

Paper for the APPAM International Conference
*Migration: A World in Motion A Multinational Conference
on Migration and Migration Policy*
Maastricht, Netherlands, February 18-20, 2010

Panel: Highly Skilled Migration

**MAKING A CAREER?
THE INTEGRATION OF HIGHLY SKILLED FEMALE MIGRANTS
INTO THE GERMAN JOB MARKET**

(DRAFT – PLEASE DO NOT CITE)

By

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Abstract

MAKING A CAREER? THE INTEGRATION OF HIGHLY SKILLED FEMALE MIGRANTS INTO THE GERMAN JOB MARKET

Over the past several years, there has been an increase in international mobility. This mobility has brought greater importance to the issue of highly skilled employee migration in the field of public policy. Highly skilled migrants, however, are thereby often contextualized as a homogenous, uniform group with little attention given to stratification along the lines of social class, gender, or age. The movement and the experiences of female migrants, in general, and those who work in male-dominated sectors of the labor market, in particular, prove to be no particular issue.

This paper, which is part of a joint research project, analyzes the integration of highly skilled female migrants in Germany's technology sector. In general, the participation of women in computer sciences, engineering, and natural sciences in Germany is traditionally low due to the restraints of a highly gender-segregated labor market. However, given the current shortage of skilled labor, rising demand is expected. Thus, several questions need to be answered. Are highly skilled foreign women recruited? If so, to what extent are they recruited? How do they gain access to the labor market? Where do they come from? Does the eastward expansion of the EU affect the flow of migration? As research indicates the majority of foreign skilled employees in Germany already originated in Eastern Europe. However, institutional and structural barriers still exist and limit the possibilities for hiring citizens of the new EU member states. Furthermore, how does migration affect employment and career perspectives of highly skilled women? What mechanisms of allocation of migrant women into the German labor market contribute to the reproduction of gender as well as ethnic inequality?

By applying qualitative research methods, the professional careers of women are reconstructed, and mechanisms of (dis)integration are analyzed by which the allocation of highly skilled female migrants on the German labor market has been affected.

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Introduction

In the past years a variety of factors, such as globalization, new technologies, and the restructuring of the world economy lead among other things to the global expansion of world trade, an open border policy, and the emergence of an international skills market. The objective to ‘act globally’ caused transnational corporations to expand and to create new employment and career perspectives, thereby leading to an increase in international mobility. These trends also left an impact on the activities and policies of national governments as it caused a shift in immigration policy. Most developed countries these days try to curtail low-skilled immigration and adopted policies that foster the migration of highly-skilled workers. In a growing “battle for talents” among nation states and transnational corporations highly-skilled migrants are free to choose among various offers in a deterritorialized space as they become increasingly mobile in their career progression. The flows and volume of highly skilled migration are furthermore influenced and directed by country-specific factors such as the extent of shortages of skilled labor, payment, taxation, living conditions, or the quality of work.

These developments contributed to a shift in policy agenda in Germany. Not until recently did the German government begin to think of its country as a place to immigrate to and subsequently opened the labor market for migrants. However, as research indicates, the current situation is marked by a low employment rate of highly-skilled migrants, who maintain a position that meets their qualifications. Reasons for this discrepancy are manifold; consequently this article aims to shed light on the labor market integration of highly-skilled migrants in Germany. It thereby focuses on migrant women in the fields of computer sciences, natural sciences, and engineering. It is based on initial findings in the framework of the sub-project “Female migrants in businesses” which is part of a joint research project regarding the integration of highly qualified migrant women into the German labour market that is funded by the German Federal Ministry of Education and Research (*BMBF*). Based on narrative oriented interviews with women migrants, and other qualitative research methods, professional careers of women are reconstructed and mechanisms of (dis)integration are analyzed. Thus, insight into

their labor market integration is provided and mechanisms such as judicial and organizational barriers that shape and influence the process of allocation and career progression are revealed. In so doing, a contribution to the discussion on which policies are needed to ensure that the skills of migrants are used effectively in the labour market is made.

The current situation

The current situation of labor market integration in Germany has to be viewed in the context of its immigration history. For many years Germany did not define itself as a country of immigration. Thus, immigration was viewed as being of a temporary nature, particularly with the “guestworker” program, when low-skilled laborers were recruited during the post-war economic boom. In November 1973, this “guestworker” program was officially ended and working migrants from non-EC countries were no longer recruited (see Liebig 2007). The transformation processes in several Eastern European countries during the 1990s, however, initiated a new phase in migration. Hundreds of thousands of people migrated to Germany thereby diversifying labor migration since the influx of economically active women rose. The majority of these women were employed and integrated in their home country’s labor market (see Morokvasic-Muller 2003); however, in Germany they faced a different situation as a formal integration policy was still not developed.

