informant F. Their approach was to take part in a corporate global trainee program, where trainees were working with all together three offices in the corporate network and could afterwards be recruited. “*They’re in our enterprise and do a job, and then all the offices are ready to fight for those resources when they finish their two-year long traineeship.*” (Informant F).

Salt (1992; p.487) state in his article that “*firms are able to get around qualification problems in other ways, especially by obtaining expertise through business service firms or by collaboration with overseas companies*”. Koser and Salt uses respectively the terms *inter-firm networks* and *intra-firm networks* when discussing the two types of business networks (Koser & Salt 1997). Using an inter-firm network in recruitment seemed to be a familiar strategy amongst my company informants. Almost all of them either owned smaller companies abroad, or worked closely with foreign companies. In some cases my informants

had bought the companies and then recruited some of the staff to their location in Norway, as was the case for Informant E. In other circumstances, parts of the production had been outsourced outside of Norway, but with Norwegians supervising the production, as was the case with Informant F, B and A. The latter strategy is in line with the statement made by Salt (1992; p.501), that there is “*a trend away from costly takeovers, toward the sharing of high expansion costs and of each other’s expertise*”.

### *5.2.2 Other channels used for recruiting international labour*

Not many informants had actively gone abroad to recruit on their own. Most of them preferred using recruitment agencies, temporary help agencies or their online web pages for this. However, two informants had made their own attempts at active international recruitment, with various success. Informant D had visited Universities in other Scandinavian Countries and established good contact with students there. Some of them had moved to Sunnhordland and started working with the company.

“If we are going to recruit a person who likes it here, where does that person come from? (...) We started to think, what about the northern part of Sweden? What about the parts of Finland where they speak Swedish? And by mapping out colleges in these areas we found a lot of interesting things. (...) Now we’re in the financial crisis, so we’re in the opposite position, having to let people go, but we still use resources on maintaining the connection that we’ve established with the universities, because sooner or later, we’re going to need new competence, and then it is good that they know about us.” (Informant D).

The choice of recruitment destination clearly demonstrate that my informant put a strong emphasis on language, and the advantage of recruiting personnel with the ability to understand Norwegian.

Informant E had, some years ago, tried going through the NAV network to Sweden where the unemployment rate had been high at the time. The idea was that they could recruit high skilled workers easily as jobs in Sweden were hard to come by.

“We had a concept where we travelled over there, stayed at a hotel in Göteborg, where we’d in advance had a two page spread of information in the newspaper and The Swedish NAV sent out letters to all the unemployed matching our requirements. (...) We got 35 men, but today there

is only one left. They came and we spent a lot of money on them, and they gradually left. (Informant E).

In this sense one could say that the informant thought the process of recruitment to be highly successful, but that the strategy had failed on retaining. The informant did not use this as a channel of recruitment at present time.

### **5.3 Recruitment of the highly skilled in Sunnhordland**

In chapter two it was specified that all highly skilled migration is not necessarily the direct result of recruitment strategies. The highly skilled might decide to move for reasons other than work entirely. Nagel (2004) stresses that migration also entails personal relationships, class and kin-based resources and chance circumstances and these are perspectives that should be taken into consideration. Migration and choice of destination can be motivated by ethnic ties, marriage, special interests such as skiing and fishing, level of exoticness, a wish to increase life quality, etc. There are probably as many reasons as there are migrants. What is relevant to this analysis is to keep in mind that the decisions that the highly skilled make to migrate from one place to another might not be the direct result of work and a company's choice of recruitment channel.

Another important factor when analyzing the recruitment of the highly skilled migrants to the Sunnhordland region is that one should acknowledge that there is a pool of international labour within Norwegian borders and in the Sunnhordland region. Taking into account the recruitment channels on all geographical levels, from the local to the global, is important if one wants to understand the complexity and sometimes intricate ways in which the highly skilled migrants are moving and recruited to a region.

As previously mentioned, none of my informants, (except one), had international highly skilled recruitment as a stated company policy. Instead, most of their highly skilled internationals had been recruited out of necessity, through all of the above mentioned recruitment channels. What all of my informants specified however, was how many of their highly skilled migrants had been recruited from the already pre-existing pool of international labour in the Sunnhordland region and in Norway. With no exception, all informants could refer to several cases in which they had recruited international highly skilled by local advertising or through the local or national network. On some occasions applicants

themselves had applied through the NAV system, or through advertisements in the local or in regional newspapers. Some of the migrants had been recruited to Norway by a previous employer, or they were in Norway for different reasons, such as marriage, or because of a particular hobby or interest that could be cultivated in this area.

Migrant 2 had been recruited through a local recruitment channel. Initially she had come to the Sunnhordland through an apprenticeship program. During her stay she had met a Norwegian man and stayed in Norway because of him. Since her apprenticeship she had had three jobs, all which she had applied to herself as part of the regional labour pool in Sunnhordland. Social reasons was also the reason that Migrant 3 had decided to move to Norway: *“In 2004 I married a girl who lives here and has lived here her whole life. (...) She asked me to come here, and that was ok by me”* (Migrant 3)

It was not uncommon for my informants to recruit “trailing spouses” on the basis of informal recommendations through the local networks. *“X was available while we were looking for a position that fitted her capability. She’d come to the area because her husband was brought here by [ed. Another Company].”* Informant B.

Many informants listed the hospital as an important actor in the local community network when it came to recommending suitable applicants, such as trailing spouses.

*“We have a woman from [ed. country X]. She’d married a doctor at the hospital. (...) So that was via the hospital, and a tip that she was and educated civil engineer. I have great faith in that, in some sort of regional cooperation.* (Informant E).

The argument presented by Ewers (2007; p.122) that *“another determinant of highly-skilled migration is based on the individual strategies of migrants”*, seems valid, and needs to be taken into account. This is also in accordance with Salt’s (1992) findings on overseas recruitment, namely that in most cases, foreign nationals have applied for positions themselves, and are not hired from any overseas recruitment effort. The weight of this argument proves to be heavy, as similar statements also can be found in a number of articles on highly skilled migration (Creese et al. 2008; Koser & Salt 1997; Nagel 2004; Ritsilä & Haapanen 2003; Williams et al. 2004).

### *5.3.1 Creating a recruitment channel overview*

As stated in the introduction, the purpose of this analytical chapter is to create an overview of the recruitment channels that my informants used for recruitment of labour to their companies

in the Sunnhordland region. This overview is important if one wants to understand the complexity of highly skilled migration. As there does not seem to be any clear division between channels used for recruiting highly skilled migrants, and the recruitment channels used for other types of recruitment, I have found it necessary to include all types of recruitment channels. This is to make the recruitment channel overview as complete as possible, and avoid the possibility of ignoring recruitment channels that is, or can be, used for recruiting the highly skilled.

Possibly, the overview can help to identify which regional actors that are influencing or can influence the recruitment channels; and which actors that are necessary participants in the execution of the company recruitment strategies.

Two tables can be made to help visualize the recruitment channels overview. The first table summarizes the use of different recruitment channels that my informants have used on the different geographical levels, reflecting the structure of this chapter. The table underlines that many channels of recruitment can be found on all geographical levels.

As the first table demonstrates, all recruitment channels are used on at least four regional levels.

The second table illustrates the multiplicity of recruitment channels that each of my informants had used for recruitment of *highly skilled migrants*, no matter which geographical level. Looking at the two tables combined, it is evident that all my informants combined a variety of recruitment channels, and targeted a variety of geographical levels in their recruitment.

**Table 5-1: Overview of recruitment channels used at different geographical levels**

	Functional region	Broader region	National	EEA	Global
NAV/ EURES	*	*	*	*	No
Recruitment agency	*	*	*	*	*
Educational institutions	*	*	*	*	No
Company takeovers	*	*	*	*	*
Media	*	*	*	*	*
Intra-company transfer	No	*	*	*	*
Inter-company and other networks	*	*	*	*	*

**Table 5-2: Overview of the recruitment channels for highly skilled migrants used by my seven company informants**

Informants	A	B	C	D	E	F	G
Head hunter & recruitment company	*	*	*	*	*	*	*
NAV/ EURES	*	*	*	*	*	*	*
Internet/Media	*	*	*	*	*	*	*
Educational Institutions	*	No	No	*	*	*	No
Inter-company transfer	*	*	No	*	No	*	No
Company takeover	*	No	No	*	*	*	*
Inter-company and other Networks	*	*	*	*	*	*	*

## **5.4 Summary**

In this chapter I have created an overview of the recruitment channels from a company perspective in the Sunnhordland region. These recruitment channels have been attributed to different geographical levels. The variety of channels used, and the variety of geographical areas that are targeted, shows the complexity in recruitment strategies. An important point in this chapter has been that highly skilled migrants are not just recruited from an international labour market, but can just as well be recruited from the local pool of labour. All geographical levels of recruitment should therefore be included when analyzing recruitment strategies of the highly skilled migrants.

## **6. Selecting which highly skilled migrants to recruit and the geographical dimension**

The first half of the chapter will touch upon some important considerations in regard to recruitment and labour flexibility, and further discuss the process of recruitment, from setting goals and expectations to making choices about candidates. The second half of the chapter will discuss some geographical dimensions in the highly skilled recruitment strategies.

### **6.1 The recruitment process**

As mentioned in chapter five, there can be many reasons for recruiting new personnel. The motivations for recruitment can be divided into two main categories. The first motivation for recruitment can be driven by company demand, due to factors like retirement, the need to increase capacity and production or starting new types of production, or the need to expand existing competence or supply the company with new competence. The second motivation for recruitment can be driven by a supply of opportunity in the labour market or by the individual migrants themselves (Koser & Salt 1997) This means that the initial contact between a potential employee and an employer is made by the employee. After contact is made, the applicant's qualifications and experience might determine whether the person is recruited or not.

#### *6.1.1 Types of labour attachment and flexibility – the core and the periphery*

Organisational literature has differentiated between two types of labour attachment: those employed in the core of the company, and those that are employed in the company periphery (periphery in organisation, not geography) (Kalleberg 2000; Mangum et al. 1985; Nesheim 2005). Nesheim (2005) gives a short introduction to a descriptive model developed by Atkinson in 1984. This model attempts to explain and describe types of labour flexibility that can be achieved through core and peripheral labour attachment. Atkinson mentions three types of flexibility that companies use to cope with increasing demands. These are *functional flexibility*, that the employees can be moved around within the company to carry out different tasks, *numeric flexibility*, that the number of labourers employed can be adjusted to changes in supply and demand, and *financial flexibility*, that costs of labour can be adjusted to costs of production (Nesheim 2005). Atkinson's different types of flexibility, represent different types of labour attachment between the employer and the employee. Functional flexibility is

attributed to those employed in the core of the company, usually characterised by a high level of job security and a high level of competence. Numeric flexibility on the other hand, is attributed to those employed in the peripheral groups, such as independent labourers and temporary help services, and they are characterised by a more general level of competence and lower job security (Nesheim 2005). Atkinson's theory is that companies use the numeric flexibility as a buffer to protect the high competence core group from large turnovers. From a resource based perspective, distinguishing between core and periphery can also be a strategy to avoid a leakage of highly valued knowledge that could jeopardise a company's position in the competitive market (Nesheim 2005).

Atkinson does not include a geographical dimension in his model. Placing the model in a geographical setting therefore poses some interesting questions. Firstly, are local external sources helpful for the companies' attempts to tackle numeric flexibility? E.g. are there nearby temporary help agencies? Secondly, can available labour market resources determine the company location? E.g. do offshore industry companies choose to locate themselves in Sunnhordland due to the high level of competence that already exists in this region, seeing the potential for recruiting labour with a functional flexibility? The Sunnhordland region is characterised by an industry with high fluctuations and personnel with a high level of competence. It is highly relevant to see how the industry handles their need for labour flexibility at their geographical location.

