



## The Hague Process on Refugees and Migration

# The Return on Investment on Migration:

---

What is in it for Businesses?

2015



Copyright 2015 The Hague Process on Refugees and Migration

ALL RIGHTS RESERVED

This report or any portion thereof may not be reproduced or used in any manner whatsoever without the express written permission of The Hague Process on Refugees and Migration except in the case of brief quotations embodied in critical reviews and certain other non-commercial uses permitted by copyright law.

## Contributors

This study was developed and lead by THP in consultation with a multidisciplinary expert steering group consisting of:

- **ROI Institute, Inc.** is a leader in measuring return on investment (ROI) for all types of human capital programmes and projects. The ROI Institute reports ROI in the context of a framework that implies a logical change occurs as companies make investments in people. This methodology results in credible metrics and ROI reports accepted by financial executives and stakeholders.
- **Dr Liesl Riddle**, Associate Professor of International Business and International Affairs at The George Washington University, leads the GW Diaspora Capital Investment Project which generates and disseminates learning about diaspora investment and its role in development to assist private-sector firms, policymakers, diaspora organisations, diaspora entrepreneurs, and researchers.
- **Prof. Stuart Carr**, Massey University, is known for applying organisational psychology, with inter-related disciplines, to poverty reduction. His research ‘breaks through’ into world-class applied journals, the OECD’s “Policy Insights” and UNESCO’s “Higher Education Policy.”

**THP Research Coordinator:** Teresa Juzwiak

## Acknowledgements

THP would like to thank all the businesses that took part in this study which allowed us to further develop the business case for migration.

## The Hague Process on Refugees and Migration (THP)

E-mail: [info@thehagueprocess.org](mailto:info@thehagueprocess.org) | website: [www.thehaugeprocess.org](http://www.thehaugeprocess.org)

Laan van Meerdervoort 70, 3rd floor, 2517AN, The Hague, The Netherlands

Tel: (31) (0)70 711 8989, Fax: (31) (0)70 711 8990

# Contents

- Contributors ..... 2
- List of Tables ..... 4
- List of Figures ..... 4
- Abbreviations ..... 5
- Executive Summary ..... 6
- THP and Background ..... 9
- Introduction ..... 10
  - Research Question and Objectives ..... 11
  - The Report ..... 12
- Background and Review of Existing Literature ..... 13
  - Corporate Social Responsibility ..... 13
  - Diversity in the Workplace ..... 14
  - Innovation and Market Expansion ..... 16
  - Entrepreneurship ..... 18
  - Government Engagement ..... 19
  - ROI ..... 21
- Methodology ..... 24
- Results and Discussion ..... 29
  - A. General Perceptions of Migration ..... 29
  - B. Areas in which Companies Benefit from Migration ..... 34
  - C. Measuring Return on Investment (ROI) ..... 40
- Implications ..... 54
- References ..... 56

## List of Tables

Table 1: Justification of target groups .....28  
 Table 2: Classification of sample.....28  
 Table 3: Reported measures for tracking migrant contribution to areas of business activity .....37  
 Table 4: ROI measures as reported by respondents .....44

## List of Figures

Figure 1: ROI for Businesses on Migration.....11  
 Figure 2: ROI Basic Calculation.....21  
 Figure 3: ROI framework: Data Categorization Scheme .....25  
 Figure 4: ROI Methodology Process Model .....26  
 Figure 5: Areas of Business Activity .....27  
 Figure 6: Geographical Scope of Respondents.....27  
 Figure 7: Issues that Prevent Businesses from Benefiting from Migration .....29  
 Figure 8: Word Cloud on Adjectives Linked to Migrant Human Capital.....31  
 Figure 9: Roles Migrant Workers Play in Companies .....32  
 Figure 10: Perceptions of migration .....33  
 Figure 11: Areas of Business Activity in which Companies Benefit from Migrants .....34  
 Figure 12: Interconnection of Business Activities and Migrant Benefits.....36  
 Figure 13: Active Integration of Migrants .....38  
 Figure 14: Chain of Impact – Case Study 2.....42  
 Figure 15: Chain of Impact – Case Study 4.....43  
 Figure 16: Contextual Factors for Business’ ROI for Migration.....45  
 Figure 17: Measure Improvement due to Migrant Related Activities .....51  
 Figure 18: Costs and benefits from migration .....53

## Abbreviations

CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
GFMD	Global Forum on Migration and Development
GTM	Global Talent Management
HR	Human Resources
INR	Indian Rupee
IOE	International Organisation of Employers
KPI	Key Performance Indicator
MNC	Multi National Corporation
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
PPP	Public-Private Partnership
ROI	Return On Investment
SROI	Social Return on Investment
THP	The Hague Process on Refugees and Migration
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organisation
WEF	World Economic Forum

## Executive Summary

Migration constitutes an important aspect of human history and is a topic of immense relevance in contemporary life. In 2013, 232 million people worldwide were international migrants, representing a total of 3.2 percent of the world population (UN, 2013). In today's global economy, migration plays a vital role. Migration is therefore no longer an issue solely for the attention of governments; it is a topic that also directly concerns businesses. Businesses are in a position to influence positive change and improve the legal frameworks protecting migrant workers and migrant engagement can directly benefit company performance.