During the past several years a number of developments contributed to a paradigm shift towards the establishment of an integration framework. The demographic change associated with an ageing population has led to smaller cohorts of youth entering the labor force. In addition, changes in technology and the transformation into a knowledge-based society have shifted the demand for labor in favor of highly skilled workers. Both phenomena led to a shortage of skilled labor that even increased due to the broader globalization of production and trade. Outcomes due to shortages of skilled labor are already severe, especially, in fast growing and high technology sectors such as IT, financial services, or engineering posing a threat to robust growth and causing the German industry billions of euros each year. Over the past years the demand for highly skilled worker has significantly risen, between 1975 and 2000 the employment of highly skilled rose to 180 percent (Boswell, Straubhaar 2005: 2). This demand for highly skilled workers will continue to increase even in times of recession as forecasts predict.

Due to this development, the German government initiated changes in policy, agenda, and legislation. The beneficial contributions of immigrants to the economy

were slowly acknowledged and attempts to open the German labor market were made. Although the ban on recruiting immigrants from non-EU countries is formally still in place, some exemptions were introduced in order to actively engage in the international competition for talent. Specific recruitment programs, such as the Green Card Initiative between 2000 and 2004 in the information and communications technology sector, were instituted as a first step. For the first time, IT-specialists from non-EU countries were allowed into Germany for five years of work if they had arranged a labor contract prior to their migration.¹ An envisioned points-based system for permanent skilled immigration, however, failed the legislative road. After all, the new Immigration Act of 2005 aims at attracting valuable professionals by introducing the new immigration categories of highly skilled professionals and scientists and easing their access to the German labor market.

However, as research indicates, the integration performance of migrants in the labor market has been less favorable (Liebig 2007). The current situation is still marked by a rising demand for highly skilled migrants, although there is still a low employment rate. Even though numerous companies complain about the shortage of skilled labor and fear a disadvantage in the competition over other countries, the number of highly skilled migrants in Germany remains comparatively low. As a previously published study by the Federal Office for Migration and Refugees (Heß 2009) shows, in June 2007 there were only 959 people listed in the Central Register of Foreigners (*Ausländerzentralregister*), who officially migrated to Germany as highly skilled personnel and were thus eligible for a residency permit (*Niederlassungserlaubnis*). This comparatively low number suggests Germany does not rank high in attracting foreign skilled laborers. This becomes even more evident with regard to gender, as out of the total of 959 highly skilled migrants about 82.9% were male and only 17.1% were female. So apparently, several organizational and judicial obstacles exist, but also gendered barriers determine or even limit career progression.

Initial findings on the integration of highly skilled migrant women

One way to find an explanation is to look at which migrant women in particular and how migrant women in general gain access to the German labor market. Access to

¹ Initially, a quota of 10,000 green cards was agreed upon, which was extended in October 2001 to a total of 20,000. This quota was not exhausted as the anticipated influx stayed away and only 17,111 persons entered Germany under this provision. For more details and a thorough analysis of the Green Card initiative see Pethe (2006).

the labor market and the modality of employment are regulated by immigration laws. Within the legal framework in Germany, however there are only a few possibilities to obtain a residency permit. Although highly skilled migrants seemingly constitute a target group in German immigration policy, a firm differentiation between EU-citizens and non-EU citizens is drawn. While the former enjoy the freedom of movement within the internal market of the EU, the latter have to overcome several barriers, which result in keeping them out of the labor market. Prior to receiving permission to work and subsequently to the migration to Germany, an employment arrangement that ensures livelihood needs to be established. In most cases, however labor-market testing applies, which means that no German or any EU15-citizen can be found for the job and no negative effects on the regional labor market can be expected (see Liebig 2007).² This often time-consuming procedure is based on discretionary decisions by the Federal Employment Agency, which caused companies to complain about a lack of transparency. In addition to this, seeing as the processing period can last up to several months, companies are unable to be flexible with regard to employment and order situations.

Multi-national companies found ways and means to bypass this regulation by not hiring the prospective female migrant in Germany, for example, but in her country of origin, or to engage her in project-based work outside of Germany. Medium-sized or smaller companies, however, who are not engaged in different countries, often refrain from hiring non-EU citizens. If they do so, the company also takes on a large social responsibility for the migrant's well-being, as the work and residence permit is dependent upon her work performance. If she were to lose the job, she would need to return to the country of origin immediately. There is no transition time that allows her to find new employment, which then affects not only her existence but also her spouse's and possible children's lives who also came to live in Germany and are dependent upon her residence status. Companies had therefore no more flexibility, in order to perform economically, e.g. terminating the labor contract and to reacting adequately to supply and demand.

