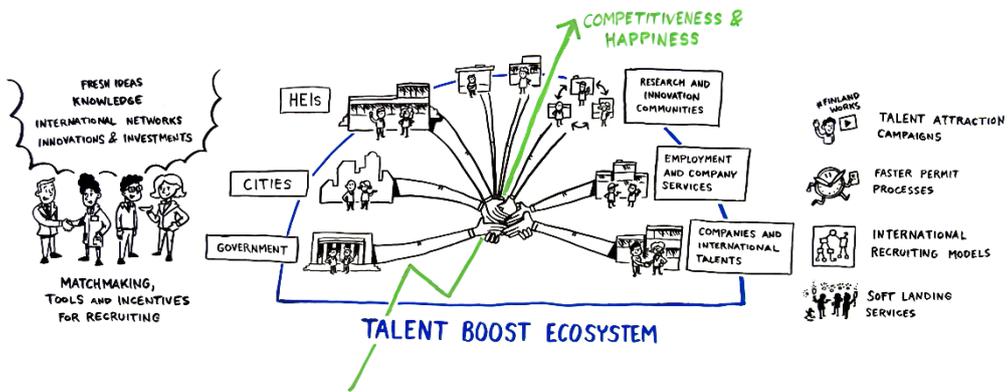


THE TALENT BOOST PROGRAMME

TALENT BOOST – ATTRACTING AND RETAINING INTERNATIONAL TALENT



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1. Background

Irrespective of the economic cycle, maintaining a sustainable economy and safeguarding the welfare state call for increasing labour and educational migration. Finland's working age population is decreasing while population growth is based exclusively on immigration. Without sufficient immigration, the supply of labour and, in the longer term, employment will fall significantly, which will affect Finland's dependency ratio, employment rate and sustainability gap. Finland competes with the rest of the world for the best talent.

Businesses and other organisations do not only need skilled labour in general, but also specialist expertise not currently available in Finland. Talents immigrating into Finland help to put Finnish innovation on a stronger and more international footing while also attracting international investment to Finland. This in turn creates new jobs and help Finnish businesses in their efforts to become more international.

Greater diversity in the society and workplaces make Finland more attractive to international talents and investors. It also plays a decisive role in improving employment rates among immigrants already living in Finland. More international workplaces encourage international researchers and students graduating in Finland to settle in Finland, preventing brain drain.

2. Talent Boost goal, objectives and coordination

2.1 Goal and objectives

Prime Minister Sanna Marin's Government Programme aims at increasing work-based immigration of experts and improving the opportunities of international degree students to find employment in Finland. The priorities assigned in the Government Programme to work-based immigration include sectors suffering from labour shortages and the specialists, students and researchers who are essential for leading and growing fields of research, development and innovation (RDI).

The goal of the Talent Boost programme is, through the inclusion of international talents, to improve Finland's employment rate; to enhance quality, diversity and international activities in higher education institutions; to boost growth, internationalisation and renewal in business and RDI activities; and to support investment promotion to Finland. The work combines different aspects of the employment, innovation, education, immigration, economic and industrial policies.

The programme objectives are the following:

1. Finland is an internationally attractive place to work, study, carry out research, and invest.
2. Employers are willing and able to recruit international talents.
3. The expertise of international talents drives the internationalisation and renewal of Finnish companies and organisations.

The term 'international talent' refers to international specialists, employees, start-up entrepreneurs, as well as students and researchers.

2.2 Steering and coordination

In order to attract and integrate international talents, help them settle in Finland and put their skills to effective use, the central government, cities, educational institutions, businesses and other parties need to engage in seamless, persistent and ecosystemic cooperation. Talent Boost efforts create added value through the customer-oriented offering jointly provided by several different parties.

The programme's steering group which consists of actors of the ecosystem is co-chaired by Permanent Secretary Jari Gustafsson and, as of 1 September 2020, Permanent Secretary Raimo Luoma from the Ministry of Economic Affairs and Employment; and Permanent Secretary Anita Lehtikoinen from the Ministry of Education and Culture. The steering group is responsible for supervising, coordinating and monitoring the programme's cross-administrative planning and implementation. The steering group reports to the

Ministerial Working Groups on Competence, Education, Culture and Innovation and on Promoting Employment through the sub-group for labour migration and integration.