This distinction between the highly skilled as core employees, and the lower skilled as peripheral employees, is criticized by Nesheim himself, and also by Kalleberg (2000) and Mangum et al. (1985). The counter argument is that a large proportion of those employed as consultants, or sub-let through the temporary help industry have proved to be highly qualified. Kalleberg (2000; p.349) found that some of the qualifications and skills of a temporary worker, typically employed in the peripheral employment structure, might be a direct result of the worker's "*experience with a variety of potential employers*". The workers' own interest in this type of employment is also relevant. Kalleberg argues that many highly skilled prefer to work as independent contractors, as they are more flexible to move between firms as they please, rather than opting for a job in the core sector that provides a higher level of job security but less flexibility (Kalleberg 2000). In many cases, peripheral employment can also be more costly than employing for the core sectors as a direct result of the workers' high level of competence and their market value (Mangum et al. 1985).

In other words, Atkinson's distinction between the core workers as highly skilled, versus the peripheral workers as lower skilled, is not entirely satisfying. However, his definitions of functional and numeric flexibility, and the distinction between core and peripheral labour attachment can be very helpful to my analysis. Mangum et al. (1985; p.601) state that "*any enterprise large enough to have an internal market structure will face the choice of which inputs to "make" and which to "buy"*". For example, a company's choice of recruitment channels can indicate the preferred labour attachment between employer and employee in a specific recruitment strategy, as I will discuss below.

Whilst employment in the core sector is usually recognised by permanent contracts and a high level of job security, there are several types of peripheral labour attachment. Kalleberg (2000) describes some types of contracts offered to peripheral workers, what he calls 'nonstandard employment relations', and discusses incentives for their use. One of these contracts is part-time work described as regular wage employment in which the hours are less than "normal", which "*has historically increased during economic recessions and decreased during economic expansion*" (Kalleberg 2000; p.343). The incentives for employing part-time labour is recognised as employer flexibility and lower costs.

Another nonstandard employment relation is the use of a temporary help agency. These are agencies that "*employ workers and send them out to customers to work on an hourly basis at the client's premises and direction*" (Kalleberg 2000; p.346). This option is seen as a very flexible solution for firms wanting to take on temporary employees, but in many cases it might be more costly due to high wages (Mangum et al. 1985). Mangum et al. (1985; p.604) state that: "*The employer may use the Temporary Help Services as a source of highly skilled, specialized help, who are equivalent to the core employees but whose labour is not needed on a full time basis.*" A trend in using temporary help agencies is that workers enter into long-term contracts with firms after a period of time, moving from temporary peripheral employed, to full time core employee (Kalleberg 2000; Mangum et al. 1985). In many cases, the use of temporary help services can be a way to provide on-the-job training for candidates, and if they are deemed as a valuable asset to the company, permanent employment might be offered.

Other literature has differentiated between labour contracts, referring to short-term or long-term labour (where highly skilled labour can be found in both), (Dicken 2007; Ewers 2007; Iredale 1999; Koser & Salt 1997; Millar & Salt 2007; Williams 2009). Short-term recruitment has the advantages of what Atkinson labelled as numerical flexibility, but it also offers other

advantages. Williams et al. (2004) write that recruiting on a short-term basis can be a way for a MNC to exchange or train competence within the company. Long-term contracts might be preferred for positions that require long periods of training, and demand a high level of company investment. Long-term recruitment can signal that stability in the company personnel and retaining the competence is more important than the flexibility of increasing and decreasing the personnel size by demand.

An important point to remember here is that migration is still an individual decision (Ewers 2007). Whilst some migrants are willing to move over great distance on a permanent basis, and can be hired on permanent contracts, other migrants prefer to move for shorter periods of time, maybe one to three years. For example, Beaverstock (2005; p.246) writes in his article that “*within the TNC, the preference for frequent short-term/non-permanent circulation over long term /permanent migration, has produced a ‘transient’ pattern of migration and established a highly-mobile, cross-border transnational managerial elite*” The expat elite is attractive labour, but perhaps easily targeted for short-term recruitment. Therefore, after an employer has decided whether to recruit temporarily or permanently, to the core or the periphery, the employer also needs to consider the mobility of the migrant they are recruiting, as the migrants’ individual preferences regarding their mobility might differ (Ritsilä & Haapanen 2003).

None of my informants referred directly to strategies of recruiting for the core and periphery as strategies of flexibility. They did however differentiate between different types of contracts, especially between recruiting for a short-term or a long-term basis and the various advantages and disadvantages with this, such as functional and numerical flexibility.

Even though the strategy of hiring short-term labour could be said to apply to some of my informants, it was a clear majority who preferred long-term hiring of the highly skilled. The main reason for this was the difficult technology used in the industry, and the long period of training that this required. On short-term recruitment, Informant C said that: “*it is not very interesting for us. We’re a niche industry and we produce niche products. There are a lot of specialties and the training is quite long. Both when it comes to engineers and other personnel*” (Informant C). This argument was in line with the argument from informant D:) “*We prefer to look for the right people, and then be understaffed in short periods of time rather than having to take on temporary solutions*” (Informant D). It was clear that their emphasis for recruitment was on what Atkinson described as a functional flexibility.

Informant G stated: *The training is an important and expensive part of hiring. (...) if the employee quits, it is all a waste*” (Informant G). For this informant, outsourcing was the chosen option to short-term hiring. This option was also the one preferred by Informant B: *“We’re product based (...). I think our two options are either to outsource work or to recruit permanently”*(Informant B).

The company in which Informant E worked, was very project based. They occasionally required numeric flexibility in their personnel. For this they chose to use the help of a local temporary help service firm, through which they hired skilled labour from Asia on project-based contracts. As with many of my other informants, they also sub contracted some services as an alternative to direct short-term employment.

Based on data from my interviews, there seemed to be a distinction between the companies’ mode of production, that is, production subject to high market fluctuations (such as project based production) and production that is more service and maintenance related, and between their preferences on short-term versus long-term hiring. The informants who recruited for a company with a project-based production, were more likely to hire highly skilled migrants on short-term contracts, as they required more flexibility in their staff depending on the number of orders. Also, the larger companies that were part of a global MNC networks exchanged staff over shorter periods of time, whilst the SMEs did not have this same option of intra-company transfers. As I discussed in chapter five, my informants seem to prefer local recruitment to the extent that was possible, for both numerical and functional labour flexibility. However, a tight labour market in both Sunnhordland and Norway as a whole required them to recruit internationally. The option of using intermediaries, such as recruitment agencies and temporary help agencies was highly preferred in this type of recruitment, even if the labour they recruited through these intermediaries were highly skilled. This contradicts Atkinson’s theory of coherence between a peripheral labour attachment and lower skill level.

It might seem as though the emergence of the expat “culture” and the higher frequency of short-term hiring is a trend that can be attributed to companies with a certain size, or a certain type of production that required a need of numerical flexibility in staff. For those with a production less exposed to large fluctuations, the focus seemed to be on functional flexibility, using the option of out-sourcing or sub-contracting services rather than employing the workers directly if they were in need for numerical flexibility. My data correspond both with

Atkinson's theory of types of flexibility and their labour attachment, and also with the arguments made by Kalleberg (2000) and Mangum et al. (1985) that the highly skilled can be recruited for both short-term and long-term type of contracts, in the periphery as well as the core. It should be stressed once again that my data are not quantifiable. Thus, the trends I have mentioned here, about labour attachment differentiation being related to production mode, should be subject to further investigation before any conclusions are drawn on this subject.

### *6.1.2 The process of selecting the highly skilled*

Selecting highly skilled migrants is not just a question of *how*, but also a question of *whom*, and from *where*. As to whom, every company will have their own list of requirements of which skills a highly skilled migrant should have, depending on the position they are recruiting for. The skills that are required are usually specifically advertised (Cooper et al. 2003). There is however a possibility that the company's original goals and expectations for recruitment are altered during the recruitment process, and therefore one should expect a certain flexibility in the selection process. In addition to requiring specific skills for a particular job, the job requirements can also hold some general terms and conditions. These general terms can be the migrant's level of communication skills, for example the ability to speak the company's official language; the ability to adjust to a Norwegian company culture, and the level of the migrant's mobility. All my informants had an international customer base, and dealt with customers primarily in English.

### *Goals, expectations and choice in the recruitment process*

There is a level of flexibility in the selection process. As mentioned in chapter two, the highly skilled are not only recognised for their formal qualifications, but also for their individual assets and their experience based competence. It is also important to remember that motivations for recruitment can be that the employees themselves make the initial contact with the company, and the workers' own initiative might result in recruitment if they meet the necessary requirements. Job applicants can therefore possess a number of qualities, and might not always fit the original job description requirements. The dynamic activity of a firm, which encompasses setting general goals and expectations to making choices, is well known from classic organisational literature such as "A behaviour theory of the firm", first published in 1963 by Cyert and March. They identify two sets of variables affecting the goals of an organization. "*The first set influences the **dimensions** of the goals (what things are viewed as important) (...) The second set of variables influences the **aspiration** level on any particular*

*goal dimension*” (Cyert & March 1992; p.162, original emphasizing). Whilst the first set is influenced by the organizational division of labour in decision making, the second set is influenced by the organization’s past goal, past performance and the past performance of other “comparable” organisations (Cyert & March 1992). Relating this to recruitment strategies of the highly skilled, the competence requirements can be the goal dimensions, set and influenced by those in charge of recruitment. The competence requirements are influenced by the company’s previous goals and performances in this type of recruitment, which sets the level of aspiration. Further, Cyert and March argue that the expectations that can be drawn from these goals:

“...are the result of drawing inferences from available information. Thus, we consider variables that affect either the process of drawing inferences or the process by which information is made available to the organization (...) Affecting the intensity and success of search are the extent to which goals are achieved and the amount of organizational slack in the firm” (Cyert & March 1992; p.163).

Relating this back to recruitment strategies, several factors can alter original expectations. Adding new knowledge to the company about a recruitment channel, or introducing them to a new strategy of recruitment, might alter the level of expectations they have to their recruitment effort results. If introduced to candidates with competences that were not originally specified in the recruitment goals, but are still considered to be of recruitment interest, this might also alter original expectations of candidate qualifications. A third altering factor might be that no suitable candidates that match the original requirements are found, with the result that the job position requirements might need to be adjusted to meet available candidates in the labour market. Finally, the organisation has to make a choice of which candidates to recruit. Cyert and March write that:

“Choice takes place in response to a problem, uses standard operating rules, and involves identifying an alternative that is acceptable from the point of view of evoked goals. Thus, the variables that affect choice are those that influence the definition of a problem within the organization, those that influence the standard decision rules, and those that affect the order of consideration of alternatives” (Cyert & March 1992; p.163).

The final decision in recruitment, choosing the right candidate for the job, is then influenced by the factors mentioned above, i.e. by those who are setting the job requirements, their knowledge and their expectations versus their recruitment results. In 6.2 we will see how my

informants relied on previous experiences of language skills and country of origin when developing recruitment strategies of highly skilled internationals.

## **6.2 Geographical dimensions in the recruitment process**

### *6.2.1 Location*

As we saw in chapter five, recruitment channels exist on many geographical levels, from the very local to the global. However, most cases of recruitment require the recruited to live and work at specific locations. The location of the job is usually specified in the job advertisement, but the way in which the location is presented to the applicants might differ. My web analysis in 5.1.3 showed that none of my informants spent many resources on promoting the municipality or region in which they are located on their individual websites. Even those who posted their job advertisements online, focused on promoting the company and position requirements, rather than the location. My informants stated that when advertising, they generally focused on the job requirements. Some stated that they tried to provide some information about the region and location, but this was always at a later instance, for candidates that had already applied. I will return to the subject of attracting labour to the region in chapter seven, as this is an area in which regional actors, other than the companies, are highly involved (See 7.5)

### *6.2.2 Where do the highly skilled come from?*

Companies that recruit might have strong preferences as to where the migrants come from, related to experiences and perceptions of different cultures and the (perceived) level of education in different countries. One can assume that whilst language skills and a requirement of mobility are somewhat standardized requirements in all recruitment strategies of the highly skilled, the company preferences and experiences of recruiting the highly skilled from different countries of origin are more likely to be dependent on the company's own culture, experience and location.

