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**“Highly skilled migration and the  
role of organisations: mobility and  
transnational corporations in the  
Southern European context”**

**João Peixoto  
(ISEG, Technical University of Lisbon, Portugal)**

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# HSM and organisations: main concepts and trends

- Two types of HSM:
  - Independent
    - Brain drain
    - Other flows
  - Organizational
    - Transnational corporations (TNC)
    - Other international organisations (multilateral bodies, co-operation projects, NGO...)

- Different causal factors, mechanisms, forms of integration:
  - Individual decisions vs organisational needs of allocation of human resources
  - Individual migration paths vs organisational channels
  - Individual forms of integration vs support to integration in a familiar organisational environment
- In both types of flows, micro and macro variables operate, but the specific dynamic of organisations produces significant differences

- Literature on HSM:
  - 1960s/1970s: classical movements
    - brain drain / reverse transfer of technology (developed and less developed countries → developed countries, particularly the US)
  - 1980s/1990s: new movements and realities
    - brain gain (return migration), brain circulation / skill exchange (mobility, temporary migration, organisational migration, diasporas), brain waste
  - Some of the new movements operate in the framework of TNC and other international organisations

- **Statistics**
  - In general, volume and patterns of HSM are badly known; this applies to organisational flows
  - However, the volume of HSM occurring in the framework of TNC and other international organisations is growing very fast, accompanying the growth of international business and international development activities
  - “Professional transients”: a small but under-estimated group of world migrants (Appleyard)
- Comprehensive statistics on organisational HSM are difficult to obtain, given the “invisibility” of many flows.

# Characteristics of organisational HSM

- Organisations: different possibilities of action regarding the international market of highly skilled human resources:
  - Active recruitment in foreign countries (media advertising, intranets, informal networks...)
  - Active lobbying regarding immigration policies (to guarantee special quotas, programmes or fast-tracking procedures)
  - Circulation of personnel in the organisational framework
- Some differences regarding:
  - TNC / other international organisations
  - Private / public sectors

- Organisational circulation:
  - The role of internal labour markets (hierarchies, functional areas, points of entry, human resource management)
  - The role of careers (micro vs macro factors)
  - Internal and practical recognition of diplomas
- More than migration, we must speak of mobility (long-, medium- and short-term assignments, business travels, virtual assignments)
- Control and technical expertise (often organisation specific knowledge) as main rationale for movements



**Table 1**  
**TYOLOGY OF CADRE MIGRATION IN TRANSNATIONAL CORPORATIONS**

<b>Independent Variable</b>		<b>Level of Cadre Migration</b>
I. Age of operation / Development phase of the firm	I.a. Old	Weak
	I.b. New	Strong
II. Installation strategy / Investment orientation	II.a. Domestic market	Weak
	II.b. Export	Strong
III. Main activity	III.a. Manufacturing	Strong
	III.b. Services	Weak
IV. Type of technology	IV.a. Traditional	Weak
	IV.b. New	Strong
V. New or pre-existing firm	V.a. New ( <i>greenfield site</i> )	Strong
	V.b. Pre-existing ( <i>brownfield site</i> )	( <i>see VI.</i> )
VI. Crisis or success (pre-existing firms)	VI.a. Crisis	Strong
	VI.b. Success	Weak
VII. Nationality / Company culture	VII.a. European	Variable
	VII.b. USA	Variable
	VII.c. Other	Variable

- The case of ICT international firms (Bommes *et al*, 2004):
  - Active recruitment in foreign countries (external and mainly internal labour markets)
  - Some lobbying regarding ICT related immigration policies
  - Intense international circulation of highly skilled personnel in the framework of firms
    - Company specific knowledge
    - Difficult relationship with formal diplomas - loose relation between company knowledge and formal education

# The geography of organisational HSM

- Classical highly skilled movements were mostly unilateral: less developed (and some developed) countries → developed countries
- New movements: multiple directions, bilateral movements, intense mobility
- Organisational HSM: it often proceeds differently from the classical brain drain - it is very often a North→North or a North→South movement, reversing some usual patterns of the brain drain

- Organisational HSM, particularly TNC:
  - It often accompanies foreign capital investment and business activities (North→North and North→South)
  - The problem: is there brain gain? Is there transfer of technology?
  - Consequences to development depend on volume of investment / patterns of knowledge transfer
  - Processes of “indigeneization” of cadres, both in manufacturing and, mainly, in services suggest some level of knowledge transfer.

# The case of Southern Europe

- General lines and principles have different expressions when applied to specific geographic contexts. This is the case of Southern Europe, whose interest resides in its complex insertion in global markets
- Southern Europe as both an heterogeneous and homogenous region regarding world migration:
  - Various levels of development / cores and peripheries
  - Similarities regarding rapid modernization, fast-growing immigration, role of the informal economy, State and family

- Different insertions in the world economy, including communities of language (ex: CPLP – Portuguese speaking countries)
- Particular position of semi-peripheral countries (such as Portugal) in the international highly skilled labour market:
  - Frequent peripheral role regarding international organisations from developed countries
  - Frequent central role regarding less developed countries, particularly Portuguese-speaking

- At the general HSM level: outcomes depend on levels of development, professional labour market, advancement of the knowledge economy, educational standards and international links
- At the organisational level: outcomes depend on the amount of foreign business (in the country / abroad), insertion in international networks and level of centrality of national branches in global organisations

- The case of Portugal illustrates the uncertainties of current HSM processes:
  - Immigration/mobility of highly skilled personnel
    - Control and technical jobs in foreign organisations
    - Immigration outside the organisational framework – often brain waste (from CPLP and other contexts)
  - Indigeneization of cadres
  - Emigration/mobility of Portuguese professionals
    - Organisations (Portuguese/foreign) (often to CPLP)
    - Risk of brain drain (to developed countries)
  - Variable levels of mobility, due to uncertain trends of international economic activities (in Portugal and from Portuguese firms abroad).



# Lessons from organisational HSM at the world level

- What national governments and international bodies can do to favour organisational migration
- What international firms and organisations can do to favour the specific countries where they work
- What teachings may be derived from the experience of organisational migration, particularly TNC

- What national governments and international bodies can do to favour organisational migration:
  - facilitating procedures of immigration (short-, medium- or long-term movements), to enable a free circulation of factors inside firms
  - facilitating procedures of recognition of diplomas, whenever they are required (occupations subject to internal regulation)
  - international communities (for example, communities of language, such as CPLP) can be in the forefront of regulations.

- What international firms and organisations can do to favour the specific countries where they work:
  - disseminating knowledge at the local level, transferring competences to local employees (instead of using peripheries only for production and centres for conception)
  - participating in local development, through market mechanisms or social responsibility
  - links to local development may be more intense in international communities.

- What teachings may be derived from the experience of organisational migration, particularly TNC:
  - international firms may be seen as an example of world governance that can inspire international institutions, like the UN, regional bodies and national governments  
(although the logic of international firms is different from international institutions: a sort of divide between hierarchy vs. cooperation)

- Despite this, TNC “best practices” are the following:
  - Allocation of best human resources to where they are needed, improving productivity and efficiency at the world level
  - Promotion of active recruitment of highly skilled professionals at the world level or, at least, active lobbying to defend their interests (ex: ICT)
  - Retention of best highly skilled professionals where they are needed
  - Easy and practical procedures of recognition of diplomas
  - Mechanisms to ensure integration of foreign staff

- World institutions and national governments could get some inspiration from these practices, to promote a worldwide increase in well-being. Through cooperation, they could exchange knowledge and human resources, promoting mutual benefits to each part. The main objective would be the maximization of the common interest, rather than the profit of only some parts.