

Employer deep dive report for Finland

In the Erasmus+ project INTERLOCALITY co-funded by the European Union, we believe that it is important to not only address the employability of international students in the host country but also the employer-ability of local employers. In the project we have defined employer-ability as the employers' willingness and ability to attract and retain international students and graduates.

In the autumn of 2022, in-depth interviews were conducted in Denmark, Finland, Germany and the Netherlands. The respondents were 10 international students and -alumni, 10 employer organisations, 3-4 higher education institution (HEI) staff, and 3-4 third sector organisation staff in each country.

This report was written in 2024 by Sandra Slotte, INTERLOCALITY Project Manager at Arcada University of Applied Sciences. The layout of the tables was designed by Hanna Ikonen.

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INTRODUCTION

In this report, we have analysed the interviews with ten employer organisations and three third sector organisations in Finland. As staff from only one higher education institution (Arcada UAS) were interviewed, we have omitted these responses from the analysis.

The purpose of this analysis is to focus on the barriers, enablers, challenges, and opportunities in the local employment of international students and graduates. We have also analysed the forms of collaboration between the employers and other stakeholders.

The thematic analysis was done based on the following research questions:

1. What barriers, enablers, challenges, and opportunities do employers and third sector organisations perceive in the local employment of international students and graduates?
2. What kind of collaborations do local employers have with other stakeholders in the employment of international students and graduates?

TERMINOLOGY

In this report, we refer to '**employers**' as private enterprises that are currently employing, or might potentially employ, international higher education students and graduates in Finland. By '**stakeholders**' we in this report mean organisations that are actively involved in, or supporting, the local employment of international students and graduates in Finland. As employers are stakeholders themselves, we refer to organisations outside the employing organisations as '**other stakeholders**'. Within the INTERLOCALITY project we have wanted to include all kinds of organisations that are involved in supporting the local employment of international students and graduates. To enable the use of a single term for a target group containing e.g. government organisations, non-government organisations, municipalities, private enterprises, associations, and foundations, we labelled this

target group **'third sector organisations'**, despite the fact that it does not correspond exactly with the common definition of the term. The higher education institutions (HEIs) are treated as a separate stakeholder group. By **'employment'** we mean any sort of work ranging from internships, thesis work, project work, summer jobs, and part-time jobs during studies, to full-time employment after graduation. We also mean not only the hiring decision and -process, but also the onboarding and retention.

'Willingness' and 'ability' are two terms that are very central to the INTERLOCALITY project in exploring the potential for local employers to employ international students and graduates. We believe that the employer **'willingness'** to employ international talent depends on the openness and readiness of employers to hire employees from different countries or cultural backgrounds. Their **'ability'** to employ such persons may depend on various internal and external factors, such as visa requirements, language proficiency, resources, and vacancies. Thus, **an employer may be able to employ international students and graduates but unwilling to do so. Vice versa, an employer might be willing but unable to do so.** In order to employ international students and graduates, employers must therefore be both willing and able.

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RESPONDENTS

All but one of the employers who took part in the interviews were located in the capital region of Finland. Three of the 10 employers had less than 50 staff and are considered small enterprises. Eight of the 10 employers had less than 250 staff and are considered small- and medium sized enterprises (SMEs). Two of the employers had more than 250 staff and are considered large enterprises¹.

Seven out of the ten enterprises were from the technology industry, one from manufacturing, one from communications, and one was a start-up. One of the large enterprises and one of the small enterprises had Finnish as their company language while the rest had English. All but the one small enterprise with Finnish as company language had employed international staff (minimum as interns) in Finland within the last few years. Six of the nine enterprises that had employed international staff had 50% or more international staff. The roles of the respondents representing the employers ranged from specialists to managers and CEOs. The most common roles were managers and HR staff.

The third sector organisations interviewed included one government organisation, one non-government organisation, and one municipality. The roles representing these organisations were specialists and managers.