Accounting for a company's previous experience of international recruitment can be highly relevant, as it may be a factor in a company's choice of present recruitment strategy. In Norway, the industry is mainly characterized by a fairly flat organizational structure, which

contrasts with strong hierarchical structures in the industry in other countries. Rusten et al. (2005; p.528), write that:

“Norway is a relatively non-hierarchical, egalitarian society and in this sense is an open society; (...) Norway’s openness is founded in the country’s history, political system (social-democratic welfare state with no aristocracy apart from the Royal family) and culture (mostly ethnic Norwegians).”

Recruiting the highly skilled from one business culture to another might prove to be difficult, and companies might choose to recruit people with nationalities that they consider to be adaptable to a Norwegian business culture. Experiences with different cultures may have a self-enforcing effect on recruitment strategies in two ways. On the one hand, positive experiences with highly skilled from one particular country can lead to further recruitment strategies specifically targeting this area. On the other hand, negative experiences with the highly skilled from particular countries might lead to a recruitment strategy that consciously avoids certain areas or countries.

There seemed to be very few restrictions as to from where my informants recruited their highly skilled migrants. Initially, I assumed that most informants would have a European perspective on recruitment, mainly because of Norway’s membership in the EEA applying few restrictions to labour movement, and the long lasting tradition of labour exchange between the Nordic countries (as explained in chapter four). However, European versus International regulations on worker’s movement, as described in chapter four, did not seem to limit my informants’ choice of geographical areas for labour recruitment or the temporality of it. Part of the reason for this seemed to be the frequent use of recruitment agencies and temporary help services, that took care of all practical issues that are associated with recruiting a foreigner. Also, the larger companies had outsourced or delegated this responsibility of recruitment. Some of the smaller companies had gone through the entire paper work process themselves, but did not mention having any problems related to it. Informant G was the only informant who specifically mentioned that it was easier to recruit within EEA, although he did not state that it was part of any specific recruitment strategy. *“It is easier to recruit within the EEA, so it just came to be that way. (...) but if a Chinese person knocked on the door and said: “Hey, I know all this stuff, hire me!” then we’d probably take on the job of getting him here”.* (Informant G).

However, geography was still a very important variable in the recruitment strategies. My informants' experiences with people, cultures and nationalities seemed to influence their choice of areas for international recruitment. Most of them were very clear about what to expect from different nationalities, and the advantages or disadvantages of recruiting from various countries. I believe this factor is very important when investigating company recruitment strategies. Those planning the recruitment strategies and selecting the candidates seemed to do so with considerations to their own previous experiences.

As Informant A worked closely with their company located in an overseas country<sup>10</sup>, part of the company training scheme was recruiting engineers on short-term contracts. My informant had some mixed experiences with these engineers. *"You have to give them a follow-up constantly, they do what they're told, and after that they just sit there. (...) They are not as practical oriented; they have a long way to go. But theoretically they are brilliant"*. (Informant A). However, the experience was that some of the expats chose to stay on in Sunnhordland and apply for long-term contracts. My informant considered these applicants to be a valuable asset to the local office as this in many ways enabled them to "keep" the investment. It was not however part of the scheme's original intention.

Informant E had the same experience with migrants from Asia. He emphasized that even though it took awhile for the migrants to get used to the shift from hierarchical to a more flat organizational structure, once they got used to it, they liked it and did not want to go back to their home country. With this experience they found that it was well worth the effort and costs of recruiting migrants from Asia with similar cultural backgrounds. Informant E's previous experience with people from Asia was reflected in the present recruitment strategy, which now specifically targeted the same countries for highly skilled recruitment.

Informant D made a very interesting differentiation between geography, the skill level and long-term versus short-term hire. The company's experience with workers from an Eastern European country for example, was that they were excellent for short-term projects and in lower skilled jobs, but their cultural attachment to families made them somewhat unsuitable for long-term hire which was the type of contract that he preferred to give the higher skilled.

"In [country x] we found something odd. This notion of the extended family is very strong there. (...) They could work here for a year without going home, but they wanted to go home

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<sup>10</sup> Country as not been specified with consideration to my informant's anonymity

eventually and that they did. It is ok to get recruit a welder for some project work, but to hire a [country x] engineer, training him in our products, it takes one to two years before you can function properly here, and then he's ready to go home" (Informant D).

A last example of these sorts of experiences is Informant G's close collaboration with a company in Eastern Europe. Their positive experiences with these workers had led to both short-term and long-term hiring of Eastern Europeans through this network. My informant was also satisfied with some other Eastern Europeans they had hired from a temporary help agency.

"These [country x nationals], the first two have sort of been ambassadors. (...) Now, we know, if we get people here, if they're from [country x] or wherever, they can look for more good candidates. That is something we've asked them to do, and that's how we've gotten more people from there to here" (Informant G).

Again, previous experience had a self enforcing effect on present recruitment strategies, targeting a specific country repeatedly.

### *6.2.3 The importance of language and communication in highly skilled recruitment*

A common denominator for all informants who took part in my study was the importance of language and communication. Most informants stated that they preferred staff that was able to understand Norwegian. Both Informant D and E had clearly demonstrated this by making an advance towards the Swedish labour market and some Swedish and Finnish universities. Informant E, said: *"it can't be ignored that it is a major advantage that they are Nordic speaking at least (...) It has to do with communication and social environment here, the small talk"* (Informant E).

For the most part though, the sufficient language requirement for the highly skilled migrants was a certain fluency in English, and half of my informants had English as one of their official working languages. Williams et al. (2004) emphasize the importance of migrants possessing 'language capital' in order to take part in the global labour market, as English is the language of international business. Benson-Rae and Rawlinson (2003) also identified English as a key factor in offering employment to the highly skilled. The ability to locate those highly skilled that speak English seems to be a crucial factor in highly skilled recruitment strategies.

It was clear that 'language capital' was an important requirement when recruiting the highly skilled. *"We demand that they are English speaking, that they both understand and can be understood, and that they can read and write English. English is our working language"* (Informant G). However, no one mentioned how the migrant's language skills were verified prior to recruitment. All informants circulated information in both Norwegian and English, and several informants stated that English was their official work language. The welcoming attitude towards the English-speaking was something that Informant B attributed to the Scandinavian culture.

An important aspect of communication skills, that should be stressed, was that in this line of industry, with great safety requirements, communication was an important part of safety precautions. Informant E told me about a horrifying incident in which one person nearly lost his life, due to another person's lack of understanding the security information. Safety and difficulties in communication was also the reason why several informants ran security information in as many as four languages,

As far as possible then, recruiting English or Scandinavian speaking workers were part of the recruitment strategy.

### **6.3 Summary**

In this chapter I have discussed some factors concerning recruitment and labour flexibility, and discussed the process of recruitment, from setting goals and expectations to making choices about candidates. I have further investigated some geographical dimensions in the highly skilled recruitment strategies.

In the next chapter I will look at important factors for attracting highly skilled labour to the region, and on strategies of labour retention. This chapter will argue for the need to incorporate the region as a variable, and include other regional actors if one fully wants to understand the complexity of highly skilled migration.

## **7. Attracting and retaining the highly skilled**

As previously mentioned, understanding the many ways in which the highly skilled migrants are recruited is dependant upon an appreciation of the differences in the companies' choice of recruitment channel(s) and selection of candidates. There are many different factors determining the direction and duration of migration. Looking back to the theories presented in chapter two, highly skilled migration is seen as an individual or household decision. How then, can a company implement this factor into its strategies of highly skilled recruitment?

All companies have to follow the laws and regulations set by local and national authorities. They are also obliged to follow the international laws and regulations which Norway is a part of, such as those made by the European Union (EU), the European Economic Area (EEA), and the World Trade Organisation (WTO). Thus, they are obliged to adjust to rules and regulations, to politics, and to the social environment in which they are embedded. There is an inter-dependency between place and company in highly skilled recruitment. On the one hand, companies depend on their locality for infrastructure, areas for housing, health and social services, etc. basically the health and welfare of the company employees. On the other hand, the locality depends on the companies for providing workplaces, and encouraging regional investment, as well as the provision further economic development, in which the recruitment of highly skilled labour can be a key factor.

In chapter five and chapter six I discussed the different channels for recruiting highly skilled migrants, and some aspects of labour flexibility and other requirements for recruitment. There are still some important issues that need to be discussed in regard to highly skilled recruitment. In the end, companies do not make the migration decisions for the highly skilled, the migrants themselves do. As mentioned in chapter two, when investigating migration decisions among the expats in Sweden, Bogren (2008) argues that it is important to account for the migrant's 'mobile capital', that is, their knowledge and ability to make informed decisions about their own migration. In a company recruitment strategy then, there are some questions that need to be considered: What makes a migrant decide to move to one place and not another? A highly skilled person might have several job options that will pay equally well. So what instruments can a company activate and use in order to attract the highly skilled, besides offering them a job and a good salary. What strategies can be implemented in an effort to persuade the highly skilled to chose one particular place as their migration destination? And what can be done to retain them?

In this chapter I will argue that the region in which companies are located, play an important part in a company's ability to attract and retain the highly skilled. As previously mentioned, in both chapter two and chapter five, migration decisions can be influenced by what is called push and pull factors. Efforts that are made to make the region an attractive destination for migrants can be considered as an important perspective in recruitment strategies. This chapter tries to locate some of the actors participating in these efforts, as they can be central to understanding the broad spectrum of strategies and modes of recruitment. Firstly, I will look at specific efforts that have been made in Bømlo and Stord to attract and retain the highly skilled migrants. After this, I will approach the same issue from a company angle. Then, I will look at efforts of integration and retention that have been made at the Sunnhordland regional level, and also look at some approaches to regional marketing as an effort to increase the region's attractiveness.

### **7.1. Pull factors and the role of public administration**

A lot of the pull factors that are accounted for in highly skilled migration, are factors such as health care, kindergartens and schools, low crime rates, housing etc. (Burkert et al. 2008; Ewers 2007; Meijering & van Hoven 2003). As presented in 2.1.2, Burkert et al. (2008) specified five quantifiable factors that could attract skilled foreign workers on a regional level. These were general economic factors, labour market conditions, housing market variables, environmental conditions and political regulations. They argue that these factors might explain regional differences within a country, and explain why migrants seem to choose some places over others as their destination. Likewise, Khoo et al (2007a) found that the largest percentage of migrants had come because of the Australian climate and lifestyle, followed by a wish to gain international experience and for better employment opportunities. Whilst some of these conditions listed by Burkert et al. (2008) and Khoo et al. (2007) can be determined by the level and success in the industry, a lot of these pull factors might fall under the responsibility of the public administration, either at a municipal, county or state level. In other words, both private and public actors influence some of the pull factors in highly skilled migration.

The public administration is responsible for making a place accessible by providing good infrastructure and possibilities for both private and public transportation. Ewers argue that the high level of infrastructure, and closeness to an international airport is one of the main factors

that can make large cities highly competitive in the global economy (Ewers 2007). On a more general level, it has also been argued that for those who wish to have a more urban lifestyle, access to the outside world can function as a pull factor (Jakobsen et al. 2005).

Migrants might also be interested in moving to a place with a low crime rates and good possibilities for leisure activities. The local public administration can play a vital role in the welfare of the locals by subsidising local organisations and constructing spaces, such as culture houses and sports arenas, open for the local public. In my presentation of Bømlo and Stord in chapter four, I accounted for several of the pull factors mentioned above. In this chapter I will therefore only focus on some of the factors that my informants emphasized in the interviews.

## **7.2 Attract and retain - Efforts made by the public administration in Bømlo and Stord**

I will now review some of the specific efforts made in Stord and Bømlo, including future plans that can affect their abilities to ‘pull’ and attract the highly skilled migrants to these specific places and also retain them. When I investigated the aspect of place and locality in highly skilled recruitment, I wanted to interview those with key information about the workings of the municipal public administration. My empirical data on this subject is generated from interviews with the mayors in both municipalities, Liv Kari Eskeland in Stord and Inge Reidar Kallevåg in Bømlo, as well as one interview with the head of industry and development in Bømlo, Magne Raknes.

