Global Talent on the Move: Multiple Migrations of Self-Initiated Expatriates in Asia

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Abstract
In recent years, global economic restructuring has accelerated the movements of skilled workers. A growing number of multinational corporations (MNCs) are transferring more employees across national borders, and are also recruiting more locally-hired foreigners, to meet technical and managerial needs in the countries where they operate. Various neoliberal reforms in higher education across the world have also been encouraging young professionals and academics to move across national borders. The number of these “self-initiated expatriates (SIEs)” has been rising across the world. Although many governments welcome SIEs, many of them do not settle in one place but move across multiple countries over time at their own initiative. What factors discourage SIEs from settling in their first destination, or conversely, what motivates them to move on to the next? Based on fieldwork in three global cities in Asia (Tokyo, Hong Kong and Singapore), this paper analyses various socio-economic, institutional and cultural factors behind the multiple migrations of SIEs.

Keywords: migration, globalization, self-initiated expatriates, global talent, Asia

Introduction
Global economic restructuring processes have accelerated the movements of skilled workers. A growing number of corporations are transferring more employees across national borders to meet technical and managerial needs in the countries where they operate. One survey shows that 70% of multinational corporations (MNCs) expect their staff to take up short-term positions overseas (Hays 2015). At the same time, the expansions of transnational businesses have been accompanied by the growing local recruitment of skilled workers to meet specific demands. It is becoming increasingly common for companies to hire skilled workers who are available locally or foreigners who are willing to move to a specific country where their skills are needed. According to Jennings and Best (2015), 44% of MNCs in Asia and the Pacific have hired foreigners to work locally. Management scholars call these foreigners “self-initiated expatriates (SIEs)” and differentiate them from traditional “organizational expatriates (OEs)” (Lee 2005; Biemann and Andresen 2010; Doherty, et al. 2011; Froese and Peltokorpi 2013). SIEs now constitute
a growing proportion of skilled migrants around Asia and throughout the world (Al Ariss and Crowley-Henry 2013).

The existing academic literature on class theory often describes MNCs and global professionals as a “transnational capital class” (TCC), “transnational bourgeoisie,” and a “global ruling class” that dominate the global economy (Robinson and Harris 2000; Harris 2001; Robinson 2004). However, while global professionals such as OEs receive lucrative financial packages and can exert power in transnational business operations, not all expatriates enjoy such privileges. SIEs often receive lower salaries from their employers and have fewer privileges than OEs (Biemann & Andresen 2010), and can be underemployed despite their high educational qualifications (Lee 2005, Saunders 2012).

SIEs have become more prominent among the ranks of skilled migrants for several reasons. First, the acceleration of neoliberal capitalism has affected MNCs’ human resource strategies, pressuring them to recruit more locally to cut labour costs. The so-called “local hire” is a much cheaper option than transferring employees to an overseas branch office since it includes no lucrative packages or coverage for transportation costs (Miller 2010). There has also been a growing demand for workers who are inter-culturally flexible and who possess more differentiated skill sets (Cao et al. 2012). This has led to the expansion of the labour market for low-cost international professionals worldwide, particularly in today’s growth-hub Asian economies. An increasing number of them are skilled migrants who are willing to take such “local positions” in other countries.

The driving forces behind the hypermobility of skilled migrants are not limited to changes in the corporate hiring practices. The neoliberal globalization of higher education has also produced a pool of mobile SIEs. Partly for financial reasons, most universities have sought large numbers of international student enrolments. In Australia, international students contribute 17% of university revenues, and are thus seen as a valuable university income source (Hare 2015). Despite being portrayed as “potential skilled migrants” in policy discourses (Hawthorne 2008), after graduation, international students often face difficulties in finding employment in the countries where they have studied due to their lack of permanent residency status and personal connections. In Australia, international students’ employment rate upon graduation is significantly lower than that of locals, with the exception of those in medicine, dentistry and pharmacy. In the fields of business, accounting and engineering, the employment rate of international students is approximately 40%, about half that of local students (Hawthorne 2014). Many of these students are forced to return home or take up employment elsewhere as SIEs. This is the case even for those who receive postgraduate research degrees. Due to the limited number of full-time teaching and/or research positions available in higher education institutions, many former international students must consider applying for positions in other countries. International migration has increasingly become the cultural norm in academia (Bauder 2012).