ANALYSIS

In the analysis, we coded the interview data inductively, i.e. without pre-conceived codes. We then clustered the codes deductively into four pre-defined themes based on the research questions: barriers, enablers, challenges, and opportunities. **Barriers** are defined as rather rigid obstacles to the willingness and/or ability of employers to employ international students, while **challenges** are less rigid impediments that might be more easily overcome than barriers. **Enablers** are defined as factors that clearly enhance the employers' willingness and ability to employ international students and graduates, while **opportunities** refer to the potential of enhancement of such willingness and/or ability. These themes were in turn categorised into the major themes of **willingness** and/or **ability** based on the project's definition of employer-ability.

¹ European Commission definition of SME https://single-market-economy.ec.europa.eu/smes/sme-fundamentals/sme-definition_en

The interviews with the employers were conducted by Arcada's Key Account Manager Maria Jurvelius and the interviews with the third sector organisations by Sara Paolazzo from SEND Sicilia. The analysis was conducted by Arcada's Senior Policy Advisor for Internationalisation and PhD student Sandra Slotte. The analysis and subsequent report were checked by Maria Jurvelius for trustworthiness and analytic credibility.

All but one of the interviewed employers had already employed international students and/or graduates within the past few years, and had as such been both willing and able to do so. The one employer who had not was in general willing to do so. This means that **the data is skewed towards those employers who are already willing to employ international students and graduates**, and does not provide information on those that are unwilling.

The data in this report is skewed towards those employers who are already willing to employ international students and graduates.

FINDINGS

1. **What barriers, enablers, challenges, and opportunities do employers and third sector organisations perceive in the local employment of international students and graduates?**

CHALLENGES AND BARRIERS ACCORDING TO EMPLOYERS

Almost all barriers and challenges to the employment of international students and graduates, reported by the employers themselves, were primarily related to their willingness. Only a few issues related also to their ability to employ international students and graduates. The **barriers** were practical obstacles like lack of resources, employers' requirements of local language skills among staff, and the lack of suitable tasks or vacancies. **According to the interviews, these practical obstacles could be overcome if the employer so wished. This shifted barriers such as resources, language requirements, and vacancies from ability to willingness.** The one barrier that only related to ability but not willingness was language requirements based on safety issues. Even though the employers were willing to employ international students and graduates they felt that they somewhat lacked the ability to do so. The **challenges** related only to willingness, but not ability, were issues of time- and workload management and company culture. Again, these could be rearranged or prioritised if the employer would be willing to do so.

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OPPORTUNITIES AND ENABLERS ACCORDING TO EMPLOYERS

The vast majority of enablers and opportunities related both to willingness and ability to employ international students and graduates. The **enablers** were usually formulated as incentives to employ international staff, such as the need for such staff and an already international company culture. The **opportunities** mentioned were often further developments of already existing enablers, such as internships, collaboration with HEIs around identification of suitable tasks for students and graduates, staff competence, and an inclusive company culture. The opportunities pertaining to ability but not willingness were staff competence development or recruitment procedures merely as potential tools for employers, rather than also including the willingness to engage with these tools. The opportunities related to willingness but not ability were those that required no additional skill or competence but were merely connected to effort, such as leading by example, use of inclusive language (already available), and continuing the working relationship after internships if both parties so wanted.

Views of employers

Challenges - Willingness

- Time- and workload management
- Company culture

Challenges - Ability

- Know-how

Barriers - Willingness

- Resource allocation
- Requirements of local language skills
- Lack of suitable tasks or vacancies

Barriers - Ability

- Language requirements based on safety issues

Opportunities - Willingness

- Leading by example
- Use of inclusive language
- Hiring after internship

Opportunities - Ability

- Staff competence development
- Recruitment procedures

Opportunities - Willingness and ability

- Further development of internships and collaboration with HEIs
- Inclusive company culture

Enablers - Willingness and ability

- Need for international staff
- International company culture

THIRD SECTOR ORGANISATIONS ONLY REPORTED BARRIERS

What is worth noting is that the interviewed **third sector stakeholders did not report any enablers, opportunities, or challenges – only barriers to employment of international students and graduates in Finland.** Most of the **barriers** were connected to the willingness of employers and some also to the ability. The perceived barriers were related to company culture, attitudes, the requirements for local language skills, lack of resources, costs (of e.g. translations), lack of suitable tasks, and safety regulations. Barriers such as company culture, attitudes, and requirements for local language skills were felt to be relatively rigid and related to willingness rather than ability as these obstacles were connected more to mindset than to imposed or practical limitations. Some barriers were related both to willingness and ability as these current practical obstacles could be overcome if the employer wanted to prioritise e.g. resources for them.