In addition to the steering group, a project for the development of immigrant legislation and permit procedures and a working group on international talent attraction and retention have been set under the Talent Boost programme. The development project and the working group report to the steering group on their work.

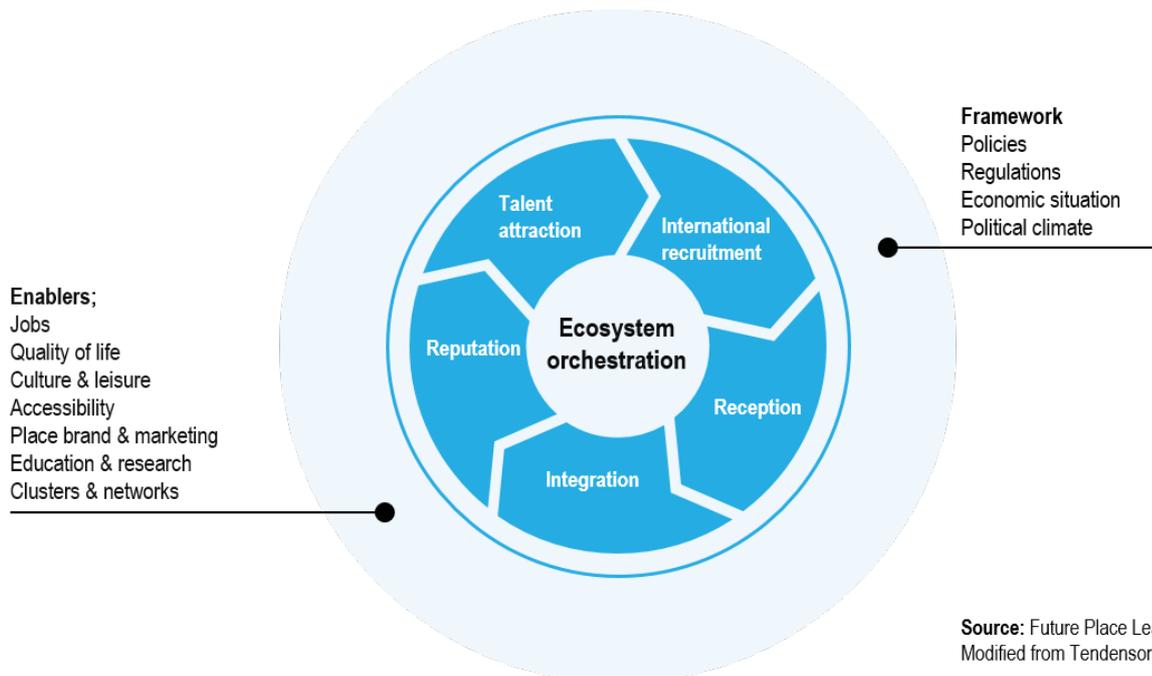
The Ministry of Economic Affairs and Employment and the Ministry of Education and Culture are responsible for developing Talent Boost policies, legislation and administration and related coordination at the national level. Nationwide coordination of various Talent Boost business services rests with Business Finland (BF). Moving forward, it will join forces with the Employment and Economic Development Office (TE Office) and the Centre for Economic Development, Transport and the Environment (ELY Centre) with designated national coordination roles. The parties closely involved in programme implementation from the administrative branch of the Ministry of Education and Culture include the Finnish National Agency for Education, the Academy of Finland and higher education institutions.

Regional implementation largely relies on the Talent Hub service model. ‘Talent Hubs’ refer to geographical cooperation models that create clear-cut, cross-sectoral service paths in support of attracting and recruiting international talents, helping them settle in and integrate into Finland and bringing together businesses and international talents. Talent Boost activities have been launched in about 30 cities or regions.