### *7.2.1 Infrastructure*

Both municipalities placed great emphasis on the importance of good regional infrastructure. There were many reasons for this. Firstly, infrastructure was seen as a necessity for economic and industrial development. Access to and from local industrial areas was vital for maintaining and developing a high level of industrial activity. Secondly, easy access to and from the islands, as well as new and improved roads was thought of as something that would attract more people to move to the area and settle down. Kallevåg, the mayor of Bømlo, emphasized the importance that the construction of the Triangle Link (Trekantsambandet) had had on the possibilities for the companies in Bømlo to recruit labour commuters:

“As an isolated island there were limitations as to from where the local labour could be recruited. Now that we are connected to the mainland, the surroundings that are within a one-hour reach have expanded. This has been very beneficial for the companies when they are recruiting labour” (I.R. Kallevåg)

Through a collaboration with private actors, Bømlo municipality had recently started a project that would improve the safety of the roads on the island itself. This project was estimated to cost about 1 billion Norwegian Kroner.

Stord, like Bømlo, is also connected to the mainland through the Triangle Link. Stord also has an airport with daily flights to Gardemoen airport in Oslo, the biggest airport in Norway. This connection to Oslo was something that Eskeland (mayor of Stord) considered to be very important for the local industry, and the public administration showed positive attitudes towards to the existence of the airport on the island.

The municipality of Stord faced some challenges in the planning and maintenance of the roads, as some of the roads crossing the island were owned by the Hordaland county municipality or by the state. Stord municipality is a member of a Hordaland county council called Bergen Business Region. A future goal of this council is to create mainland connections with Stord on the north side of the island as well, removing the necessity for ferry connection. This is an improvement in infrastructure that would drastically decrease travelling time between Stord and Bergen, Norway's second biggest city. For the time being however, this project had not been initiated.

There are however some important factors that Burkert et al. (2008) mentioned as important pull-factors, but that my informants in the public administration did not mention specifically. Firstly, in economic upswing, Sunnhordland has a rather tight housing market. Especially when recruiting labour on short-term contracts, a lack of temporary housing can be a challenge. Two of the larger companies that I interviewed had their own temporary housing solutions for those coming to Sunnhordland on short-term basis. However, the industry in Sunnhordland is dominated by SMBs, and might depend more on the public administration for improving the current temporary housing situation. Secondly, highly skilled migration is not always an individual decision, but might be a dual career household decision (Coles & Fetcher 2007). Many such households are not likely to accept one job offer without a second job offer. The Sunnhordland region is dominated by the manufacturing industry, and the lack of i.e. academic jobs (there is only one college in the region), might prevent the region from pulling highly skilled dual-career households. Thus, the labour market conditions in the Sunnhordland region are a very relevant potential pull-factor. Probably, the region could benefit from stronger cooperation between the Sunnhordland municipalities in developing labour market opportunities for dual recruitment. Thirdly, more flexible arrangements, such as

an all-year intake to kindergartens and creating possibilities for children to pursue an international education, would be strong pull factors in highly skilled recruitment. These arrangements would also have to be promoted at an early stage in the recruitment process.

### 7.2.2 Other pull-factors

To attract investment and labour to the Bømlo island, Kallevåg emphasized the importance of broad band access, especially for the industry, but also for the local population. *“All of a sudden, it became just as important to have a good broad band connection as it was to have a good road (...) It is not going to be a handicap settling in Bømlo, as to what concerns communication and internet”* (I.R. Kallevåg). The Bømlo municipality had therefore, through a co-op with the local electrical company, invested a great deal of money in expanding the broadband connection on the island, making it available for everyone. *“If you think about recruitment, I think this is an important factor when people choose where to settle”* (I.R. Kallevåg).

Both municipalities considered culture and leisure activities to be of great importance when it came to making Stord and Bømlo attractive places for settlement and for retaining. They invested money in culture and sports arenas and supported theatre and musical productions. The mayor in Bømlo believed there was a direct correlation between the access to leisure activities and the efforts in company recruitment. *“When the companies are in need for more labour, when people are considering moving to Bømlo, they need to have some recreational activities available after four o’clock.”* (I.R. Kallevåg). He specified that Bømlo could not compete with larger cities in providing recreational activities, but they still tried to keep a high level compared to their relatively small population. The mayor in Stord shared Kallevåg’s attitude concerning the importance of having a high quality level of culture and sports, even if they were a relative small municipality. Variation in type of leisure activities was also an important point. *“We have over 400 clubs and organisations here. If you want to get involved, if you have a specific interest, you will most likely find someone to share it with”* (L.K. Eskeland).

## 7.3 Attract and retain – efforts made by private industry actors

My company informants had taken different approaches and strategies to cope with attracting and retaining labour. Whilst some did not use too many resources on developing attracting

and retaining strategies, others displayed a strong focus towards developing such strategies. Some of my informants had tried to market their municipality and their region when recruiting. Two of them stated that they especially focused on the region and its assets when they visited universities or recruitment fairs for recruitment. Informant D said that:

“The presentations that we hold when we are out travelling, present the area here, Bømlo and Stord, just as much as they present jobs and job contents. (...) It’s a part of finding the right points of connection. This is not the place for you if you are a cafe latte guy from Oslo.(...) We focus on who we are, what challenges we can give that are related to work, and what possibilities there are for spare time activities.”

Several informants expressed a frustration over the fact that there were few online Internet sites that marketed the Stord, Bømlo and Sunnhordland for an international audience. Many expressed that they would appreciate more online practical information about the region that they could refer to in the recruitment process. One informant who had tried referring to online websites in recruitment said:

“We sent them links to different pages, to our municipal’s own homepage and other regional web pages so people could get some information. (...) We used what was there, no, it was not very impressive. (...) we found some links eventually, but they weren’t exactly from these local surroundings, mostly it was tourist information from the Norwegian west coast.” (Informant G).

When it came to retaining, the level of help offered to migrants in settling within the locality varied between the different companies. For the most part, the companies helped to find suitable housing and connected them to leisure activities. If the migrants came with families, most stated that they were willing to help finding a job for a spouse, and kindergarten or school accommodation for children. Most of this help was tailored to each migrant depending which needs were expressed by the migrants themselves. Some had also provided the migrants with boats or bikes, and brought them along for ski trips or other types of excursions.

#### **7.4 Regional efforts on integration and retaining**

With a focus on the migrants in the region (both the highly skilled and other migrants), there were some co-operational schemes that had been developed with the intention of easing the migrants’ integration. These schemes were all efforts to obtain what Wulff and Dharmalingam

(2008) refer to as ‘social connectedness’, as explained in chapter two. The idea was that integration into the local society was crucial for the retention of qualified personnel.

Bømlo municipality had made some specific efforts to integrate the newcomers (both Norwegians and foreigners). With the help of Høyskolen i Bergen (the Bergen College) they conducted a research to find out why some of those who moved to Bømlo, seemed to move from Bømlo within a couple of years. The results from this research had showed that the first two or three years were critical for migrants. If they were not integrated by then, they were more likely to move to somewhere else. The municipal administration had therefore implemented something they called “coffee with the mayor” which focused on integration of the newcomers.

“We have a deal with the Directory of Residents. Each quarter of a year they send us an updated list of all our new inhabitants. When we receive the list, we send out an invitation to all the newcomers, where they are invited to a meeting at the culture and arts centre to receive information about the municipality. We try to specify that we appreciate their choice of moving to the island, and that we hope they will stay. Then we end the meeting with coffee, cakes and some socialising” (I.R. Kallevåg).

The newcomers were also given free tickets to cultural events as an effort to introduce them to the cultural life and people in Bømlo. There was no such equivalent in Stord.

In the Sunnhordland region, two schemes had been initiated with the intent to ease the workload for companies when recruiting international labour. These schemes also intended to have positive effects on integration and retaining. One of them was developed through a collaboration between the Bømlo municipal administration, the adult education program, the local NAV office, Bømlo industry council, Bømlo centre of Occupational safety and health, and Wårtsilå. This scheme is called “Klar for innsats”, which translates to ‘Ready to work’. The idea is to increase the efficiency of the integration of people from other countries and cultures into the working life in Bømlo. This will be done by selling services connected to the recruitment and integration of newcomers, such as juridical counselling, Norwegian language course, locating jobs for partners, social codex information, locating proper housing, map out certifications, and general information about the region regarding health and social services. The motivation for this project is stated in the business plan as the following:

“Municipals located in the regional outskirts are already experiencing problems with attracting labour, to both private and public enterprises. This challenge is likely to increase in the years to

come. It is therefore important to start constructing strong, local actors for the integration of immigrant labourers. We know it is time-consuming for each company director or company to familiarise themselves with the formalities concerning the employment of foreign labour. In addition there are many practical ways in which one can optimise an integration process. Our belief is that by consciously working with this, and by building a specific competence in this field, our municipality can have a comparative advantage in the future, whether it is the need of the private industry or the need of the public administration itself” (KlarForInnsats 2008; my translation)

This citation clearly demonstrates the engagement and cooperation of several strong regional actors about the subject of international labour recruitment. It also shows a focus on developing a local competence of international recruitment strategies as a way to increase Bømlo’s competitive advantage. The Municipal council approved the business plan on June 16<sup>th</sup>, 2008, but according to Magne Raknes, head of industry and development in Bømlo, the project has been postponed until the economy has recovered from the financial crisis.

The other similar program had been developed by Atheno, and initiated through Team Sunnhordland, the inter-regional council where all the Sunnhordland municipalities are members, as well as representatives from private enterprises. This project was based on a Bergen Service Centre model. The idea was to construct a service centre with a regional customer base, which would provide an emergency help desk, newsletters and personnel that would assist the newcomers in practical doings. The difference between this centre and the one in Bømlo, was that this was meant to be available to all newcomers, both Norwegians and foreigners. Having a service centre with a regional perspective was thought to have several advantages. The service centre staff would be able to provide a more comprehensive knowledge base of the entire region and they also wanted to connect newcomers from across the municipalities in networks as an effort of integration.

Common for both of these projects however, was that none of them had actually been started. By the time of my fieldwork, both of them had been put on hold and no one knew when they would be re-activated. The reasons stated by both Raknes and the Atheno group, was that the industry was not as willing to make investments in these sorts of recruitment and retaining schemes after the start of the global financial crisis. The developers behind the projects did however assume that the need for this type of initiative would emerge with the next economical upswing, and the next time it would be a faster process as all the groundwork had

already been made. The project in Bømlo had been approved by the municipal council and seemed to be further along in the process.

### **7.5 Regional marketing and information – cooperation between public and private actors**

One attempt to increase economic development and investments in a region can be through tourism development and regional marketing. Tourism and marketing can target an international audience as well as a national audience, and can be a strong influence in attracting highly skilled migrants, especially by its use of appealing visual effects. There are many ways in which a place can be marketed. As mentioned in the introduction of this chapter, highly skilled migrants are likely to have a ‘mobile capital’, a knowledge of places (Bogren 2008). In other words, their decision about where to migrate is most likely an informed decision based on accumulated knowledge. Knowledge of places can be obtained in many different ways. In a research of the information process and settlement process among the highly skilled in New Zealand, Benson-Rea and Rawlinson found that information obtained through *the migrants’ network* was a strong determinant in both their decision about where to move, and their expectations to the place prior to their move (Benson-Rea & Rawlinson 2003; my italics). These networks can be of different characters, i.e. social networks, expat networks or online networks. Also, Nagel (2004) stresses the fact that the highly skilled are just as likely to belong to ethnic networks as those with lower skills, which also might be important in obtaining information. Knowledge of places might also be gathered from personal experience through tourist travel, making it relevant to also investigate tourist-marketing approaches.