The Hague Process on Refugees and Migration (THP), together with the Turkish Chair of the Global Forum on Migration and Development (GFMD) 2014-2015, designed the current study called: *"The Return on Investment on Migration: What is in it for Businesses?"*. This study contributes to bridging the gap between businesses and migration and builds on THP's previous experience in addressing private sector involvement in the migration issue.

The main aim of this study is to determine a return on investment (ROI) for businesses on migration, including specific effects on different areas of business activity. This calculation is done by capturing the perceived benefits and costs for businesses related to migration (recruitment and retention, government engagement, product and service innovation, market expansion, corporate social responsibility and job creation). ROI is an economic metric that compares the benefits and the costs of an investment. To successfully calculate the ROI of an initiative, one must first identify the annual benefits of that initiative, convert those benefits to monetary values, and compare the benefits to the costs. ROI metrics have not commonly been used to determine the effect of migration on business functioning, and its application provides the opportunity to address an urgent priority for businesses. The results help to tackle the existing barriers for the private sector's active and effective involvement in this field.

THP worked in collaboration with a multidisciplinary expert Steering Group to apply the methodological framework. Interviews were conducted with a total of 28 companies. Where possible, both the head of Human Resources and the person responsible for strategic decisions were interviewed. Respondents were based in eight countries: Canada, Germany, the Netherlands, Spain, Sweden, Turkey, United Kingdom, and United States. The sample included large companies as well as SMEs.

Results indicate that migration is still a topic that generates confusion and mixed perceptions among businesses. While many of the businesses interviewed hold a negative view of current trends in global migration in general, but when thinking about their companies, respondents related migration more closely to human capital. Overall, businesses agree with the positive aspects of migration, particularly that diversity leads to a strong workforce. Businesses also recognize the importance of migration in addressing specific skill needs, enhancing global competitiveness, and creating new opportunities for a company to engage in the community.

The breadth of migration and its meanings is also reflected in the multitude of ways in which businesses can benefit from it. When prompted to think about the specific benefits of migrant populations for the six different areas of business activity, companies indicate they leverage migrants to the greatest extent for product service and innovation and recruitment and

retention. There are also common challenges revolving around costs posed by engagement with migration. This finding presents opportunities for improving cost-effectiveness and jointly addressing issues.

Furthermore, the study finds that in general, companies do not have specific measures they are tracking related to the activities in which they leverage migrant workers. The implication is that they value diversity in the workplace, but do not measure its contribution to the strategy and performance of the company. Engagement with migration seems to evolve organically, rather than purposefully.

There are many benefits to businesses about which no one is talking. The lack of attention organisations give to these benefits prevents them from understanding how the benefits and costs compare, and the opportunities migration brings to advancing their company's agenda. In order to respond to the call from businesses regarding a cost-benefit evaluation of engagement with migration, the measures need to be present. Businesses are involved in various activities that influence diversity and the integration of migrants. These activities ultimately benefit businesses but are neither defining the investment nor measuring the impact.

As most businesses do not have a particular strategy in place to integrate and leverage their migrant workforce, ROI could not be measured for all of the participating businesses. Nonetheless, four businesses provided their perceptions of cost and benefits generated by a particular initiative aimed at migrants. This allowed for application of the ROI Methodology, which determined ROIs ranging from -20 per cent to 706 per cent. These results are based on the perceived contributions of migrants to a company – values ranged from \$13,454 to \$452,048. In addition to reporting the monetary value of these activities, respondents provided their estimated costs of the activities – values ranged from \$16,822 to \$75,893. This broad range tells us little in terms of the overall effects of migration on business, as ROI cannot be interpreted on its own. To understand its meaning requires an understanding of the chain of impact (mechanisms) that led to a particular ROI, as well as the contextual factors.

Contextual factors may include important market and industry developments, the size and diversity of the local talent in the labour market, the ease of legal and social integration into country of residence, market and business environment pressures (or niche opportunities) to localize products and services, and whether or not the business is owned by a migrant, among others. Contextual factors may be key enablers to achieving a positive ROI, as they will influence a business' level of engagement with migration, as well as the level and nature of integration investment within a company. Understanding contextual factors and their potential influence on a business' ROI for migration is essential, as often both the company itself and outside stakeholders such as governments are in a position to influence them so as to boost or worsen the returns.

The findings of this study suggest that businesses understand the value of migrants in the workforce. However, the use of the migrant workforce as a strategic lever is still a missed opportunity by most organisations. While the perceived benefits of migration are worth noting, respondents struggled to identify specific investments made to leverage the migrant workforce and to define specific measures that improved as the result of investments. That said, the study does demonstrate benefits to businesses to embrace migration. It suggests that if companies are to leverage the talent a diverse organisation contributes, particularly the migrant workforce, they



must focus on investment in specific programmes that drive outcomes important to the organisation. Companies must also ensure that measurement tools, and tracking and evaluation systems are in place to fully perceive and realise the potential benefits of migration. However, there is no one ROI for all businesses engaging with migration. The ROI outcome is unique to each individual company and dependent on the characteristics of the company, the contextual factors and the mechanisms in place.