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Views of third sector organisations

Barriers - Willingness

- Company culture
- Company language
- Requirements of local language skills
- Employer attitudes

Barriers - Ability

- Language requirements based on safety issues

Barriers - Willingness and ability

- Lack of suitable tasks or vacancies
- Lack of resources
- Costs of changing company language (e.g.translation)

SUMMARY

In short, both employers and third sector organisations perceived that **barriers and challenges to the employment of international students and graduates pertained to the willingness of the employers**. Employers additionally found that enablers and opportunities related to both willingness and ability of employers. This really highlights the **need for other stakeholders to not merely address the ability of employers to employ international students and graduates but also their willingness to do so**.

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2. What barriers, enablers, challenges, and opportunities do employers and third sector organisations perceive in the local employment of international students and graduates?

We analysed what kind of collaborations employers already have with external stakeholders such as higher education institutions (HEIs) and third sector organisations. We also analysed whether they are addressing the willingness, or ability, of employers — or both.

COLLABORATION WITH HEIs ACCORDING TO EMPLOYERS

All of the interviewed employers stated that they collaborated with HEIs. This is probably partly due to the fact that the interviews were held with a HEI representative and thus on top of mind. The forms of collaboration with HEIs in the employment of international students and graduates were: talent pools, internships and trainee programmes, recruitment fairs, events, company visits, thesis- and project work, research- and laboratory collaboration, incubator programmes, advertising vacancies, pre-screening of candidates, and collaboration around matching internship tasks with curricula.

Internships were by far the most cited form of collaboration with HEIs. **Enablers** mentioned with regards to internships were e.g. positive experiences of the recruitment of international staff, collaborating with HEI staff in pre-screening candidates, and identifying of suitable tasks for the internships. Especially the setup of a talent pipeline for recruitment upon conclusion of the internship was considered an enabler of employment. The **opportunities** mentioned by the employers with regards to internships were e.g. prolonging the internship period to better match the employer need, the low cost involved in hiring unpaid interns (who are compensated in study credits), and the organised format of internship being a potential way for smaller enterprises with scarce resources to hire international students. All of the enablers and opportunities were tied to both the willingness and ability of the employers to employ international students and graduates. This is most probably due to the fact that the internship format where tasks have been provided by the employer. This makes them able to employ the interns. But offering internship positions is also based on the willingness of the employers to hire interns. The **barriers** were lack of resources and time to guide and manage interns alongside one's own work. Lack of need for, or suitable tasks for, interns were also cited as barriers to employment. **Challenges** that were mentioned was the short time length of the internships, the risk of investing in an intern but losing them after the internship, and finding the right point of contact in the HEI. All barriers and challenges were connected to both willingness and ability.

Thesis work was considered an **enabler** of employment and related to both the willingness and ability of employers. Just like with internships, this is a simple way to employ international students but requires the willingness of the employer to take the time to seek out suitable tasks and provide supervision.

Recruitment was seen as an **enabler** and **opportunity** to collaborate more systematically with HEIs in order to secure a talent pipeline and promote employer branding. **Recruitment fair** was specifically mentioned as an enabler. **Talent pool** was another term that was used for existing collaboration. All the items under the heading of recruitment were connected to the ability of employers, not willingness. The willingness of the employers was already in place and they were looking for ways to be able to employ international students and graduates.

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Company visits were mentioned a few times as **opportunities**. The main motivation for arranging company visits was to enhance the employer branding among international students and thus enable the employers to employ them. **Research, projects, and laboratory collaboration** were also all categorised as opportunities, as they were not directly related to the employment of international students and graduates, but may lead to it. This related both to the willingness and ability of employers to utilise these forms of collaboration to enable employment by finding suitable formats for all parties involved.