The most convenient tool for regional marketing is the Internet. Creating a webpage is fairly simple, cheap, and the information is internationally accessible the minute it is uploaded. As I specified in chapter two, Derwing and Krahn (2008) found that the Internet was the best possible way to distribute information if one wanted to attract labour to outside of the metropolis. In chapter five I conducted a web analysis on all of my company informant’s websites. I concluded that there was very little marketing of the Sunnhordland region or of the municipality in which the company was located. For the most part, the companies used their websites for marketing their products and services. I did however find that they marketed

their region and location when visiting universities and recruitment fairs, as explained in 5.1.3.

I was interested to see if Stord, Bømlo and Sunnhordland were marketed on other online sites that were not directly related to the companies, and if so, in what languages and towards which target audience? Also, can these be helpful websites for the private companies in their recruitment process? I conducted some Google searches using the three different place names as search words. When I searched for Stord and Bømlo, both searches gave first hits to the municipalities' home page. During my fieldwork in September all my informants in the public administration stated that their municipality home page was under construction to be modernised and improved. It was interesting to investigate the results a half-year later, and see if the home pages deliver as the public administration intended it to. In September Eskeland (the mayor of Stord) stated that:

“A lot is communicated online, so maybe it is all about having good web pages? (...) Our home page is under reconstruction, so I'm hoping that now it will be a homepage that communicates better outwards, both to our inhabitants, but also to those who are curious about Stord, a product that is more sellable if you will”

The new and current home pages to Stord and Bømlo seem to be very similar, both in regards to type of information and target audience. [www.stord.kommune.no](http://www.stord.kommune.no) provides information on public service, infrastructure, cultural facilities, local maps etc. It also features contact info and a direct phone service. All in all, the Stord home page makes it easy for the inhabitants to participate in their community and interact with the public administration. However, all information is in Norwegian only. This makes it very hard for foreigners to obtain information about the municipality prior to arrival, and prior to learning Norwegian. The same can be said about Bømlo municipality's new home page [www.bomlo.kommune.no](http://www.bomlo.kommune.no). Even though it provides detailed information about the municipality, and enables the inhabitants to actively participate in their community, it offers very little information in other languages. The option of choosing English or German, only provides a brief tourist information. I will state that even though Bømlo and Stord succeeded in updating and modernising their municipal home pages to accommodate their inhabitants in a positive way, these home pages cannot in any way function as informational web sites for foreigners curious about these places, unless they already speak Norwegian. The target audience is strictly Norwegian speaking.

The third search word, Sunnhordland, led to a more positive result in regards to international marketing, namely the web page [www.visitsunnhordland.no](http://www.visitsunnhordland.no). This is a tourist information web site that provides information about where to stay, what to see, a calendar of activities and exhibitions in the region, the possibility of online accommodation booking etc. There are also photos from the region as well as maps. All information is provided in Norwegian, English and German. The target audience for these web sites are undoubtedly tourists. It is however a positive contribution to international regional marketing, and one should not forget that tourists could be potential labour migrants. When trying to attract and recruit international labour, this is a website that can easily be linked and referred to in job advertising. This website is also linked through [www.visitnorway.com](http://www.visitnorway.com), a central website for Norway's tourist marketing. Unfortunately, the website did not turn up in search results using Stord or Bømlo as keywords. This might be limiting potential hits from the target audience. None of my company informants linked either of the above-mentioned web pages from their company home page.

Place-marketing strategy can be developed as a joint cooperation between many private enterprises, through collaboration between the public and the private, or it can be initiated by the public administration alone. I will argue that the municipals are central actors in the marketing of Sunnhordland, but if the goal is to make the region attractive for the highly skilled, communication and cooperation with the industry in further regional marketing might be crucial to reach the right target audience

### *7.5.1 Future marketing projects*

With direct considerations of Sunnhordland's attractiveness for the highly skilled, a regional project had been initiated through a collaboration between 'Samarbeidsrådet I Sunnhordland', and many actors in the private industry. This project was called "Omdømmeprojektet<sup>11</sup>". My informant in Samarbeidsrådet stated this project had been initiated after the private industry had expressed concerns about being able to recruit enough highly skilled personnel during the last economic upswing. Together with the private industry, and with the support from all municipality administrations in the Sunnhordland region, they had started a project intended to increase the region's attractiveness and market its diversity so that the industry would be

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<sup>11</sup> The project of constructing a positive reputation

able to recruit the labour they needed. The target group for this marketing scheme were highly skilled labourers in the ages 27-35 in an establishing phase of their life. Those who initiated the project wanted to profile a region that could offer the best of both worlds, a region with both urban and rural features. The project intended to profile the central position of Sunnhordland in relation to Bergen, Stavanger and Oslo, and the world-class industry, in the combination with the rural surroundings and the closeness to the sea and nature. During the time of my fieldwork, this project was still under construction.

According to my informant in Samarbeidsrådet, the project had two main aspects. Firstly, they wanted to integrate some of the ideas of a Service Centre, developed by Atheno (mentioned in 7.2) and develop a “Welcome centre” for immigrants (both Norwegian and foreigners) in the region. Due to the financial crisis, this project was, as all other similar initiatives in the region, put on hold until the next economic upswing. Secondly, they wanted to construct a website that centralised all information the newcomers would need, from an overview of vacant housing, to cultural life, child care etc. *“All you need to know, will be on this website”* (Informant Samarbeidsrådet). They would also use Internet advertising to reach out to the right target group. The intention was that the industrial actors would be involved in deciding the content on this web site and also contribute to the project financially. Samarbeidsrådet’s role would be the development and maintenance of the website.

My informants in the private industry and my informants in the public administration did not seem to entirely agree as to whom should ideally be paying for this type of advertising and marketing. Informant B stated that: *“I think we would probably participate in it if didn’t cost us anything”*. He was however still interested in participating in the project with knowledge contribution. *“I think if it’s the right investment we’d definitely be a part of it, because we do know that we need quality people over time”* (Informant B). Informant D felt that their role was to contribute to the municipality in which they were located, and then let the municipal administration carry out the tasks with concern to this larger regional project.

The “omdømme” project looks very promising on paper. However, a few critical remarks should be made. Firstly, the project seemed to be moving along at a very slow pace and encountering obstacles. Informant F said that: *“it will be a great concept once it gets started. But the challenge with these co-operational projects from my point of view, is that I get a little impatient when it takes such a long time to agree on everything”*. As mentioned, these plans were in working progress during my fieldwork in September 2009. However, by May

2010, I was still unable to find the web site through a Google search using relevant keywords. Secondly, the project would in first instances target a Norwegian audience, starting with both advertising and web sites in Norwegian primarily. Marketing in other languages was not a priority before later in the process of the project, based on the argument that the financial crisis had led to a decrease in international recruitment. Whilst some company actors agreed with this, others disagreed, expressing the need for making information available in languages other than Norwegian for better international marketing of the region. Mrs. Steinsland in Atheno felt information in English should be a priority for the website of this particular project: *“It has to do with achieving the right results, the purpose of an informational site (...) it is just as important [to have it] in English, almost before Norwegian”*.

My informant in Samarbeidsrådet stated that one of the main reasons for the project was to attract highly skilled labour. Since my company informants expressed the need for international labour in this region, the language limitations in the regional marketing seems to me to be a subject of criticism of the project development so far. In worse cases, the region might enter a new economic upswing, and again experience a need for international recruitment, but still be without a strong marketing scheme directed towards the international labour market. In general, my company informants seemed more aware of their international position and global market value, than did the actors in the public administration. Put to the point, in this particular scheme the public administration seemed primarily to focus on Sunnhordland as a region in Norway, competing in the Norwegian labour market, not as an industry region in a global industry network competing in an international labour market. With this perspective on the regional marketing, the Sunnhordland “Omdømmeprojekt” might not be reaching the target audience that the industry actors perhaps need it to reach in order for it to be effective.

This project demonstrates that there is communication and cooperation between the private and public actors in Sunnhordland. There also seemed to be a preference towards these types of collective efforts of enforcing the region’s competitiveness, as opposed to each making their own individual efforts.

Informant F stated that:

“Sunnhordland as a region is very important (...) People are interested in a whole concept. What is special about being an engineer in Sunnhordland as opposed to working in Oslo? (...) *[In this marketing project]* you bring forward other elements than those we traditionally choose

(...) if you can participate in promoting the nature and the region, I think that can help vary things”

Interviewing public administrative regional actors on regional marketing and online advertising, and including this as a variable in international recruitment strategies, revealed that even though each company individually did not pursue the strategy of marketing the region, many companies were still pursuing this strategy on a collective regional level.

## **7.6 Summary**

In this chapter I have included some actors, in addition to the private companies, that are relevant for understanding highly skilled recruitment to Sunnhordland. I have accounted for the central role of the public administration in making the region an attractive destination for the region. I have focused on some collaborative schemes developed in the region, and concluded that these type of schemes can account for factors that are “missing” from each company’s own recruitment strategy. The inter-dependence between the private and the public seems to be highly acknowledged in the Sunnhordland region, and all of my informants seemed to be conscious of the need for further communication and development of the schemes that had been initiated. I have pointed out some weaknesses in regard to perspectives on how the region should be marketed, and towards whom.

## 8. Concluding remarks and suggestions for further studies

This thesis has investigated company strategies for recruiting international highly skilled labour, with the Sunnhordland region as destination for my case study, The following questions have been the basis for my study

- *What are the companies' recruitment strategies for recruiting highly skilled labour?*
- *What is the role of the region in highly skilled recruitment?*

By mapping out my informant's choice of recruitment channels, and attributing them to a geographical level, I demonstrated the complex process which results in the recruiting of the highly skilled, and created an overview through which it was discovered that the companies themselves are not the only actors involved in highly skilled recruitment. Investigating choices of recruitment channels in relation to geographical levels has also been relevant in understanding preferences between short-term and long-term recruitment of labour and the need for different types of labour flexibility. Contrary to Atkinson's theory (as described in 6.1.1.) in which peripheral labour attachment is claimed to be characterised by general skilled labour, my informants could refer to many cases in which temporary help agencies had been used for highly skilled employment. Factors such as culture and language have been emphasized as variables in recruitment strategies.

Through the analysis based on my empirical evidence, I stated that factors such as marketing and retention were dependent upon company location and other regional actors. In chapter seven I argued for the importance of including the region as a variable in analysing company recruitment strategies. Data from my fieldwork showed how different projects attempting to develop the region's attractiveness as a destination for the highly skilled migrants can be a collaborative effort between private and public regional actors. Whilst none of my company informants spent a lot of resources on marketing their company location individually, some were involved in collaborative marketing schemes with the region's public administration. At the present time, these marketing schemes were generally focused on a tourist target audience.

I will conclude that the region as a variable influences most recruitment channels. As highly skilled migration is an individual or household decision, the company's location and the region's characteristics and qualities are highly relevant for company recruitment. When investigating company strategies for recruiting international highly skilled labour, the region should be included as a dependent variable.

From what I was able to observe based on my interviews and knowledge of the Sunnhordland region, there is in general little communication between the private industry and the public administration. Some of the larger company actors communicated with their municipal administration regarding some practical concerns, (i.e. when a large number of temporary labourers would come to work on projects), but in general my informants (five out of seven), stated that they had little to no contact with the municipal administration. Even though the “omdømme” project (described in 7.5.1) is an initiative for regional cooperation between the private and the public, far from every private actor in the region was involved. In fact, two of my informants had never heard of it, and only three of my informants were actively involved. Few of my informants felt that the public administration could make any valuable contributions to the recruitment process, besides taking responsibility for regional marketing and otherwise fulfilling municipal duties to the inhabitants. This apparent lack of communication between the public administration and the private industry did not seem to worry either parties in regard to highly skilled recruitment, but I will argue that it in fact can have several implications on the region’s ability to recruit highly skilled migrants.