As the global restructuring of labour markets accelerates and various neoliberal reforms in higher education continue to supply greater numbers of international students to the skilled workforce, the number of SIEs moving across multiple national borders will also rise in both the corporate and academic worlds. Yet very little is known about SIEs and their modes of decision-making regarding multiple migrations. What factors prevent them from settling in their first destination country and motivate them to move on? How do they envisage the progression of their long-term careers? Although an increasing number of studies has been conducted on SIEs in recent years (Lee 2005; Biemann and Andresen 2010; Doherty, et al. 2011; Froese and Peltokorpi 2013), SIEs’ mobility patterns and causal factors have yet to receive adequate scholarly attention.
This paper attempts to address this knowledge gap by examining the multiple migrations of SIEs in three global cities in Asia—Tokyo, Hong Kong and Singapore. In particular, it highlights socio-economic, institutional and cultural factors that lead SIEs to engage in multiple migrations. It also analyses SIEs' views on their transnational careers and their decision-making processes regarding expatriation and settlement, including the decision not to acquire permanent residency in their first destination.

Data and Methodology
This research draws on 45 qualitative interviews with SIEs in three global cities in Asia (18 Tokyo, 12 Hong Kong and 15 Singapore) who have moved across multiple borders. All respondents were identified via snowball sampling, and interviewed for about an hour between 2011 and 2013. The occupations of the respondents included investment bankers, management consultants, engineers, scholars and researchers. The profile of the respondents is as follows: 27 males (60%) and 18 females (40%), with the average age of 37 years. In terms of citizenship, 40% held citizenship in Asian countries, followed by North America (24%), Europe (20%) and others (16%). Six respondents (13%) possessed multiple citizenships.

Self-Initiated Expatriates (SIEs) and Multiple Migrations in Asia

(1) The Initial Migration Path
Confirming the previous research findings on one-time SIEs (Doherty 2013), the first segment of migration for these respondents often involved personal ties, such as family members, relatives or friends. In cases where there were no family ties, many SIEs developed an interest in the culture and the people through visits or studies. A dual national of the U.S. and Mexico stayed in Japan for a few weeks when he was an undergraduate student, and then decided to work there upon graduation. He remembered his decision as follows:

[When he visited Japan for the first time] I was very interested in the culture and country. Toward the end of my graduate school, I could work in the US, but I could also work in Japan. Japan sounded more interesting. It was not going to affect my career because Japan was doing a pretty advanced stuff…semi-conductor. So I decided to work there as an engineer.

Other respondents decided to take their first job in a certain country solely because of the attractiveness of the employment opportunities there. Even in academia, active recruitment initiatives by Asian universities encouraged such decisions. Three of my respondents were contacted by universities in Hong Kong while they were still writing their Ph.D. dissertations in North America. Given the appealing nature of the positions and the relative tightness of the academic market in North America at that time, they decided to take the offers.

(2) Moving Onward: Multiple Migrations of SIEs
Despite their initial excitement about the first destination country, not all SIEs settle down there. My respondents in this instance decided to move on to other countries for various reasons. This section examines the socioeconomic and institutional factors behind those decisions.