SUMMARY

Most collaboration with HEIs were seen by employers as enablers. For the most part they were connected to both the willingness and the ability of employers to employ international students and graduates. However, **recruitment-related collaboration only affected the ability of the employers, as the willingness was already in place.**

Collaboration with HEIs according to employers

Internships and thesis work - Opportunities and enablers

- Talent pipeline (possibility to recruit after internship or thesis work)
- HEIs pre-screen candidates
- HEIs help identifying suitable tasks
- Low cost
- Organised format good for smaller companies with scarce HR resources

Internships and thesis work - Challenges and barriers

- Lack of resources and time to guide and manage interns
- Lack of need for, or suitable tasks for interns
- Short time length of internships
- Risk of investing in an intern but losing them after the internship
- Finding the right point of contact in the HEI

Recruitment collaboration - Opportunities and enablers

- Talent pool
- Employer branding
- Recruitment fairs

Company visits - Opportunities

- Students visit company
- Company visits campus
- Employer branding

Other collaboration - Opportunities

- Research projects
- Industry projects
- Laboratory collaboration

COLLABORATION WITH THIRD SECTOR ORGANISATIONS ACCORDING TO EMPLOYERS

The interviewed employers mentioned collaboration with some specific third sector organisations such as staffing companies, international internship matchmaking providers, Diversity, Equity and Inclusion (DEI) training providers, and labour market organisations. **The collaboration consisted of participation in staff competence development trainings, spouse programmes, recruitment and relocation support, language training internship (as a part of the integration process for unemployed immigrants), industry networks, and funding.**

Most of the comments around the collaboration with third sector organisations were connected to the **ability** to employ international students and graduates rather than to the willingness, which was usually already in place. Willingness to employ was a factor when attitudes towards multiculturalism was the focus of the collaboration or where the collaboration facilitated not only the ability to employ but also the **willingness to try it**.

The employers' collaboration with third sector organisations were for the most part connected to the ability to employ international students and graduates, but nevertheless required the willingness to engage in such collaboration.

The **challenges** of the collaboration around the employment of international students and graduates that were mentioned were the lack of time and resources to engage in activities, such as competence development trainings. The only **barrier** to employment was the lack of awareness or information about the possibilities to collaborate with third sector organisations. These possibilities might impact both the willingness and ability of the employers.

The lack of awareness of collaboration opportunities with third sector organisations was a barrier to employment.

Collaboration with third sector organisations according to employers

Opportunities and enablers

- Staff competence development trainings
- Spouse programmes
- Recruitment and relocation support
- Language training internships (as part of the integration process for unemployed immigrants)
- Industry networks
- Funding

Challenges and barriers

- Lack of time and resources to engage in activities
- Lack of awareness or information about the possibilities to collaborate

SUMMARY

The employers' collaboration with third sector organisations were for the most part connected to the ability to employ international students and graduates, but nevertheless required the willingness to engage in such collaboration. The challenges were indeed the lack of time and resources to engage in activities. The only barrier to employment was the lack of awareness of collaboration opportunities with third sector organisations. Such collaborations could potentially affect both the willingness and the ability of employers.

COLLABORATION WITH EMPLOYERS ACCORDING TO THIRD SECTOR ORGANISATIONS

The third sector organisation respondents stated that they offered collaboration opportunities in the form of e.g. staff competence development and language training, spouse programmes, integration support also for families, employer branding and diversity management training, mentorship programmes and inclusive leadership training, funding opportunities, advocacy, and talent matching.

All but three statements were connected to enablers. **The enablers all referred to the ability of the employers** to employ international students and graduates. Some of them also referred to the willingness of employers. These were statements about inclusive leadership and management, as well as engaging in low threshold opportunities and support. Addressing employers' unconscious biases, as they are often not aware of them and the potential barriers to employment that may follow as a result, were also considered enablers related to the willingness of employers. A further enabler that was mentioned is what employers portray as more rigid barriers might in fact be removed if they were so inclined, such as just not *wanting* to enable the use of English instead of a local language, rather than the *inability* to do so.