Foreign missions, Business Finland Talent Advisors and the Team Finland Knowledge Experts of the Ministry of Education and Culture are building bridgeheads and networks to support talent attraction and recruitment efforts around the world.

The programme is linked to the Agenda for Sustainable Growth and implementation of the Vision for Higher Education and Research in 2030, as well as to the Strategy for the Internationalisation of Higher Education Institutions, the Team Finland Strategy, the programme for exports and international growth, the RDI roadmap and the working life diversity programme. Furthermore, the programme takes into account the development of the structures of public employment and business services and related municipal experiments. The operations are implemented within the central government spending limits.

A communications plan and monitoring model are being developed for the Talent Boost programme during 2020.



Source: Future Place Leadership, Modified from Tendensor 2013

3. Effects of the COVID-19 crisis and Talent Boost's role as a driver of new growth

The COVID-19 pandemic has had several adverse social and economic impacts. From the perspectives of international talent and labour migration, rising unemployment rates and border traffic restrictions have especially required short-term prioritisation and more long-term revision of the Talent Boost programme.

At the onset of the crisis, Talent Boost implementation focused on international talents already in the country. Practically all of the campaigns and other measures to attract international talent were suspended or cancelled. Finland's ability to overcome the crisis and take care of the international community in Finland presents a crucible for the service network and the #FinlandWorks brand developed in the Talent Boost programme. The reputation created through the experiences of foreigners currently staying in Finland will have a significant impact on future talent attraction and retention efforts.

The drastic economic contraction has an effect on labour demand and immigration volumes in the short term. The economy is expected to resume its pre-crisis growth trajectory in 2021–2022¹. Irrespective of the economic cycle, maintaining a sustainable economy and safeguarding the welfare state call for persistent efforts to increase labour and educational migration. Finland's working age population is decreasing while the population growth is based exclusively on immigration.

The Talent Boost programme can boost economic recovery as a part of the post-crisis management. The demand for skilled labour, students, researchers and start-up entrepreneurs to promote growth and internationalisation remains – and will even intensify to some extent – especially in sectors with the high demand for labour and specialised expertise. RDI activities require international specialists to promote innovation and integration into global value networks.

We propose the following post-COVID-19 priorities for the Talent Boost programme:

- Retain the Government Programme's target of one month for the average processing period of work-based residence permits. Supplement this target by also setting the target for processing residence permits for students and researchers at one month.
- Continue development of the international recruitment model. Focus development efforts on building a mechanism for identifying international labour demand and supply while developing guidance and other services for international talent recruitment as part of business services. Continue modelling the role of employment and economic development services and the ELY Centres. Analyse the timing of the launch of the international recruitment pilots in line with the development of the employment situation.
- Focus initial talent attraction measures on specialists, students and researchers. Place emphasis on developing digital talent attraction models.
- Talent activities support the creation of internationally attractive RDI clusters and their linkages to global value networks, key universities and research institutes relevant to Finland.
- Place special emphasis on helping international talents already in Finland to find employment and on matching businesses with international talents.
- Continue the working life diversity programme, and strengthen the capacity and competence of employers in talent recruitment and management of diverse working communities.
- Facilitate the settling in processes by developing public services and spouse programmes.
- Continue development of the service structure, communications and monitoring.
- Continue the planned efforts to combat exploitation of foreign labour.
- Launch efforts to draft a roadmap to determine the framework, priorities and measures for educational and labour migration independent of fluctuations in business cycles, looking beyond government terms.

4. Packages of measures

PROGRAMME OF PRIME MINISTER SANNA MARIN'S GOVERNMENT

Increase work-based immigration of skilled labour. Work-based immigration is to focus on labour shortage sectors, and on specialists, students and researchers essential for the leading and growing fields of research, development and innovation (RDI).
A wide-ranging action programme will be compiled to attain this target.

TALENT BOOST PROGRAMME

Goal:

International talent will contribute to higher employment in Finland; foster quality, internationalisation and diversity in higher education institutions; drive the growth of companies and RDI activities, and promote foreign investment in Finland.