The findings of the study s have implications for three stakeholders:

- **SMEs** can benefit from the global migration opportunity to the same extent as large corporation. They are often better able to measure and capitalize on opportunities offered by engaging with migration.
- **Migrant entrepreneurs** play a key role in capitalising on migrants for better outcomes, both for the business itself, as well as for the economy as a whole.
- **Governments** have an important role to play in enhancing the potential benefits for companies from engaging with migration. To do so, governments need to: a) improve the communication of positive benefits to businesses; b) provide programmes to better leverage migrants for business outcomes; and c) facilitate the short-term returns and benefits of migration.

This study blazes a trail by answering to the call from businesses to demonstrate the costs and benefits, as well as the potential ROI for migration. The results of this innovative study provide a tool for businesses to apply in their consideration of direct involvement with the topic of migration, including those that do not have a history in addressing it. The results also serve as a foundation for further econometric and quantifiable analysis of ROI for businesses engaging with migration.

## THP and Background

The Hague Process on Refugees and Migration (THP) is an independent, not-for-profit organisation, with a global network of over 4,000 individuals, public and civil society organisations and institutions, which brings together stakeholders to seek policy and practical solutions to migration and refugee challenges. THP, together with the Global Forum on Migration and Development (GFMD), composed of governmental and civil society actors, designed the current study called: *“The Return on Investment on Migration: What is in it for Businesses?”*. This study contributes to bridging the gap between businesses and the migration field and builds upon other projects undertaken by THP.

THP has been active in engaging the private sector to address migration related challenges and promoting the formal collaboration between businesses and local governments. THP has formed an alliance with the City of Rotterdam, the Port of Rotterdam and other key businesses in the Rotterdam region to implement solutions for migrant participation in the labour market with the aim of improving economic outcomes for both the city and businesses. In 2014, a joint study between THP and the UNU-MERIT and its School of Governance, [“Migrant and Refugee Integration in Global Cities: The Role of Cities and Businesses”](#), identified good practices in partnerships between businesses and local city governments in eight cities around the world.

Within the 2013-2014 Global Forum on Migration and Development (GFMD) framework, the Swedish Chair of the GFMD and THP, together with the International Organisation of Employers (IOE), the World Economic Forum (WEF), and the Council for Global Immigration, conducted a [mapping study](#) to ascertain business practices, perspectives, and values with respect to global mobility, as well as the private sector’s position on the concept of engagement with governments in migration policy. The results of the study indicate barriers identified by businesses which they face when engaging with migration issues:

1. Businesses consider the issue too risky;
2. Businesses are not convinced of their role on migration issues or its potential;
3. Businesses have no time or interest in the issue;
4. Political process on migration are too slow;
5. Businesses do not have the capacity to influence policy and migration management;
6. There is a lack of awareness in the private sector on migration;
7. Local legislation hampers private sector’s ability to engage on migration.

These results highlight that despite ongoing efforts to bring the private sector into the migration discussion, barriers persist and must be addressed. The study also identifies that risk management and cost benefits evaluation are central concerns for business leaders. Furthermore, it recommends that demonstrating return on investment (ROI) is an urgent priority and the dissemination of evidence-based regional and global data indicating benefits from talent flow is essential.

Building on the previous experience of THP in addressing private sector involvement in migration issues, this current study attempts to determine the ROI for businesses on migration.

## Introduction

Migration not only constitutes an important aspect of human history, but is also a topic of immense relevance in contemporary life. In 2013, 232 million people worldwide were international migrants, representing a total of 3.2 percent of the world population (UN, 2013). In today's global economy, migration plays a vital role.

Migration is no longer an issue solely for the attention of governments; it is a topic that also directly concerns businesses. Businesses are in a position to influence positive change and improve the legal frameworks protecting migrant workers and migrant engagement can directly benefit company performance. Although businesses are not considered the traditional stakeholders when discussing migration management and integration policy, private companies are increasingly dealing with topics relating to migration and development. Companies are also increasingly subject to growing scrutiny regarding their treatment of migrant workers in their own operations and supply chains.

Although many businesses already deal with issues related to migration, they are often not perceived as such or labelled in this way. One reason for this is that the term 'migrant' is broad and often misunderstood; it includes both high- and low- skilled and long and short term internationals. Another reason is that businesses often do not have the correct tools in place to monitor the outcome of their engagement with migration issues, and therefore may not be aware of the costs and benefits related to their already existing involvement with migrants.

Growing evidence from both practice and academia indicates that there are a number of reasons for which migration is a topic of direct interest to businesses:

- Diversity leads to a **stronger workforce** where individuals can share and learn from each other;
- Migration **enhances global competitiveness**;
- Migration allows companies to **address labour shortages** and **specific skill needs**;
- Migrants represent **an expanded customer base**, often creating **new market opportunities**;
- Better integrated migrants are successful due to higher motivation and productivity, and display higher loyalty towards their employer, resulting in **less turnover and absenteeism**;
- A diverse workplace boosts **competitiveness and innovation** among employees;
- Migration allows businesses to **engage with local communities**, often composed of migrants;
- Migration allows businesses to **engage with governments**, for or against migration policies.