Work-Life Balance and Long-Term Career Prospects
In Japan, the working environment was one of the major factors that pushed highly skilled migrants out of the country. Indeed, Japan is ranked one of the lowest for work-life balance among all the industrialised countries (OECD 2015). Many SIEs felt frustrated that they could not spend enough time with their families and friends. Even single professionals felt inclined to leave the country. A 24-year old British IT professional, commented as follows:

I love Tokyo, but the working hours are too long. One day I want a family. But I can’t imagine myself being a father and working long hours…So unfortunately, Japan is not the place for me.
A senior American engineer, agreed and emphasized that high salary was not his priority, but quality of life was, since “a good quality of life would improve my work product as well.” Most respondents answered that quality of life for them and their family was the most important factor for deciding where they would live. Even in Singapore, SIEs who used to work in North America and Europe found the work environment to be rather hectic. Maria, an Indonesian marketer who had studied and worked in the U.S. said her current job in Singapore was forcing her to work more than 8 hours a day. She called it the “Asian style.” Indeed, Asia is known for longer working hours than those required in Western countries. In Hong Kong, working 9-10 hours a day is not unusual either (SMPC 2015). One scholar who moved from Japan to Hong Kong reported that the work pressures in Hong Kong were much greater than those in Japan.

Another primary reason for SIEs to decide to leave Japan was limited career opportunities available to foreigners. Although Japanese companies declare there is equal treatment for both locals and foreigners, the promotion exams are mostly conducted in the Japanese language only, and SIEs feel disadvantaged in terms of their long-term career. A Canadian engineer left for Singapore because of the dim prospects he sensed that he had for a successful long-term career in Japan:

In a typical Japanese company, you have a seniority-based promotion system. At some point you get promoted to a group leader, and then to a section chief, and you move up. As a foreigner, how does it work? The system is not clear.

The lack of foreigners in management and the lack of role models in the workplace have discouraged SIEs from pursuing their career in Japan.

**Family Issues**

Even when SIEs are satisfied with their career and work environment, their family situation can force them to return home or move on to a different country. Children’s education is a particularly important concern. Global professionals who have travelled and been exposed to different cultures have a strong desire to bring their children up in a multicultural environment. A scholar who was educated in the Netherlands and New Zealand decided to leave Japan because he and his wife wanted to educate their children in English and in a more multicultural school, so that they would have more career choices in the future. International schools existed, but were not an option due to their high tuition fees. Spouse career opportunities were also crucial in the couple’s decision-making. A Canadian scholar moved from Hong Kong to Tokyo for his wife’s career. On the other hand, another scholar who worked in Singapore and Japan, decided to move back to Canada partially because his wife’s employment opportunities in both countries were too limited.

**Institutional Factors**

For their first decision to work overseas, most SIEs mostly focus on employment, not institutional factors or government policies. That is because they are not fully aware of the implications of these factors and/or cannot imagine how those factors could affect their lives. As they spend more time in the destination country, however, certain institutional factors do emerge as issues, sometimes serious enough to push SIEs to other countries.

A social security system is one of those issues. A 34-year old software engineer from Hong Kong was entitled to apply for a permanent residency in Japan after working there for 10 years. With a good career record and a graduate degree from a top European university, his application would have been easily accepted. However, he decided not to apply and leave the country partly because he realised that he would lose a large portion of his pension contributions to the Japanese pension fund unless he committed to retiring in Japan. Since he was not sure about where he
The decision was twofold. The first was to retire, which he decided to do in order to avoid a huge financial loss. Another respondent, an American professor who had worked in Japan for many years, was entitled to receive full pension benefits. However, he decided to immigrate to New Zealand partly because he wished to continue working as a scholar. The absence of mandatory retirement was one of the appealing factors for him.

Other institutional factor that affected my respondents was the tax system. A wealthy American corporate executive moved from Tokyo to Hong Kong because foreigners who lived in Japan for more than 5 years have to report their overseas assets to the Japanese government and pay a high tax on them. Since he had assets in several countries, he decided to move to Hong Kong where the tax rate is much lower. Indeed, all SIEs that I interviewed in Hong Kong and Singapore cited its low tax rate as one of the important reasons for living there, whether temporarily or permanently. Certain requirements for permanent residency can also deter some skilled migrants from settlement. A Canadian engineer working in Singapore met the conditions to apply for permanent residency. Nevertheless, he decided not to apply and moved to Hong Kong instead. He explained his reasoning as follows:

We were about to apply [for permanent residency], but then we had a new baby. And the baby turned out to be a boy. And that actually became one of the reasons why we did not [apply for PR]. If I become a PR, he has to go to national service.