Theoretical contributions referred to in this thesis, specify that the migration decisions are made prior to moving, based on available obtainable information, experience and ‘mobile capital’, and the decisions are often made in dual-career households (Benson-Rea & Rawlinson 2003; Bogren 2008; Khoo et al. 2007a). In this respect, Sunnhordland is competing for international highly skilled labourers who might enjoy the privilege of choosing between job offers. These individuals are in many cases attracted towards an urban lifestyle, found in ‘global cities’ (Derwing & Krahn 2008). Sunnhordland cannot offer the same possibilities and qualities as large cities. Its rural appeal might however in many ways be an advantage that can attract those who wish to live outside of large cities, i.e. families. This is however something that needs to be marketed to a much larger extent than it is today.

There are in fact many moves that can be made in this region that could drastically increase its attractiveness to highly skilled labour. These moves might however require a higher level of communication on a regional level between the industry actors and the public administration.

Firstly, Sunnhordland could benefit by building more temporary housing solutions. In economic upswings, the housing market is tight whilst the industry is in pressing need for labour. Easy access to temporary housing for labour migrants could be one way of increasing

company flexibility in the recruitment of labour, as housing is a primary concern for migrants (Burkert et al. 2008). The extent of temporary housing, the location and organisation of such housing would require cooperation between the various regional actors.

Secondly, it is more and more common for highly skilled migrants to be part of a dual-career household. The recruitment of *one* highly skilled migrant might be dependent on labour opportunities for a *second* highly skilled migrant. A large proportion of the labour market in Sunnhordland is dependent on manufacturing industries, in addition to the normal share of local trade and service jobs. There is a regional college located at Stord, but besides of that, academic job opportunities are fairly limited. Even if some of my informants stated that there existed some informal communication between actors in the region regarding efforts of locating a second job for a “trailing spouse,” it is my opinion that the recruitment of dual-career migrants would greatly benefit from a more formalised network in the region focused on finding or creating labour opportunities for such households. At present, finding a job for a “trailing spouse” seemed to be a focus only after the “primary” migrant had been recruited. This can be a strong weakness in present recruitment strategies as many dual-career households are not likely to make a migration decision based on only one income.

Thirdly, limited information regarding kindergarten vacancies and their application processes, and a lack of an international educational system, are factors that can deter the highly skilled migrant household from deciding upon Sunnhordland as their migration destination. Also, better information should be provided about Sunnhordland’s proximity to Bergen, with its public and private services and cultural events, and not least, the Bergen international airport with daily international flights that provide access to many international cities. All this could be valuable information that should be given at an early stage in the recruitment process. The region could also benefit from promoting the already existing international community in Stord, for example by starting a Sunnhordland Expat website<sup>12</sup>.

Sunnhordland has many good qualities that could attract highly skilled migrants. However, bad communication between regional actors can be an obstacle in the companies’ ability to recruit the highly skilled. This especially concerns the companies’ need to communicate with other regional actors about highly skilled recruitment strategies at an earlier stage in the recruitment process. If the region can provide the necessary infrastructure and information to

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<sup>12</sup> Similar to the Norway expat blog <http://www.expats-blog.com/en/directory/europe/norway/>

potential migrants at the initial stage in the recruitment process, the region as a whole will stand a better chance of influencing the migration decisions of the highly skilled, regardless of choice of recruitment channel.

### **8.1 Generalisation and validity of my study**

My research design has been based on a triangulation of data. To achieve external validity of my case study, I have connected my empirical data material to relevant existing theory, and in addition, secondary quantitative data has been included to support my qualitative analysis. This thesis suggests that an overview of company recruitment channels can reveal the relevance of geography and the importance of including other regional actors in order to better understand the complex process of highly skilled recruitment. Even if my selection of company informants is not quantitatively representative, they do however represent a type of industry that is characteristic of the region, and both SMEs and larger companies are included. On these grounds I have suggested trends and implications, which seem to be characteristic for the region. I will state that my empirical case study has been analyzed in a way that fits the requirements of generalisation as presented by Andersen (1997) and explained in 3.7. Further, my thesis has achieved what Yin (2009) calls external validity, through deduction and induction of previous theoretical contributions; and internal validity has been achieved through unveiling a strong connection between the region, its actors, and the companies' choice of recruitment strategies, as discussed in 3.7.1. However, I am aware that the collection of data on a larger scale than that displayed in my thesis would provide more support to my proposed conclusions.

### **8.2 Relevance and further research**

Financial crisis or not, the 'war for global talent' is a continuous hot topic in both Norwegian and foreign media. In May 2010, Bergens Tidende referred to the latest issue of Næringsbarometeret and reported a growing optimism in the Norwegian industry, and the need for Hordaland to recruit labour in the next few years (Hjertenes 2010; bt.no; HordalandFylkeskommune 2010; hordaland.no). Norwegian and international labour immigration rules signalize that there is international pressure on making labour migration less restricted to meet the demands of the global economy, but also to cope with the development of an ageing population. There seems to be an increased focus on labour flexibility. It is important to remember is that labour flexibility does not just mean an increase in short-term labour arrangements. Labour flexibility can also be functional, meaning that

labour gets more and more specialized to meet specific company demands. When recruiting the highly skilled internationals, it is not always about locating those with a high level of mobility. It might be just as important to recruit someone who is willing to stay with one company for a longer period of time and go through specific training, and who has the ability to continuously learn and develop new skills. Many companies might need to recruit within both types of labour flexibility, and possibly choose different recruitment strategies to do so.

Recruitment of highly skilled migrants is a complex process, and it involves many actors. One actor that is becoming more and more acknowledged, especially through media, is the Temporary help agency. It would be interesting to investigate the role of temporary help agency's location in an international recruitment network. How does the temporary help agency promote and market their location in an international context? How do they locate the international highly skilled, and are there geographical preferences and implications as to which countries they recruit from? As the temporary help agencies are growing larger in Norway, they also gain more control over the labour market. This can make them a target for company lobbying or political power play, both in Norway, but also at an international level in which actors attempt to influence which countries the recruitment should be focused on. Factors such as 'brain-drain' and uneven regional development within the EEA area might be reasons for this type of lobbying. It would also have been interesting to do a survey among the businesses in the region on a larger scale, and also to compare it with the status of businesses in other Norwegian regions, related to how they market themselves in a national and international context. Are some regions more aggressive than others when it comes to promoting themselves internationally? And if so, has this marketing led to any results? It would be especially interesting to see how the regions use the media and online advertising.

Without a doubt, highly skilled recruitment and the movement of labour are issues that are highly relevant for academic research. Knowledge is power, and knowledge is a valuable commodity, and those who succeed in accumulating it will most likely stand to gain from it. Whether the area of expertise is politics, economy, history or social geography, the movement of labour is likely to be an important factor that will continue to be subject for research and discourse.

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## **10. Appendix**

### **A1- Norway and labour immigration rules**

Workers recruited within the EEA are not required to apply for a residence permit, except for those with citizenship from Bulgaria and Romania. All EEA members are however required to register online with the Norwegian Directorate of Immigration, and report to a local police office or an Immigrant Service Centre (UDI 2010).

Foreign internationals outside the EEA area are subject to a national quota system of labour, which is set each year by the Ministry of Labour. The quota system is set in place so that skilled labour can be recruited without some form of prior research labour market needs. In 2010 this quota is set at 5000 workers. For obtaining a skilled residence permit, it is required that the applicant already holds a job offer. The new Immigration act allows workers to enter Norway and start working while their resident permit (HordalandFylkeskommune 2010) applications are being processed (UDI 2010).

Those with particular skills are eligible for a residence permit as a skilled worker. Skills are broadly defined as all those who have high school education or higher, or special qualifications obtained through previous work. The skill must also be relevant to the specific job one is applying for. With written authorisations, the employer can apply on the workers behalf. If one member of the family is issued a skilled residence permit, the rest of the immediate family is eligible for a residence permit for the entire duration of the employees work visa. This skilled residence permit is valid for three years and can be renewed (UDI 2010)

There is also a separate residence permit for specialists, issued on the grounds of an annual salary of 500.000NOK or more. Applying for a skilled residence permit or a specialist workers permit are the two most common options for those employed in international companies (UDI 2010).

## A2 - List of informants

Category 1: Company Informants. Municipal location is not specified to protect the companies' anonymity

<b>Informant Name</b>	<b>Size of Company (Only at the Sunnhordland location, not included other companies in same corporation)</b>
Informant A	SMB
Informant B	SMB
Informant C	SMB
Informant D	More than 250 employees
Informant E	More than 250 employees
Informant F	More than 250 employees
Informant G	SMB
Sylvi R. Sørfohn	Daily Manager Atheno
Astrid K. Steinsland	Project Manager Atheno

Category 2: Informants in the public administration

<b>Informant Name</b>	<b>Administrative position and regional level</b>
Liv Kari Eskeland	Mayor in Stord Municipality
Inge Reidar Kallevåg	Mayor in Bømlo Municipality
Magne Raknes	Head of industry and development in Bømlo Municipality
Informant Samarbeidsrådet	Samarbeidsrådet Sunnhordland - Inter-municipality organisation where all eight Sunnhordland municipalities are members

Category 3: The migrants

<b>Informant name</b>	<b>Worked for informant:</b>	<b>Came to Norway because:</b>
Migrant 1 - female	Informant A	Attracted to Norwegian culture and nature. Applied herself, specifically targeting Norway as destination
Migrant 2 - female	Informant F	Worked as a trainee. Chose to stay in Norway for social reasons and applied herself for further employment
Migrant 3 – male	Informant F	Came to Norway for social reasons (marriage). Applied for work after his arrival to Norway.

## A3 – Interview guides

### Kategori 1: Intervjuguide for næringslivsaktører

Generelt om foretaket:

1. *Kan du fortelle meg litt generelt om dette foretaket?*
  - Hvor mange ansatte har dere totalt i foretaket? Hvor mange tilhører virksomheten lokalt her i denne kommunen?
  - Hvor mange av de ansatte i deres foretak, og som jobber her i kommunen er rekruttert utenfor Norge?
  - Hvordan er fordelingen menn/kvinner her i denne enheten (omtrent foredeling oppgitt i prosent).
  - Hvilke produkter/tjenester produserer/tilbyr dere?
  
2. *Hvordan har deres foretak valgt å organisere seg?*
  - Er foretaket hierarkisk strukturert eller har det en mer desentralisert struktur?
  - Hva vil du si er fordelene og ulempene med deres organisasjonsstruktur? Da særlig med tanke på rekruttering og opplæring av ny arbeidskraft?
  - Er arbeidskraften seksjonert i team/avdelinger med ansvar for hver sine arbeidsoppgaver?
  - I så fall: er arbeidsoppgaver fordelt og delegert internt i foretaket eller er de out-sourcet,
  - Er sammensatte team faste eller fleksible i henhold til arbeidsoppgaver,
  - Geografisk: befinner alle i et team seg på samme kontor eller samarbeider de ved hjelp av IKT fra andre geografiske plaseringer. Mulighetene er kort sagt mange.