Although it has not been measured extensively, experience does point out many benefits for businesses related to migrant engagement. If businesses better informed to understand the benefits of migration in their daily activities and efficiency, they are likely to look into

opportunities to access information and capitalize on this impact. One way for businesses to determine the effect of migration on organisational performance is to develop methods to measure ROI and track this impact.

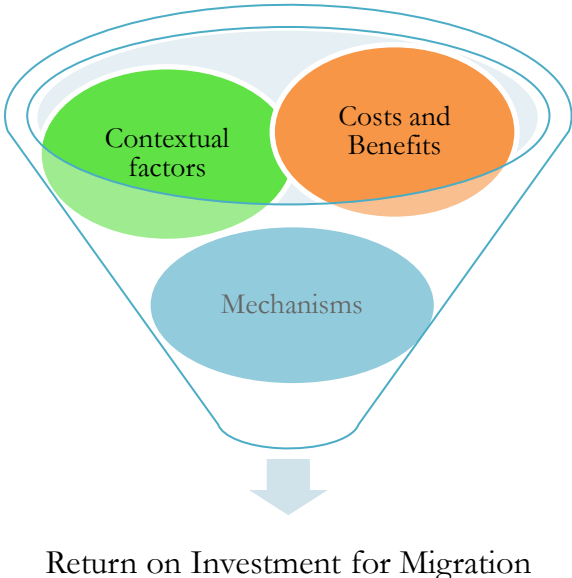
Return on investment (ROI) is an economic metric comparing the benefits of investing in programmes, projects, and initiatives that support a company’s policy or strategy to the costs of such programmes. ROI methods are among the most used business evaluation systems worldwide.

### Research Question and Objectives

The main aim of this study is to determine a ROI for businesses on migration, including specific effects on different areas of business activity. This calculation is done by capturing the perceived benefits and costs for businesses related to migration. The results help to tackle the existing barriers for the private sector’s active and effective involvement in this field. The key research question is: *‘What is the return on investment for businesses engaging with migration?’* More specifically, this study addresses the following questions:

- Why and how are businesses engaging with migration?
- What are the costs and benefits for businesses engaging with migration?
- What are the contextual factors that contribute to a positive ROI?
- What are the mechanisms that contribute to a positive ROI?
- How can the ROI effect be estimated?

**Figure 1: ROI for Businesses on Migration**



The results of this innovative study provide a tool for businesses to apply in their consideration of direct involvement with the topic of migration, including those that do not have a history in addressing the issue.

## The Report

The first part of this report presents a literature review, where the benefits of migration for businesses engaging with migration are discussed. Furthermore, the review explores the use of quantitative metrics to assess the size and relevance of the contribution of migration to business outputs and performance.

The second part introduces the methodological framework used to for data collection and ROI measurement. It also provides an overview of the businesses analysed for this study.

The results are discussed to reveal the perceived costs and benefits surrounding the global migration opportunity for businesses, as well as determine the ROI. The report also presents four case studies in which ROI was measured.

Finally, the report concludes by presenting the implications of the results for relevant stakeholders.

## Background and Review of Existing Literature

The general perception towards migrants is often negative. Close to one in every two Europeans believes that the number of immigrants allowed to enter and live in their country should be limited. In addition, 41 percent of people generally believe that migration negatively affects their countries in the long run (Fargues, 2014). Research indicates, however, that migrants bring knowledge, skills, and networks that can benefit both the economy at large, as well as individual businesses. This makes it increasingly important to regard migration in terms of potential benefits, rather than as a threat or a mere humanitarian issue.

It is therefore important for the private sector to approach migration as potentially offering many benefits. To illustrate this potential, the following literature review addresses areas in which businesses have been known to benefit from migration. Different types of benefits for businesses are explored, as well as if and how such benefits have been measured.

### Corporate Social Responsibility

One innovative way in which businesses could address their stakeholders' needs is through Corporate Social Responsibility<sup>1</sup> (CSR). Traditionally, CSR activities were mainly philanthropy oriented, but a more novel approach treats CSR as a strategy for business innovation (Prahalad, 2009; Prahalad & Hammond, 2002; Fox, 2004; World Business Council for Sustainable Development, 2004; Kourula & Halme, 2008). Activities related to philanthropy generally do not serve business needs, and are not geared at obtaining business profit. Therefore, treating CSR as a strategy for business innovation allows the development of programmes that both contribute to business profit *and* cater to a societal need, offering a win-win situation. A good CSR strategy often results in additional benefits for the company, such as reduced costs, increased employee loyalty, and reduced turnover.