National service is basically a military service required for all citizens and permanent residents in Singapore once they turn 18. Skilled workers are exempted, but their male children are not. Although the SIE himself had a secure job, and permanent residency could have given him and his family various benefits for housing, education and old age pensions, he did not want his son to serve in the national service.

The Culture of Expatriation

Many respondents pointed to the strong presence of expatriate culture in certain sectors and occupations. Academia is certainly one of them. Given the tight labour market, most academics without tenured jobs are forced to move across many universities that are often beyond national borders. The international university ranking system emphasises the diversity of faculty members and thus also contributes to the active cross-national recruitment of academics. Even those with tenured positions are increasingly moving across borders. Professionals in finance and IT have also found it easy to find jobs in other countries due to the large demand for those with international experience. In contrast, professionals in sectors requiring local license exams (e.g. law and medicine) find it difficult to move freely across multiple borders. The mobility culture is bound and constrained by these professional specifications as well.

Expatriate cultures are also stronger among the younger generations. An emerging group of “Generation Y” professionals have a strong tendency to seek more excitement and a stimulating work environment (Sheahan 2005). As they consume more diverse cultural products and interact with people having multicultural backgrounds, they do not perceive multiple migrations as anything special. A 24-year old French-Senegalese HR specialist said he was not planning to settle down in any one place. He wanted to keep moving to different countries and regions to build both his career and his experience with diverse cultures.

Lastly, certain countries have developed a stronger expatriate culture than others due to their geographical and/or economic structure. Singaporean respondents argued that the majority of

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1 When he made this decision, it was necessary for workers to make pension contributions for 25 years before they could become eligible to receive benefits. The requirement was changed to 10 years in 2015.
elites in their country would migrate overseas during their lifetimes. One of them pointed to the norm of migrating within a “seven-hour flight radius”:

Singapore is a very small country, so it is economic necessity to move around. You know the “seven-hour flight radius”? As long as somewhere is within a seven-hour flight radius around Singapore, it is considered ‘near.’ It is very normative [to move within the radius]. Out of my friends, 75% are working overseas.

Many respondents commented about the importance of social networking services, such as Facebook and Twitter, as an important tool supporting multiple migrations. These services constitute basic communication infrastructures which reduce the physical and psychological distance from their “home,” and help them remain connected with their friends in any places they have lived.

Concluding Remarks
This paper has described the ways in which various factors have facilitated the multiple migrations of SIEs in Asia. Individual backgrounds (prior exposure to different cultures), social ties and a desire for adventure set their initial paths. However, workplace factors (work environment, cultural diversity and career development opportunities) and institutional factors (tax, health care system and social security benefits) eventually influenced their decision to settle or migrate elsewhere. Certain geographic and economic imperatives also nurtured stronger expatriate cultures and mindsets that are prone to engage in multiple migrations.

Given the growing size and diversity of SIEs, more comprehensive investigations are needed to understand their complex migration patterns as well as the socio-economic implications of their hypermobility. The structural constraints in which SIEs are embedded also merit more scholarly attention. Due to their status as “local hires” who receive no expat package, some SIEs worry about their abilities to finance their children's education and their own retirement. They can also face career challenges, such as glass ceilings, because of their non-expatriate or foreign citizen status.

While SIEs have been studied mostly by management scholars, more research by sociologists and migration scholars could contribute to a more holistic understanding of this emerging group. Further interdisciplinary studies on SIEs can advance analyses of the complex interplay between state policies, the global labour market and individual autonomy in skilled migration.

References