Objectives:

1. Finland is an internationally attractive place to work, study, carry out research, and set up a business.
2. Employers are willing and able to recruit international talent.
3. The expertise of international specialists drives the internationalisation and renewal of Finnish companies as well as our research, development and innovation.

"International talent" refers to foreign senior specialists, workers, startup entrepreneurs, students and researchers.

MEANS: Coordination of employment, business, innovation, education and immigration policies

Measures package 1: TALENT ATTRACTION

- #Finlandworks – attracting senior specialists, students, researchers and startup entrepreneurs
- Creating a model for international recruitment
- Recruiting foreign higher education students and researchers
- Scholarship and trainee exchange programmes

Measures package 2: IMPROVING IMMIGRANT LEGISLATION AND PERMIT PROCEDURES

- Swift and smooth processing of education and work-based residence permits (processing time of one month)
- Extending residence permits to cover a period of two years after graduation, and allowing permit holders to accept short-term work
- Preventing the exploitation of foreign workforce

Measures package 3: CREATING BETTER CONDITIONS FOR RETENTION AND GROWTH

- Customer-focused services that support settlement
- Operating models that bring together companies, RDI actors and international talent
- Services that promote the integration, employment and self-employment of international talent
- Measures that enhance diversity in workplaces and help to identify skills and competences

Preparing a roadmap to 2035 for education and work-based immigration

Setting priorities, frameworks and measures for education and work-based immigration that will extend beyond the current government term.

4.1 Package 1: Promoting availability of skilled labour

4.1.1 International talent attraction

Overall, Finland's attractiveness for high-skilled immigrants has thus far been relatively limited.ⁱⁱ A country comparison published by the OECD in May 2019 ranks Finland in the 18th place. Based on the OECD Indicators

of Talent Attractiveness, Finland ranks well in terms of overall attractiveness for university students, placing among the five top countries alongside Switzerland, Norway, Germany and the United States.ⁱⁱⁱ

In the light of international comparisons, the Finnish working life offers several strengths: safety, clean environment, equality, education system, good working conditions and work-life balance, child-friendliness, proximity to nature, access to English-language services, etc. However, limited career opportunities affect Finland's international ranking.^{iv}

Finland launched its country brand effort to promote immigration of international talents in 2018. The main messages under the #FinlandWorks brand concept reflect an effective welfare state with strengths such as a well-functioning society, equality, nature, sustainable development, and education, training and competence.

Measures

- Gathering the efforts to attract specialists, start-up entrepreneurs, students and researchers under a single #FinlandWorks brand. Creating a systematic operating model to improve strategic focus of talent attraction.
- Support the creation of internationally attractive RDI clusters and their linkages to global value networks, key universities and research institutes relevant to Finland.
- Developing grant systems for master's and doctoral students, such as a national 'Finland Grant'.
- Launching and resourcing Friends of Finland activities to mobilise international talents living in Finland, expatriate Finns and Finland alumni living abroad in support of talent attraction efforts.
- Launching trainee exchange programmes with selected third countries.
- Developing funding opportunities for international researchers.

4.1.2 International recruitment model

The international recruitment model is especially geared towards promoting the capacities of small and medium-sized enterprises (SMEs) to hire international talents. The model aims at increasing the quality and quantity of international recruitment, taking into consideration the sustainable, ethical recruitment perspectives.

The model's development work includes building a data model for international skilled labour demand and supply. The data model will help improve the focus of business services relating to international talent recruitment.

Measures

- Creating a data model for international recruitment based on information about demand for international labour and talent in businesses and supply of talent available abroad. Taking account of the ethical principles of international labour recruitment and systematic anticipation of foreign labour demand by sector, occupation and region.
- Mainstreaming international recruitment as a part of the business services, especially business contacts. Providing a service and guidance package for businesses in support of recruitment, incl. guidance on residence permits.
- Launching international recruitment pilots after the COVID-19 crisis in order to design the operating model, with focus on specialists or sectors suffering from labour shortages after the crisis.
- Strengthening the role of the ELY Centres and TE Offices in promoting availability of skilled labour. Emphasizing the suitability of the digital Jobmarket platform for international recruitment purposes in the course of the overall development of the platform.