Although many companies have programmes for CSR and philanthropic relations with local communities, migration is not a topic commonly addressed. Further, companies have not been recognized as a mechanism in the migration process itself (Sprinkle & Maines, 2010). Due to scarcity of information in existing literature, there is also not much theoretical information on the link between CSR and migration (Ortiz, Agyeman-Budu, & Cheney, 2010). CSR does however have the potential of providing a framework for companies regarding their social responsibility towards their migrant workers and communities. There is both a need and an opportunity for businesses to address migration directly through their CSR activities. Kourula and Halme (2008) argue that businesses and non-governmental organisations (NGOs) have become key players in global governance alongside governments. They refer to this development as 'new governance' (Moon, 2002) or 'relational governance' (Midttun, 2005), where the public, private and third sectors come together to discuss and develop private sector regulations. Businesses have the obligation towards their shareholders to fulfil their economic responsibilities

---

<sup>1</sup> CSR can be described as the number of corporate activities that focus on the welfare of stakeholder groups other than investors, such as charitable and community organisations, employees, suppliers, customers, and future generations (Sprinkle & Maines, 2010).

- CSR and migration can be one of them.

Migration can also offer a new subject area for businesses to profit from the benefits brought by novel CSR strategies. In their research, Sprinkle and Maines (2010) identified several benefits that businesses can obtain from an innovative CSR strategy:

- CSR may lead to **tax reductions**. Alongside deductions obtained through the donation of cash and products, tax credits are often provided to businesses by different parties as a reward for their CSR efforts.
- Companies can obtain **free advertising** through CSR activities. Businesses performing good deeds often receive media coverage because of this.
- CSR aids in **acquiring, encouraging, and keeping talent** in the company. **Reducing turnover** is also an additional benefit related to this. Research implies that the costs related to turnover are very high and that these can be reduced by CSR activities (Blake, 2006).
- CSR can aid in **avoiding government intervention** through self-regulation (Sharma, Teret, & Brownell, 2010).

## Diversity in the Workplace

While CSR offers interesting opportunities for businesses to engage with migration matters, it is not the only way through which businesses can benefit from migration. Some businesses have also been observing the benefits of migration internally through, for example, migrant recruitment. The primary focus of workplace diversity is to understand the dynamics occurring in an increasingly diverse workplace environment and the possible benefits related to this. In the literature reviewed, the concept is very heterogeneously used and its meaning often depends on the specific context. Although the term has been used to include migrants, it can also include other minority groups such as women, sexual minorities, disabled workers and ‘workers of colour’ (Chattopadhyay, 2004; Fassinger, 2008; Joshi, Liao & Jackson, 2006).

Regardless of this broad categorization, many benefits can be observed from integrating diverse workers within companies. These benefits are often in line with the business case for diversity. According to this theory, the world is becoming increasingly globalized and similar developments in terms of internationalization need to occur within organisations in order for them to succeed. Fassinger (2008) provides an on-point summary of the business case for diversity by connecting diversity to elements such as innovation, new opportunities, exchange of ideas and access to a broader talent pool. Research supports these claims and provides evidence showing that diversity can be very useful in workplace tasks requiring innovativeness. For example, Bontis (2002) finds that investing in human capital diversification significantly increases financial profit. By measuring the variation of human capital a company acquires when managing a diverse workforce, the study shows a human capital return on investment (ROI) of 2.70; meaning that for every \$1.00 spent on employees, the organisation gained \$2.70 in return.

Marimuthu (2009) finds that heterogeneity increases knowledge, creativity, and innovation among team members and that it leads to better problem solving skills. It also increases human capital development and enables organisations to be more creative and innovative, ensuring long term survival in the global market. Furthermore, Joshi et al. (2006) find that wage inequalities are

smaller in teams with proportionately more ‘people of colour’. These findings suggest that increasing diversity decreases workplace inequality, especially in environments where there is no relative balance between majority and minority groups.

While diversity covers a breadth of issues, the topic of Global Talent Management (GTM)<sup>2</sup> focuses more specifically on migrants, particularly international workers and expatriates, and on the benefits of skilled internationals on the business level. Research finds many benefits related to the development of GTM methods, offering increasing opportunities for companies in terms of demand and supply and for optimizing talent flow quality and quantity (Farndale, 2010; Collings, 2007).

The literature on GTM concerning expatriates shows that companies conventionally hired skilled internationals as position fillers, for management development, and for organisational development. Currently, not only is there more demand for competent global managers, there is also increasing variation on the traditional expatriate assignment, indicating that businesses often seek flexibility when assigning internationals. While the traditional long term international assignment is becoming less common, as new types of assignments are emerging and growing in popularity. One example is the ‘short-term assignment,’ which is longer in duration than a business trip but shorter than a year. Another example concerns the ‘international business traveller,’ and addresses employees for whom business travel is an essential part of their work (for example, commuter assignments, international rotational assignments, and virtual assignments) (Collings, 2007).

An important benefit for businesses is the increase in knowledge exchange between internationals and natives. Literature indicates that skilled internationals or migrants can cooperate with skilled native citizens to offer additional expertise leading to increased innovation. Migrants’ skills often complement the skills of native workers because they possess different levels of education, they obtain diplomas in different academic fields, and their work expertise also differs. Furthermore, evidence shows that the long-distance social capital webs brought by migrants are increasing the globalization of labour markets and strengthening opportunities for businesses, ventures, and commerce in the United States and in developing districts in Asia (Constant, 2014; Saxenian, 2002).