Apart from legal restrictions, research in the course of this study also indicates that female migrants have difficulties in finding an open position that meets their qualifications and potential. However, for many companies the recruitment of highly skilled personnel proves to be a severe issue, as not all open positions can be

² This procedure is also valid for citizens of the new EU-member States such as the Baltic States, Poland or Romania as they are exempted from the free movement of workers in Germany for a transition period of seven years (see Guth 2007).

adequately filled by natives due to the shortage of skilled labor. This shortage does not automatically instigate companies to recruit to a greater extent internationally. In a study from 2008 on behalf of Hays, a personnel service agency, 309 companies of different sizes and from different sectors were questioned about their recruiting patterns. It became evident that the vast majority, 55%, does have some experience in international recruitment. Departments such as IT or research and development show the most recruiting activities. However, 75% of the respondents do not follow a corporate strategy in recruiting internationally. Usually, only single, one-off attempts exist, e.g. posting open positions on the internet via the company's homepage or any large job portals that make job announcements accessible to migrant women; however no consistent trend could be detected. Furthermore, recruitment usually only gears towards countries that the respective company already maintains a relationship with. Thus recruitment is limited to certain regions and no systematic approach has yet been developed.

Female migrants in particular, who aim to work for companies within the fields of computer sciences, natural sciences, and engineering, face severe obstacles in finding employment. In Germany these fields are traditionally highly gender-segregated. Therefore, in many cases, migrant women do not gain access to the German labor market at all or are forced into positions that do not match their skills and qualifications. In addition, as a traditional perception of motherhood lingers in public discourse, migrant women are confronted with the difficulty of finding a position in a male dominated sector that allows them to balance their career and family life. This is especially challenging for migrant women with children who cannot rely on an extended family network of their own to support them with child care. Public childcare facilities are, in general, insufficient, which means that migrant women need to spend extra time and effort in managing the care for their offspring. The potential of highly skilled migrant women is therefore not fully utilized, as they are often found to be underemployed and de-skilled. Only slow change is detectable, as for example Siemens, BMW and other large corporations have started to respond by setting up day care centers near production sites.

Despite these single efforts, many companies have severe reservations concerning international migrants in general. Although, so-called soft skills such as intercultural competence, language skills, or international experience are sought after and highly valued in the applicant they are not always easily transferable to and compatible with the host-country labor market. As Rachel Friedberg (2000) demonstrated in her study on immigrant assimilation in Israel, foreign credentials

are often not recognized in the destination country. The at home acquired education and labor market experience are less valued the greater the differences between origin and host countries are in terms of economic development. As empirical evidence in this study implies skills and qualifications that migrant women obtained in their home countries did not necessarily benefit their labor market entrance in Germany. Particularly, migrant women from Eastern European countries lacked country-specific skills and information hence they experienced a substantial devaluation. Only over time as they were exposed to the new labor market setting and gained country-specific knowledge their abroad acquired competencies benefited their labor market performance and career progression. Especially in long-established companies that perceive themselves as traditional German companies, reservations towards migrants seem large. Reservations therefore often evolve from the concern for intercultural difficulties that becomes evident when highly-skilled migrants are integrated into the company. As there is no particular international recruiting strategy, no particular integration approach exists either. The head of that particular department is then often in charge of integrating the new employee somehow and introducing her/him to the local codes of labor, which can prove to be difficult if s/he does not possess any or only little German language skills. The language barrier becomes quickly evident when co-workers are either not able or not willing to communicate in English, in particular those co-workers who have been with the company for a long time and are often hesitant towards any changes and innovations or harbor any prejudices. The language barrier was in fact cited as the biggest obstacle causing problems in communication and jeopardizing social integration. Even when the job itself is based on a good command of English migrant women felt socially marginalized as they were not only excluded from the informal talk with co-workers, but also from formal knowledge transfers. Companies' directives are, in general, available in German only and -as anecdotal evidence suggests- official meetings are also for the most part hold in German. On top of this, suppliers and sub-contractors viewed German language skills as indispensable if the new employee is to work closely with clients who, in general, demand fluency in German. In consequence, migrant women were confronted with the expectation not only to know German, but to speak and write it effectively, meaning using the right idioms and speaking in a convincing manner. The appropriate use of German gains even more in meaning as these women seek entrance into social networks and presume another step in their career.

Furthermore, concern was voiced by several companies that international migrants are more likely than natives to work only for a short period of time in the company before returning to their homeland, thus no long-term commitment is established. From the company's point of view, this means a financial loss, as time and knowledge that was invested into the new employee will not be returned.

Conclusion

As this brief overview shows, a striking disparity has evolved between the necessity and demand for the most qualified and brightest, as the issue is postulated between the political discourse and the economic disputes and the actual outcome. In the course of this talking-action-gap adequate data regarding the integration of highly skilled women migrants into the German labor market is hard to come by. Governmental policies are apparently not efficient enough in instigating incentives for highly skilled laborers to migrate to Germany. Although this group is officially sought after, in reality, especially non-EU migrants face severe obstacles in accessing the German labor market. State regulations not only hinder companies to recruit more internationally, but also the migrant's career mobility once s/he is employed in Germany. Nationality has therefore a severe impact not only on how to access the labor market, but also on determining the type of occupation female migrants can engage in.

Female migrants' career prospects and aspirations are furthermore shaped by the distinctive gender-segregation in the technology sector. As this sector is oriented towards men and long working hours the overall lack of child care facilities pose additional difficulties for migrant women in finding a way to progress with their career without neglecting their family life.

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