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There were no challenges mentioned, but the two **barriers** were the **lack of interest of employers to engage with support that was offered**, and the **requirement of local language skills** in vacancies. Both barriers were connected to both the willingness and the ability of the employers. The one **opportunity** mentioned was the potential to **increase the collaboration between multiple stakeholders to support the employers**, such as the cities and the governmental organisations.

The third sector organisations mentioned a lot more collaboration opportunities than the employers, which points to a **lack of awareness of external stakeholder support available to employers**. It is corroborated by the employers themselves, who also stated that they lack information and awareness of such support. The third sector organisations also stated lack of interest, time, and resources of employers to engage in support offered by external stakeholders.

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Collaboration with employers according to third sector organisations

Opportunities and enablers

- Staff competence development trainings
- Spouse programmes
- Recruitment and relocation support (including talent matching)
- Language training
- Integration support also for families
- Employer branding
- Mentorship programmes
- Inclusive leadership training
- Funding
- Advocacy
- Potential to increase the collaboration between multiple stakeholders to support the employers

Challenges and barriers

- Lack of interest of employers to engage with offered support
- Requirement of local language skills in vacancies

CONCLUSIONS

Overall, barriers and challenges were usually connected to both willingness and ability. Opportunities were sometimes only connected to ability, but often also to willingness. In about half the statements, enablers were connected only to the ability of employers. Thus, there seems to be a **mismatch between the barriers and challenges to the employment of international students and graduates, and the support offered to enhance such employment. The barriers and challenges to employment related to the willingness of employers, while the collaboration opportunities and support offered relate more to the ability of the employers.**

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Another interesting finding, was that **some of the factors we had initially defined as ‘ability’ (language requirements, resources, and vacancies) were instead viewed by employers as related to ‘willingness’**. In the interviews, employers stated that these practical obstacles could be overcome if the employing enterprise so wished and prioritised. However, this was not always the case. **There seemed to be a blurring of lines between the need for local language skills, lack of resources, and lack of suitable tasks or vacancies as a *definite inability to offer employment due to these barriers, or as a lack of willingness to rethink organisational priorities, resource allocations, task and role division, and level of language requirements.*** These different views on the same barriers as either willingness or ability might explain the mismatch between the barriers and challenges to employment (mainly willingness) and the support offered by other stakeholders (mainly ability).

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There did not seem to be any major differences between large enterprises and smaller ones. However, the **smaller enterprises often mentioned the lack of resources and HR departments as potential challenges**. They were not considered barriers as such, and most small enterprises handled the whole recruitment and onboarding process well. On the other hand, they wished for more established recruitment processes and staff development that would be handled by a dedicated HR person or department. **The larger enterprises did have HR departments, but stated that managers play a key role in acting as gatekeepers for recruitment**. If they are willing to employ international students and staff the organisation is able to do so. But if the hiring manager does not want to recruit international staff due to e.g. language in the team or the need for use of local language in specific tasks, then this becomes a barrier to employment. **In enterprises of all sizes the barriers to employment were more related to employer willingness than to ability.**

RECOMMENDATIONS

Our recommendation would be to **1) further explore ways of supporting the willingness of employers** to employ international students and graduates, and to **2) increase the communication towards employers regarding the already available support** for employing international staff. This needs to take into account the different ways of viewing the same barriers (e.g. need for local language skills, lack of resources, and lack of suitable tasks or vacancies) as either pertaining to willingness or ability.

Many of the barriers and challenges related to employer willingness were in fact issues that could be rather easily changed if they were prioritised internally. It seems that need for staff and a sense of urgency to recruit would have a positive effect on the willingness of employers to employ international students and graduates. In the light of the current demographic situation in Finland the need for talent and thus the sense of urgency should increase over the coming years. It would be in the interest of all parties if external stakeholders such as HEIs and third sector organisations would be ready to support employers when this happens and make sure that the employers are aware of such services.