Businesses can boost the benefits gained through migration by developing the right conditions for it. For example, knowledge transfer can be maximized when a fit is achieved between organisational receptiveness and repatriates’ inclination to transfer knowledge (Lazarova & Tarique, 2005). According to Lazarova and Tarique (2005), in order for successful knowledge transfer to take place, it is vital that companies distinguish between different types of knowledge in order to capture it appropriately. Other conditions can further improve the success of integrating diversity in the workplace.

According to Green, López, Wysocki, and Kepner (2002) the key to success is proper management of diversity. One way for managers to ensure success is to encourage communication. Individual differences can then benefit the workplace by increasing competition

---

<sup>2</sup> Global Talent Management (GTM) is “the strategic integration of resourcing and development at the international level which involves the proactive identification and development and strategic deployment of high-performing and high-potential strategic employees on a global scale” (Farndale, 2010; p.162).



and work productivity. An empirical study by Kochan (2003) finds that only under certain circumstances does diversity have positive outcomes on business performance, particularly in an environment that encourages learning and has a supportive and cooperative organisational culture. Organisations that actively aim at taking advantage of the benefits that diversity has to offer should thus outperform those that do not.

The benefits related to establishing a migrant rich workforce are explained by the specific types of human capital that are obtained through it – not only that of the individual migrant, but also that of the migrant’s diaspora network. Smallbone, Kitching, and Athayde (2010) demonstrate that ethnic diversity at the level of the city or region may enhance the competitiveness of an enterprise, as it will enable businesses to commercially exploit diaspora links. Innovation and expansion through migration is generated through migrants being key actors in establishing trade connections between their country of origin and the host country. Some migrants start enterprises that can increase jobs and infrastructure at the community level (OECD, 2012).

## Innovation and Market Expansion

Diversity in the workplace allows companies to increasingly access skills and knowledge, which are likely to lead to higher levels of innovation. Every immigrant is an individual, with their own frame of reference, knowledge, and experience, which is likely to be different from that of the native population as a result of their different background. The key argument is that migration enhances ethnic diversity, which in turn influences the capacity of businesses for innovation. More specifically, migrants help boost economic progress and stimulate innovation and productivity due to their fresh outlook and their corresponding ability to spot opportunities more quickly (Martin, 2013; Ozgen, Nijkamp, & Poot, 2014). Innovation from migration also helps markets to expand due to better trade relations and opportunities (Smallbone et al., 2010).

Evidence indeed supports a strong link between migrant recruitment and innovation. For example, immigrant labourers in the United States possess a higher-ranking innovation level than native citizens, patenting at double their percentage. When these patents become marketable goods and services, they generate new opportunities for businesses, as well as new employment (Constant, 2010; Hunt, 2009). Furthermore, considering the critical role of innovation in enabling corporate success, immigration can be an important factor to take into account for businesses striving to remain competitive. Migrants as new consumers in a community also constitute a source of innovation opportunities for businesses. Migrants with backgrounds different from those of the native population are likely to have their own particular needs for goods and services.

Innovation brought by migrants also has an impact in the potential of market expansion for both new and existing businesses. Migrants with rich networks can bring valuable information concerning possible new markets through connections with friends and relatives in their home countries. Currently, and as a result of technology, these connections have become increasingly sustainable. Often, migrant businessmen call on their personal connections in their home country when asked to expand to a new market. For multinational companies, their foreign-born employees often fulfil a key role in international expansion (Wee Eng, 2014). One concrete

example illustrating how market expansion through innovation can benefit businesses comes from Canada. Around one in five Canadians are born abroad, and Canada prides itself for its diverse and international diaspora. Studies show that such networks are conducive to international trade by bridging gaps between home and host countries and creating trust among the individuals in the network (Wee Eng, 2014). Although this is a specific example, it is likely that businesses can benefit in general from existing networks and linkages between the business and the new market. These connections can provide insights into the demands of these markets and how to meet them.

Market expansion and innovation brought on by migrants also have job creation potential. According to a study by Hong and McLaren (2014), one immigrant generates two local employment positions for native citizens. The presence of migrants in a host economy increases demand for services, which in turn requires additional labour force to supply. Migrants generate jobs primarily through their purchasing power. The existence of new migrants and consumers in a district leads to enlargement of businesses, which then generates new employment (Immigration Policy Centre, 2012). In their research, Hong and McLaren (2014) found that an inflow of 1,000 immigrants to a US Metropolitan Area created around 2,200 local jobs, nearly 80 per cent of them in the non-traded industries.

Certain sectors can particularly benefit and develop from increases in migrant communities, and often new markets may arise from the migrant specific demand. Research for example shows that migrant markets offer a wide array of product and service innovation opportunities for businesses operating in, for instance, financial services, telecommunications, media and entertainment, travel and tourism, consumer goods, and hotel, restaurant and catering (World Economic Forum [WEF], 2013; Emslie, Bent, & Seaman, 2007; Deuze, 2006; de Sola, 2013). More and more businesses recognize these opportunities and cater to migrant consumers who shop for specialized services, such as international telephone cards or spices familiar to their native cuisine (de Sola, 2013), as well as media outlets providing content to specific groups (Deuze, 2006).