Rekruttering:

3. I min oppgave har jeg fokus på såkalt høykompetanse arbeidskraft. Dvs. Arbeidskraft som fyller stillinger som trenger særlig utdannelse, og da minst på høyskolenivå, mye erfaring eller en spesiell kompetanse. *Hvis du tenker tilbake på foretakets rekruttering av slik arbeidskraft, både nasjonal og internasjonal de siste par årene, kan du forklare meg litt om rekrutteringsprosessen?* Punkter jeg er interessert i her er:
  - Hvor fra i foretaket kommer henvendelsen om ønske om mer kompetanse?
  - Hvor henvender du deg når du har behov for å rekruttere ny kompetanse?
  - Bruker dere rekrutteringsselskaper? Om ikke i hele prosessen, kan det være at rekrutteringsselskaper brukes i noen ledd av rekrutteringen?
  - Hvis dere bruker rekrutteringsselskaper, finnes det slike enheter lokalt tilknyttet dette foretaket? Hvordan engasjerer dere disse?
  - Kan du ellers nevne foretakets ulike rekrutteringsarenaer
  - Hvilke kanaler bruker dere når dere skal rekruttere? Bruker dere internett/intranett? Annonserer dere i media eller blir stillinger kun annonsert internt i selskapet?
  - Bruker dere selskaper som Manpower og Nav?
  - Hva kan du si om det geografiske aspektet når det gjelder rekruttering? Fokuserer dere hovedsakelig på å rekruttere lokalt, eller jobber dere på et nasjonalt, eventuelt internasjonalt nivå?
  - Har firmaet egne avdelinger innad i bedriften som har ansvar for intern rekruttering fra for eksempel andre kontorer ved samme konsern? I så fall, jobber

- disse ansatte aktivt i å kartlegge potensielle rekrutteringskandidater? Såkalt shopping.
- Er noe av arbeidskraften rekruttert ved at de ansatte selv har tatt initiativ til å søke?
4. Oppgaven min tar utgangspunkt i rekruttering av det som på engelsk kalles en "high skilled migrant". Kort fortalt så er dette en person med en ettertraktet kompetanse, tilegnet gjennom utdanning og/eller erfaring innenfor et fagfelt som velger å migrere fra sitt eget hjemland for heller å ta jobber i utlandet. Felles kjennetegn for disse arbeiderne er at de er høyt ettertraktet på det internasjonale arbeidsmarkedet og at de ofte ansees som en svært verdifull ressurs hos en arbeidsgiver. *Vil du hevde at denne bedriften har rekruttert slik arbeidskraft?*
- I så fall, hva vil du si er foretakets strategi for å rekruttere høykompetanse arbeidskraft fra utlandet?
  - Og hvorfor har dere gjort det?
  - Har foretaket hatt en målrettet rekruttering fra utlandet?
  - Er dette rekruttering som hovedsakelig skjer innad i selskapet, altså fra evt. andre avdelinger basert i utlandet, eller rekrutteres det også gjennom mer eksterne kanaler som media eller innleide rekrutteringsselskaper, evt. gjennom universiteter og institusjoner, bare for å nevne noen.?
  - Hvordan brukes IKT i rekrutteringen? Brukes det som et aktivt verktøy i søknadsprosessen? Har dere gode informasjonssider på nett, på andre språk enn norsk, og er disse i så fall tilgjengelig på internett eller brukes det hovedsakelig i form av intranett?
  - Generell profilering: Jobber dere med å utvikle andre strategier for rekruttering av internasjonal arbeidskraft med høy fagekspertise? Hvilke tiltak kan/bør gjøres med nåværende rekrutteringsstrategier?
5. *Hvilken faglig ekspertise har dere rekruttert/ønsker dere å rekruttere fra utlandet?*
- Kan du forklare hvorfor dere evt. ikke rekrutterer denne faglige ekspertisen fra Norge?
  - Er den tilgjengelig?
  - Tilgjengelig, men begrenset?
  - Ønsker dere et internasjonalt arbeidsmiljø?
  - Tilfeldigheter?
  - Det er viktig for å danne internasjonale nettverk
6. Internasjonale høykompetanse arbeidere, karriereflyttere, tar ofte jobber utenlands på kortsiktig basis. Alt fra 6 mnd til 3 år. Dette er arbeidere som ofte blir betegnet som expats. Slike kortsiktige ansettelse er særlig vanlig blant store konsern som rekrutterer internt i selskapet. Likevel velger andre karriereflyttere å flytte permanent eller på ubestemt tid. Årsaker til dette kan være ønske om høyere levestandard, tryggere omgivelser, flere muligheter etc. *Når dere rekrutterer utenlandsk høykompetanse arbeidskraft, er det da på kortsiktig eller langsiktig basis? Bruker dere tidsfestede arbeidskontrakter eller tilsetter dere uten tidsfestet sluttdato?*
- Om dere har valgt det ene fremfor det andre, hvorfor?
  - Hva kan være fordeler og ulemper med begge disse to formene for rekruttering?

7. *Hvilke fordeler vil du si at dere som foretak får ved å innhente høykompetanse fra utlandet?*
- Er slik rekruttering viktig for dere med tanke på å etablere nettverk og relasjoner til utlandet?
  - Kan slik rekruttering utgjøre et komparativt fortrinn mot konkurrerende bedrifter?
  - Kan det skape økt samarbeid mellom regionale aktører som kan være til fordel for dere?
8. *Fremdeles med utgangspunkt i foretaket deres her i Sunnhordland, vil du si at dette foretaket har et bevisst forhold og evt. målsetning i valg av hvilke geografiske områder dere rekrutterer deres internasjonale arbeidskraft?*
- Kommer de fra Norden? EU/EØS (utenom Norden)? Europa utenfor EØS? Verden? Om dere velger å rekruttere nyutdannet arbeidskraft, kommer de da fra spesielle universiteter?
  - Hvis dere har bevisste preferanser i forhold til dette, hvorfor akkurat disse preferansene? Har det noe å si at det for eksempel vil være lettere å rekruttere fra Norden enn fra for eksempel India, sånn rent praktisk, med tanke på immigrasjonsmyndigheter, arbeidstillatelse etc.?
9. *I en rekrutteringsprosess, og da særlig når det gjelder rekruttering av høyt ettertraktet arbeidskraft som gjerne kan velge mellom flere jobbtilbud, kan det være viktig å fremme ikke bare foretaket og selve stillingen det rekrutteres til, men også å gjøre arbeidssøker oppmerksom på fordelene han/hun vil få ved å bosette seg i akkurat denne regionen/kommunen. Under markedsføringen av foretaket, og da særlig med tanke på evt. rekruttering av internasjonal arbeidskraft, hva vil du si står i fokus? Både når det gjelder fordeler ved selve stillingen, men også hva angår andre faktorer som kan være av interesse for arbeidssøker.*
- Lønn
  - Spennende arbeidsbeskrivelse
  - Status
  - Beliggenhet
  - Sosiale tilbud
  - Helse
  - Trygghet
  - Utfordringer
  - Infrastruktur
  - Kulturtilbud
  - Rekreasjonsmuligheter
  - Natur og omgivelser
  - Skole og barnehagetilbud
  - Infrastruktur
  - Annet

Tilrettelegging:

10. *Hvis dere rekrutterer og ansetter en ny kollega fra utlandet, hvordan tilrettelegger dere da for han/hun før og etter ankomst?*

- Hvilke former for hjelp tilbyr dere? Hjelper dere med visum, arbeidstillatelse, bolig etc.?
- Vil du si at det er en klar ansvarsfordeling mellom dere som foretak, det offentlige (kommunen) og immigrantene selv for de praktiske ting som må gjøres ved rekruttering av internasjonal arbeidskraft.
- Om slikt ansvar er fordelt, kan du kort skissere hvem av aktørene som har ansvar for hva når det gjelder tilrettelegging for immigrantene?
- Jobbes det for å tilrettelegge for arbeidsplasser for ektefeller, barnehageplasser, skole, helsetilbud etc.? Hvem har ansvar for disse områdene?
- Hva må den ansatte selv ta ansvar for? Gis det informasjon om dette?
- Hvordan mottas de nye arbeiderne ved velkomst?

#### Samarbeid:

11. *Når vi snakker om planlegging av videre næringslivsutvikling og målsettinger for deres foretak i denne kommunen, hvordan er kommunikasjonen mellom dere som foretak og øvrige aktører i regionen? Da med tanke på både offentlige og private aktører.*

- Finnes det egne utvalg for slikt samarbeid? Har dere for eksempel noe samarbeid med Samarbeidsrådet i Sunnhordland?
- Hva mener du det offentlige bør ta ansvar for/evt. ikke ta ansvar for med tanke på videre næringslivsutvikling? Arealforvaltning, tilrettelegging for entreprenørskap, utvidelse av offentlige tilbud for å skape tilflytting.
- Samarbeider dere med andre private foretak om videre næringslivsutvikling og evt. felles målsettinger.

12. *Hvordan er det med samarbeid om rekruttering og tilsetting av internasjonal arbeidskraft?*

- Finnes det samarbeid om tilrettelegging for arbeiderne og evt. deres familier? Jeg tenker da på tilrettelegging som bolig, evt. barnehager, skoleplasser, informasjonsformidling, kontaktpersoner etc.
- Er dette et formalisert samarbeid? Med møter, workshops etc.
- Hvis dere har et slikt samarbeid, utvalg eller lignende, kan du gi meg en oversikt over de aktører som deltar? Er det bare privat? Er det offentlige involvert? Involveres arbeiderne selv?

-

13. *Hvordan mener du at et eventuelt samarbeid kunne vært? Kan du komme på konkrete tiltak som kunne vært gjort for å bedre et evt samarbeid mellom aktørene i regionen?*

#### Regionen:

14. *Hva kan foretaket deres bidra med i regionen Sunnhordland?*

- Hvordan bidrar foretaket til regionens økonomi, entreprenørskap, sosiale omstendigheter, miljø og øvrig næringsliv?

15. *Kan du si noe om betydningen av internasjonal høykompetanse arbeidskraft i denne regionen?*

- Hvilken rolle vil du si at disse arbeiderne spiller i utviklingen av et voksende næringsliv i Sunnhordland?
- Kan et internasjonalt miljø gjøre det mer attraktivt for videre rekruttering av utenlandsk arbeidskraft?
- Kan disse arbeidernes nettverk i utlandet bidra til nye mulige rekrutteringsarenaer?

Avslutningsvis:

16. *Er det andre poeng/momentene du ønsker å tilføye til dette vi har snakket om siste timen?*

## **Kategori 2: Intervjuguide for nøkkelinformanter i kommune**

Generelt:

1. Kan du fortelle meg litt om deg selv og din stilling i den offentlige sektor?
  - Ansvar, plikter, rettigheter?
2. Kan du fortelle meg kort om kommunens/det offentlige viktigste satsinger i næringslivet de siste par årene og også fortelle meg litt om kommunens fremtidige satsinger og planer?
  - Hvilke tiltak har kommunen gjort for å sikre økonomisk vekst?
  - Hvilke målsetninger jobber dere mot innenfor dette området?

Samarbeid:

3. Hvis vi konsentrerer oss om næringslivsutvikling, kan du fortelle meg litt om noen sentrale prosjekter dere er involvert i knyttet til næringslivsutvikling i Sunnhordlandsregionen, (og hvem andre enn Stord kommune som inngår i disse?)
  - I Samarbeidsrådet for Sunnhordland, har dere særlige fokusområder/utvalg for samarbeid hva angår næringslivsutvikling? Kan du fortelle meg litt om hvordan dette samarbeidet foregår og hvilke prosjekter og mål dette samarbeidet jobber med?
  - Har dere utvalg eller arenaer hvor både offentlige og private aktører samarbeider og evt. utvikler prosjekter om videre næringslivsutvikling?

Tilrettelegging:

4. Næringslivet i Sunnhordland er preget av et internasjonalt arbeidsmiljø hvor mange av immigrantene er rekruttert på grunnlag av høy kompetanse og utdanning. Slik høykompetanse arbeidskraft kan fylle stillinger som trenger særlig utdannelse som høyskole og universitet og spesialisering, mye erfaring eller en spesiell kompetanse som gjerne kan være erfaringsbasert. *Kan du fortelle meg litt om hvordan det offentlige er involvert i rekrutteringen av denne formen for arbeidskraft?*

- Kjenner dere til omfanget på behovet for denne type internasjonal arbeidskraft?
  - Deltar dere aktivt i å kartlegge behovet for slik spesialkompetanse?
5. I rekrutteringen av internasjonal arbeidskraft vil det være behov for en del praktisk tilrettelegging for tilflytteren. Arbeidsvisum, bolig, fleksible inntaksordninger, orientering om tilgjengelige helse og sosialtjenester, evt. barnehageplass og skoleplass for barn, språkopplæring, arbeid for ektefeller etc. *Hvordan bidrar evt. det offentlige i en slik tilrettelegging? Kan du liste opp hvilke tilretteleggingstiltak som denne kommunen/samarbeidsrådet i Sunnhordland bidrar med når det gjelder tilflytting av internasjonal arbeidskraft?*
- Er det egne stillinger i det offentlige som har ansvar for tilrettelegging for internasjonale tilflyttere? Finnes det for eksempel et servicesenter eller en kontaktperson for dem som trenger hjelp eller bistand?
  - Hva mener du bør være det offentliges ansvar når det gjelder rekruttering og tilrettelegging for høykompetanse arbeidskraft fra utlandet? Og hva bør eventuelt overlates til det foretaket som har rekruttert arbeideren, evt. overlates til arbeideren selv. ?