4.2 Package 2: Developing immigrant legislation and permit procedures

Smooth residence permit processes play a key role in attracting and recruiting talents, their entry and integration into the country and making the most of their skills. Finland's sluggish permit processes prevent

timely recruitment of international talent to meet the needs of business and RDI activities, damaging its reputation among businesses and talents.

The Government Programme aims at ensuring swift and smooth processing of work-based residence permits, with a view to achieve an average processing time of one month. Implementing the Government Programme's entry calls for legislative amendments and increasing and better use of automation.

Measures

- A wide-ranging, cross-administrative project to develop immigrant legislation and permit procedures has been launched under the coordination of the Ministry of Economic Affairs and Employment. Its target is to achieve the average processing time of one month for work-based residence permits set in the Government Programme. The same target time will also be set for processing residence permits for students and researchers. The development project is divided into the following packages:
 - Streamlining legislation on the processing of residence permit applications: accelerated 'fast-track' procedure, strengthening employers' role in the process, model for accredited employers, public authorities' rights of access to information, process impediments due to legislation;
 - Reforming regulations on foreign students and researchers: necessary amendments to provisions on granting residence permits for the period of studies and facilitating opportunities to stay in Finland afterwards; role of the higher education institutions in the permit process;
 - Reforming regulations on foreign seasonal workers: workers' status and opportunities to change employers;
 - Accelerating official procedures in the processing of residence permit applications: implementation of measures not requiring legislative amendments by Finnish Immigration Service (Migri), TE Offices and the Ministry for Foreign Affairs; developing digital processes and automation;
 - Preventing the exploitation of foreign labour.
- Studying work permit processes and practices in key reference countries as part of the government's analysis, assessment and research activities.

4.3 Package 3: Strengthening the conditions for growth and attractiveness

4.3.1 Customer-oriented services for settling in

Services for settling in can help international talents and their families form a bond with Finland, contributing to their successful integration and willingness to stay in the country. Businesses lose skilled labour if a prospective international employee's spouse cannot find employment in Finland. Foreign business executives living in Finland feel that scant job opportunities for their spouses present a challenge for – or even a barrier to – moving to Finland.^v

Talents should be provided with targeted information about the entry process, jobs or places to study, living in Finland, economic sectors, financing and cooperation opportunities, as well as with contacts and information about career advancement opportunities. The most important public entry-stage services must be available in English at least in the largest cities. An international atmosphere and open, broad-minded attitudes towards newcomers, combined with diverse services, are conducive to making international talents want to settle in a place with their families.

Measures

- Securing adequate resources for governmental authorities to support smooth entry into and settlement in the country. Merging public and other entry-stage services to a single entity. Establishing International House services in the largest cities.

- Providing public services in English, especially in the largest cities, including international day care centres and schools. Engaging international talents in development of their cities.
- Supporting the employment and integration of spouses of international talents by providing specialised integration services and spouse programmes, targeted for highly educated persons.
- Encouraging immigrants moving to Finland to work or study and their spouses to study Finnish or Swedish. Establishing the Finnish/Swedish for workplaces services provided by employment and economic development services as a permanent feature in workplaces.

4.3.2. Intensifying efforts to match businesses with international talents and diversify workplaces and RDI activities

The diverse and non-discriminatory nature of Finnish society and the working life plays a critical role in Finland's attractiveness as a destination for skilled labour, international students and investment as well as employment opportunities available for talents already residing in the country. Failure to draw on the pool of foreign talents already living in Finland means that resources go untapped.

Diversification not only steps up innovation and renewal but also increases jobs. International specialists boost business and innovation growth and internationalisation while opening up new target markets. Likewise, an effective start-up ecosystem entails international supply of skilled labour.^{vi}

Matching international talents with businesses involves challenges, and immigrants have more difficulty finding employment than the native-born population. Furthermore, they are more frequently employed in jobs not corresponding to their skills level. As jobs and innovations generating new work opportunities are increasingly created through networks, international talents are often excluded from these opportunities due to lack of Finnish networks. Many international talents have networks and potential contacts with businesses around the world. However, converting these into business activities requires knowledge of the Finnish business environment and contacts with Finnish companies.