One specific market that has emerged as a result of international migration is that of the so-called migration industry of connectivity (MIC), which consists of private sector businesses offering services to migrants which enable them to keep in touch with contacts in their countries of origin (Gordano, 2014). Migrants have always consumed various products and services at the various stages of their migration processes. This consumer demand is a major opportunity for businesses to supply and offer opportunities to a broad diversity of actors, including “recruitment organisations, lawyers, agents [...] immigration advisors, tax refund offices, business consultancies, money sending outlets, banks, travel agents, communication businesses, ethnic media and the ethnic food economy” (Gordano, 2014, p. 59). Transnationally consumed products, such as these, offer particularly convenient avenues for international market expansion.

The arrival of immigrants with different tastes and preferences enriches society and offers new avenues for businesses to expand their operations. Immigration does not only provide the host country with additional consumers, but also with consumers with different demands. Whilst part of these needs will be met by existing businesses, ethnic entrepreneurs play an important role in catering to their own ethnic groups (Ozgen et al., 2014; Smallbone et al., 2010).

## Entrepreneurship

Migrants engage in entrepreneurial activities both to cater to the consumer demand generated by migrants and to provide new products and services. Migrants are more likely to be younger, more entrepreneurial, and less risk averse, and therefore they are more likely to start their own companies (Ozgen et al., 2011). In the OECD countries, for instance, approximately 12.7 per cent of newcomers of working age are business owners, as opposed to 12 per cent of native citizens in these countries (Desiderio & Salt, 2010). Migrant entrepreneurship can be a way of accessing the host country's labour market for both disadvantaged and advantaged migrants, while also beneficial for the host economy at large and the specific businesses involved.

Studies indicate that migrant entrepreneurs are more prone to export in comparison to companies owned by native citizens, which may result in better performance results (Neville, Orser, Riding, & Jung, 2014). Migrant entrepreneurs are therefore more prone to successfully establish social capital than non-migrants. They have the ability to alleviate uncertainty by using their understanding of the traditions and culture of their countries or through their social networks from other countries (Neville et al., 2014). Better performance resulting from migrant businesses and expanded social networks can also benefit other local business owners.

Businesses in the host country can, for example, benefit from innovation generated by migrants who have human capital and social networks that the native population cannot offer. Migrants can thus initiate further growth through entrepreneurship or business involvement due to the specific knowledge and skills they bring into the country. They create new transnational communities that provide new information, connections and trust that enable local manufacturers to partake in the global economy (Constant, 2013). A clear example is seen in the case of Indian businessmen who became middlemen, connecting U.S. businesses to low-cost software businesses in India. These cross-Pacific networks provide skilled immigrants with an advantage over their peers (Saxenian, 2002).

The value of migration can thus not only be found within businesses in terms of greater innovation, but also between them as businesses owned by natives and immigrants interact to bring benefits to both (Hedberg & Pettersson, 2011). Ethnic entrepreneurship crosses cultural boundaries in two ways. First, it employs people from various ethnic groups, including the native-born, those of the specific ethnic community, as well as others. Second, the businesses interact with other sectors of the local economy they find themselves in. In many cases, cross-cultural entrepreneurship has great qualities for offering culturally competent care and attracting customers from a wide variety of ethnic groups (Hedberg & Pettersson, 2011; Çelik, 2013).

Migration leads to job creation not only through the expansion of labour demands, but also through migrant entrepreneurship. Studies indicate that a migrant owner of a small or medium company generates between 1.4 and 2.1 added jobs, as opposed to 1.8-2.8 for native citizens (numbers differ according to the sector, nationality and country) (Castanos, 2012). While the job creation prospects of migrant business owners continue to be slightly lower than that of the native citizens, there are a number of factors that could improve these results. For example, credit constraints for migrant entrepreneurs may hinder their potential to start or expand a business. Also visa regulations for migrant entrepreneurs can hinder the job creation capacities of migrant entrepreneurship. In the United States, for instance, the immigration structure is not welcoming towards immigrant entrepreneurs (Hohn, Atkins, Waslin, Center, & Center, 2012). In

2011, in the United States, the President's Council on Jobs and Competitiveness meeting in Palo Alto stressed the need to alter education and immigration regulations. Contributors clarified that the U.S. economy in fact requires more entrepreneurs and highly skilled labourers to aid in generating employment. For example, migrant entrepreneurs established 18 per cent of Fortune 500 companies and these businesses have produced 1.7 trillion dollars in yearly revenue and employ 3.7 million people worldwide. A significant obstacle that discourages foreign entrepreneurs from staying in the United States is the strict visa regulations (Hohn et al., 2012).

The Eurostat labour force survey from the years 1998 to 2008 demonstrates the general contribution of job creation by migrant entrepreneurs. Results indicate that the advancement in employment during this period is equal to 1.5 to 3 per cent of the total hired labour force in the majority of OECD countries (OECD, 2010). During the same period, newcomer business owners provided jobs to nearly 2.4 per cent of the total working population of the OECD states. In 2007 and 2008, migrant entrepreneurs employed around 750,000 people in Germany, nearly half a million in the United Kingdom, close to 400,000 in France and approximately 300,000 in Italy. In 2009, in Switzerland, the amount of jobs ascribed to the 86,000 foreign business owners was 275,000 (Desiderio & Salt, 2010). Migrant entrepreneurs are not only generating jobs for foreign-born and non-foreign born citizens in European countries, but also act as vital operators of the US economy. Research indicates that migrant entrepreneurs aid in generating new business, increasing tax revenue, maintaining the low prices of goods, and supplying the necessary flow of new workers as baby boomers leave the labour market (Gmur, 2013).