#### Markedsføring og fremtidsvisjon:

6. Når næringslivet skal rekruttere utenlandsk arbeidskraft, kan det være viktig å profilere mer enn bare selve stillingen det rekrutteres til. Faktorer som beliggenhet, kulturtilbud, natur og fritidsområder, skole og barnehage tilbud, nærhet til internasjonale flyplasser, lav kriminalitet osv. kan være avgjørende når en såkalt karriereflytter velger å takke ja til en stilling. Det blir dermed viktig for en arbeidsgiver å profilere og markedsføre slike faktorer i en rekrutteringsprosess. *Hvordan vil du si at kommunen/samarbeidsrådet jobber med og deltar i en slik type profilering og markedsføring av kommunen og evt. Sunnhordlandsregionen?*
- Har dere eget informasjonsmaterieil for tilflyttere? I så fall, hvordan blir dette gjort tilgjengelig?
  - Kan du fortelle meg om hvilke media dere bruker når dere skal profilere kommunen? Dette kan for eksempel være elektronisk media, aviser, annonsering i ulike typer aviser, magasiner og tidsskrifter, dokumentarer osv.
  - Er denne informasjonen om kommunens tjenestetilbud tilgjengelig på flere språk?
  - Jobbes det aktivt med såkalt ”branding”, altså en kommunal merkevarebygging? Dette kan for eksempel være aktiv bruk av omdømmefirma, reklamefirma, et ønske om at kommunen skal markedsføres med hovedvekt på for eksempel næringsliv, natur og omgivelser, friluftsliv, internasjonalt miljø etc.
  - Hvis det jobbes aktivt med slik regional/kommunal merkevarebygging, hvilke aktører har samarbeidet og jobbet frem denne merkevaren? Er det for eksempel et resultat av offentlig samarbeid eller har private aktører også vært involvert?
  - Hvem er målgruppen for denne form for markedsføring? Er det rettet mot et nasjonalt eller internasjonalt publikum?

7. Kan du forslå noen tiltak for kommunen som du selv synes kan være aktuelle i nær fremtid for å bidra til rekruttering av og tilrettelegging for internasjonal høykompetanse arbeidskraft i det private næringsliv?
8. Har du andre tanker eller poeng som du ønsker å tilføye dette intervjuet før vi avslutter?

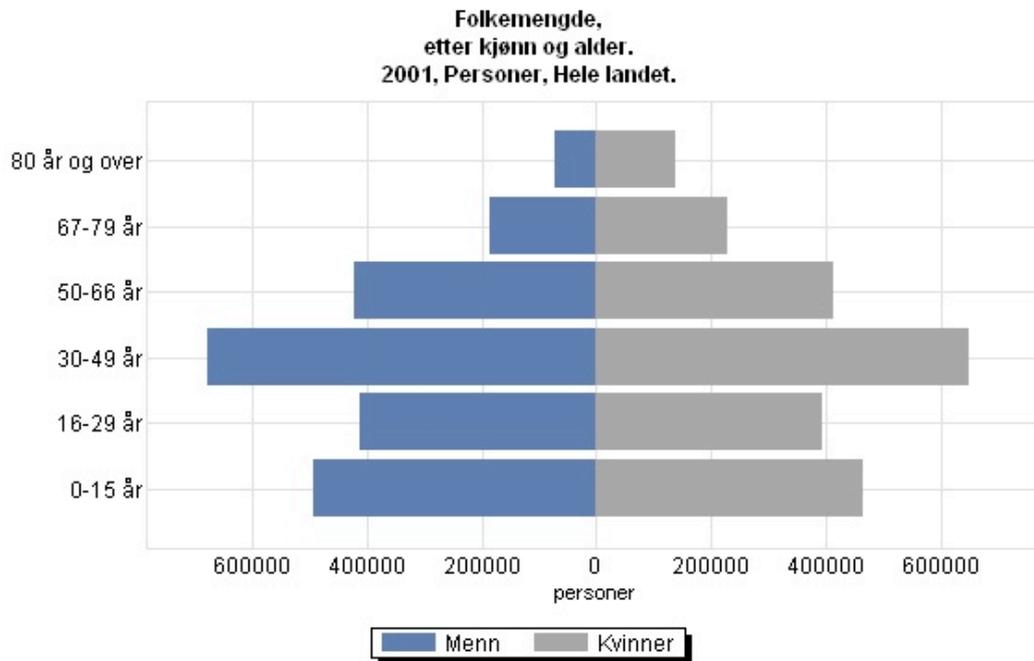
**Category 3: Questions for highly skilled migrants, currently working in the Sunnhordland region**

1. What is your name and profession?
2. With which company are you currently employed?
3. How long have you worked at your current job?
4. What is your education, work experience and other skills relevant for your current profession?
5. Can you tell me how you came to know about this job? How were you recruited?
  - Did this firm or a recruiting agency contact you?
  - Did you find the job advertised?
  - Did a colleague recommend you?
  - Were you transferred within the company from another location/country? In that case, from where?
  - Other information channels of relevance?
6. Did you live in Norway prior to accepting this job?
  - If no, had you ever visited Norway before, maybe as a student, as a tourist or through business?
7. Did you arrive in Norway alone or did you bring your family with you?
8. What were the most important determinants for you when deciding to accept this job?
  - Salary
  - Near by friends or network
  - Location
  - Nature and recreation possibility
  - Culture
  - Closeness to international airport and city
  - Welfare and security
  - Exciting job opportunity
  - Interest in the Norwegian/Scandinavian culture and language
  - Other?
9. Are you here on a time-limited contract, and in that case, for how long?

10. What did you know about the western Norway region prior to arriving?
- What, if any, information was given to you from your employer?
  - Did you locate good sites on Internet providing information for expats? Like the expat Norway blog, or similar
  - Did you perhaps get information from the experiences of friends or business networks already living/established here?
  - Did you acquire any information specific to Stord or Bømlo? From where did you get this information
11. Moving to and working in a different country usually involves dealing with practicalities like visa application, finding a suitable place to live, enrolling kids in kinder garden/schools, opening bank accounts, language courses etc.
- Did you get help with you visa application?
  - Was accommodation provided for you?
  - How were you received upon arrival?
  - If you brought your family, did you get help with their visas?
  - If you have kids, have they been enrolled in kinder garden or school? And was help provided in this are?
  - Have you been given the opportunity to take language courses? And if yes, is this provided by public service or by your employer?
  - Are there any areas where you wish you would have gotten help, but found it difficult to get it?
  - Do you have a contact person or organisation you can contact if you need further help whilst working here? For example, if you were to need medical attention, or help with social services?
12. Outside of work, do you socialize with Norwegians or do you primarily socialize with other international workers?
- What are the arenas in which you socialize? Neighbours? Pubs? The gym? Etc.
13. What is your experience after living and working in Norway?
14. Do you think you'll want to keep on living here, or do you consider this stay as temporary?
- If you want to stay, can you tell me some important determinants for this wish?
  - If you want to go back home, or move somewhere else, can you tell me the main reasons for this?
15. Is there anything else you would like to add to this interview?

#### A4- Population pyramid of Norway

Population pyramid Norway. (Regrettably I was unable to create a pyramid using the same variables of age as is in the population pyramids for Stord and Bømlo).



Kilde: Statistisk sentralbyrå

Population by sex and age, 2001. Males on the left, women on the right. Norway. *Source: SSB*

## A5- The vulnerability index of municipalities in Hordaland county

Table 4.2. Vulnerability index. Source: Hordaland i tal, Fylkesstatistikk 2009

	Index
Indre Hardanger	0,74
Kvinnherad	0,74
Stord/Fitjar/Bømlo/Tysnes	0,72
Austevoll	0,62
Masfjorden og Gulen	0,61
Jondal/Kvam	0,59
Fedje	0,59
Vaksdal/Samn./Osterøy	0,42
Etne/Sveio	0,35
Norhordland	0,31
Voss og omland	0,27
Øygarden/Sotra	0,27
Os/Fusa	0,22
Bergen/Askøy	0,14

**A6 - The estimated development of the ratio between young and old - OECD**

The figure below shows the estimated development of the ratio between old and inactive persons over 65, and the persons entering the labour market. If the dependency ratio is over 50%, this means that for each person over 65, there will be less than two persons entering the labour force. The squares on each column indicate the situation in year 2000, and the columns indicate an estimated increase of the dependency ratio by year 2050

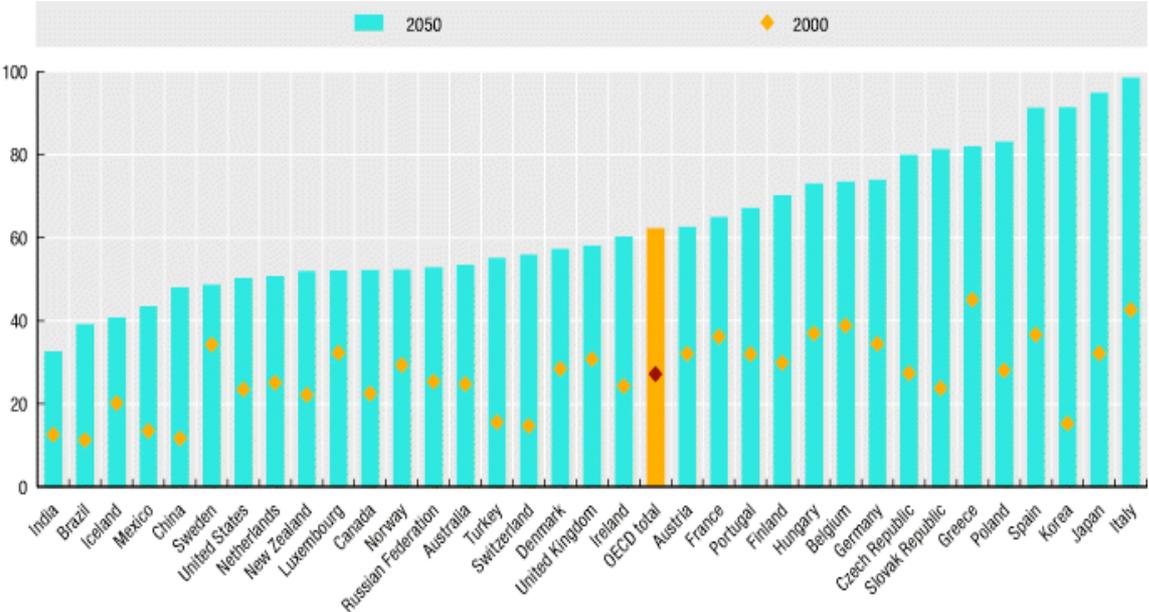


Fig 4.5 Estimated ratio of the inactive elderly population aged 65 and over to the labour force in 2050. Percentage. Source: OECD Factbook 2009.

## A7 - Employment rates of native-born and foreign-born population by educational attainment

Table 4.3: Employment rates of native-born and foreign-born population by educational attainment. Each section as percentage of total population with each qualification, 2006.

Source: OECD Factbook 2009

	Native-born			Foreign-born		
	Low education	Intermediate education	High education	Low education	Intermediate education	High education
Canada	50,6	75,5	82,7	51,6	68,9	77,4
Denmark	61,5	81,0	87,8	49,3	63,2	78,9
Finland	73,6	73,6	85,6	42,4	65,8	72,9
Norway	56,4	80,4	89,4	48,1	68,5	84,6
Sweden	54,7	81,1	88,3	47,0	66,5	74,3
United States	35,2	71,7	83,7	49,4	64,5	76,1
OECD average	44,9	70,3	84,4	49,4	64,5	76,1