Hiring the first international talent may be a high hurdle especially for SMEs because of the language used in the working community and documentation, for example, or because of SMEs seldom having HR functions to support international employees' relocation to Finland.

Measures

- Highlighting the potential of international talents as drivers of growth and internationalisation as a part of public business services.
- Using the working life diversity programme to strengthen businesses' recruitment competences and internal willingness and readiness to become more international, incl. communications campaigns, training courses and a toolbox for promoting diversity.
- Intensifying efforts to match businesses with international talents together by means of financial incentives, labour market training, co-creation models, practical work placements, recruitment events and mentoring.
- Strengthening the capabilities of international talents to turn their expertise and networks into business activities as a part of higher education and by providing continuous learning opportunities.
- Connecting international talents with professional networks and start-up activities as well as sectoral and regional growth and innovation ecosystems.
- Paying attention to international students' overall integration and cooperation with the working life as of the early student marketing stage to post-graduation job search.
- Enhancing recognition of skills acquired abroad and guidance for highly educated immigrants.
- Encouraging international higher education students to study Finnish or Swedish by offering grants. Piloting functionally bilingual degree programmes for international students.

4.3.3 Services to promote entrepreneurship among international talents

The number of businesses set up by immigrants is increasing in Finland. Entrepreneurs from immigrant backgrounds form a significant and growing customer segment of services for new entrepreneurs, especially in the Helsinki Metropolitan Area and larger growth centres; their proportions of customers range between 10% and 40%.

According to a study published by the Ministry of Economic Affairs and Employment on the service needs of immigrant entrepreneurs^{vii}, immigrant customers find service provision confusing and fragmented, even though plenty of services are available. The study indicates that immigrant entrepreneurs do not call for specifically tailored services; instead, the services should be integrated as a part of native-born people's entrepreneurship and entrepreneur communities. However, it is necessary to bear in mind certain underlying factors involved in immigrant entrepreneurship, such as aspects relating to knowledge of culture and society and educational backgrounds.

Measures

- Enhancing the openness and attractiveness of entrepreneur networks and innovation platforms to international talents by personal and business mentoring and more systematic provision of English-language business services, for example.
- Developing business support services to meet the special needs of international talents pursuing international business activities. Providing information about Team Finland services for businesses entering the country.
- Raising awareness among potential immigrant entrepreneurs about services available for businesses and about cooperative entrepreneurship.
- Developing means to encourage foreign degree students (incl. postgraduate students) to set up businesses, making use of start-up permits.

5 Roadmap for educational and labour migration to 2035

5.1 Background

Finland's working age population is decreasing while population growth is currently based exclusively on immigration. According to current demographic trends, Finland's population will start to decline in 2031. Over the next two decades, its working age population (aged 15 to 64) is expected to decrease by 111,000 people by 2040. During the same period, the number of people aged under 15 will decrease by 171,673, whereas the number of those aged 65 or over will increase by 261,000 people.

The demographic trends will affect the supply of labour and sustainability of general government finances. The challenges caused by the population structure can be compensated by a higher level of net immigration. By promoting educational and labour migration, in particular, the skills needs of the labour market can be met while supporting growth, innovation and internationalisation. In 2019, a total of 9,461 first residence permits were issued on the grounds of employment, almost double the number in 2015. Residence permits for studies were issued to 5,246 third-country nationals in 2019. The same year saw 3,865 registrations of rights of residence of EU citizens on the grounds of employment, while another 1,028 EU citizens were registered for studies.

Promoting educational and labour migration plays an increasingly significant role in terms of creating a competitive operating environment for businesses. As a small, export-driven country, Finland needs to focus on building up its skilled human capital. To reach the top of their field, businesses must be able to attract the best or most potential talents around the world, regardless of economic cycles. The same holds true for higher education institutions and other members of innovation ecosystems. If immigration is to raise society's wellbeing and create new jobs and business activities, special emphasis should be placed on measures geared towards channelling the talents of immigrants into added value for business and industry.

5.2 Situation picture

Resolving the challenges caused by demographic trends requires a diverse range of tools. Limited labour resources call for new kinds of investments in education, training and competence, for example. It must also be kept in mind that some of the demand for new labour can be compensated by increasing productivity.

In Finland, immigration policy has not been systematically linked to other policy sectors. During its term, the current Government aims to integrate immigration policy more closely with innovation, employment, education, and economic and industrial policies, with a view to promoting growth and wellbeing. Policies, legislation, administration and services must be developed, not only across administrative branches, but also systemically and persistently.

However, neither a longer-term strategic vision nor measures have been determined for educational and labour migration. The issues being analysed concern recruitment volume, focus areas and measures, and placement of recruited workers and students in different economic, occupational or educational sectors. Efforts to anticipate educational and labour migration needs have not distinguished between the demand for foreign labour from the labour demand in general terms, which has contributed to slowing down more long-term analysis of active educational and labour migration.

5.3 Proposal

Increasing educational and labour migration should be based on a long-term vision shared by society as a result of wide-ranging debate. In order to determine this vision, we propose launching a process of drafting a roadmap.

The roadmap for educational and labour migration should determine a goal-oriented development plan for a longer term. The roadmap should aim to determine a framework, objectives and priorities for educational and labour migration and measures towards the objectives for the next few years, applying a knowledge-based approach. The roadmap's time span should extend to 2035.

The objectives and measures to be determined in the drafting process should be premised on population projections and skills needs forecasts and studies as well as key immigration, education, training, research and innovation policies and processes.

The roadmap process would also provide the central government and other Talent Boost players with an opportunity to form situation picture shared on joint discussion forums and prepare knowledge-based assessments of labour and educational migration required in terms of social development.

The roadmap is proposed to be drawn up using interactive working methods, engaging a wide range of different parties. Parties invited to participate in the drafting process should include representatives from the central government, regions and cities, as well as businesses and higher education institutions, while citizens could also be consulted online. Responsibility for drafting the roadmap should be assigned to the Ministry of Economic Affairs and Employment and the Ministry of Education and Culture in cooperation with the steering group for the Talent Boost programme and the working group on international talent attraction and retention. The work should start in the autumn of 2020.

ⁱ [Exit- ja jälleenrakennustyöryhmän ensimmäisen vaiheen raportti \[Report on the first phase of the working group on the coronavirus exit and reconstruction strategy\]. Valtioneuvoston julkaisuja \[Publications of the Finnish Government\] 2020:12. In Finnish.](#)

ⁱⁱ [European Commission's Country Report, 22.2.2017, SWD\(2017\) 91 final.](#)

ⁱⁱⁱ [OECD Indicators of Talent Attractiveness.](#)

^{iv} E.g. [Finland Toolbox.](#)

[Working Life 2020 project publication: Good working life as Finland's competitiveness factor \(2016\).](#)

^v Kv-yritysjohdajien kokemukset Suomesta työ- ja elinympäristönä [*International business executives' experiences of Finland as a working and living environment*]. Survey conducted by the Confederation of Finnish Industries (EK) for foreign business executives living in Finland, 2019. In Finnish.

^{vi} Startup-yritysten kasvun ajurit ja pullonkaulat [*Growth factors and bottlenecks for business start-ups*]. VNK [*Prime Minister's Office*], 2016. In Finnish (English abstract available).

^{vii} [Maahanmuuttajayrittäjien palvelutarpeet ja yrittäjyyden edistäminen \[Service needs of immigrant entrepreneurs and promoting entrepreneurship\]. Työ- ja elinkeinoministeriön julkaisuja, Työ ja yrittäjyys \[Publications of the Ministry of Economic Affairs and Employment, Employment and entrepreneurship\], 23/2015. In Finnish \(English abstract available\).](#)