## Government Engagement

It is clear that migration represents a potential benefit to many areas of business activity. Unfortunately, however, in many cases migration is made more difficult due to country specific policies, limiting the benefits to be gained by businesses. To date, not much research exists that links government engagement of businesses and migration. Policies are however very important with regards to migration and can affect innovation, technological advancement and increases in human capital rates. Immigration policy for instance, can provide admission to the employees needed to establish company's competitiveness and expand accessibility of services such as healthcare and information technology (Papademetriou & Sumption, 2011). In the United States' context, for example, the exceptionally skilled workers category consists of global elites whose expertise is needed across the world. These migrants are pertinent in the global competition for skills (Hunt, 2008; Kerr & Kerr, 2011) and can be the key to innovation and expansion of business activities, improving business functioning, and positively affecting the economy at large. Therefore, government and businesses should work closely together in order to fulfil labour market needs and strengthen the economy.

Businesses can choose to engage with governments to alter policies in order to increase the benefits of migration. Literature indicates that businesses mainly decide to enter policy debates when it might increase productivity and profit, yet leave when reputation costs are too high (Bernhagen & Bräuninger, 2005). There are also, however, deeper levels of government pressure influencing business involvement in or withdrawal from policy issues. The political stance towards migrants also has an impact on the level of business engagement with policy (The Hague Process on Refugees and Migration [THP], 2014; WEF, 2013). Though many businesses

do acknowledge the benefits of engaging with migrant issues, “the economically rational response is often politically risky” (WEF, 2013, p.17). When the political stance towards migrants is not aligned with the interests of the private sector, businesses are hesitant to get involved. Businesses and governments can however learn a lot from one another. When collaborating fully, benefits for businesses can be gained and innovative approaches to global migration challenges will occur (THP, 2014).

A report by Delano and Marczak (2011) clearly illustrates this potential. Though migration is an extremely politically sensitive topic in the United States, the report claims that businesses are capable of creating and implementing programmes to better integrate the large populations of migrants. For example, companies such as The Norsan Group, McDonald’s and American Apparel are offering language proficiency programmes, career track courses and skills development courses on-site. Not only do these courses and programmes develop talent internally, they also strengthen the company’s image and expand its customer base. These findings support the idea that businesses can both increase their profit and build a good reputation from engaging in migration issues through policy.

There are different ways in which businesses can engage with governments. By lobbying the government for policy changes, for instance in order to increase a visa cap or an immigrant quota, studies have found that interest groups do have an impact on policy (Bernhagen & Bräuninger, 2005; Facchini, Mayda, & Mishra, 2008; Farnsworth & Holden, 2006; Ottaviano & Thisse, 2002). For example, a study by Alexander, Mazza, and Scholz (2009) finds an overall return of 220 times the investment of lobbying. In fact, for every dollar spent on lobbying, there was a tax savings equal to about \$220, or in percentage terms, a 2,000 per cent return. This study provides compelling evidence that lobbying expenditures do indeed have a positive and significant ROI. In addition, an article by Edsall (2013) analyses various studies that demonstrate the profitability of lobbying, and finds that lobbying is often seen as an investment strategy for businesses to save money.

Another form of business engagement with policy is through the creation of public-private partnerships<sup>3</sup> (PPPs). Through PPP involvement, businesses benefit from improved reputation and profit, but all PPPs seek to produce at least some public benefits as well and incorporate norms reflecting good governance principles to justify public sector participation. PPPs could provide migrants with integration instruments, programmes and policies. Businesses and the public sector generally constitute good partners given the often overlapping interests. Furthermore, businesses have a great capacity for innovation and the ability to efficiently raise and administer funds (Juzwiak, McGregor, & Siegel, 2014).

Businesses can also engage in migration issues by signing a charter. Charters are not a legal instrument, but are situated between the law and the practice (UNESCO, 2014), and may cover a breadth of topics such as diversity, environment, and poverty, among others. Businesses sign charters as a way to publicly display a commitment to achieving certain goals. Typically, charters are intended to solve a problem, such as ensuring company compliance with regulations,

---

<sup>3</sup> A public-private partnership is a collaboration between the public and private sector, in which the government and the private sector carry out a project together on the basis of an agreed division of tasks and risks, with each party retaining its own identity and responsibilities (Brinkerhoff & Brinkerhoff, 2011).

or to increase revenue. Being a signatory of a diversity charter expresses a company’s willingness to improve the degree to which their workforce reflects the diversity of society. In 2003, a survey of 200 companies in four EU countries revealed that companies invest in diversity to create economic benefits. The study also revealed four positive effects of managing diversity: it promotes cost-effective employment relations, improves customer relations, enhances creativity, flexibility and innovation, and promotes sustainable development and business advantage (European Union Platform of Diversity Charters, 2014). Since 2004, 14 national diversity charters were created in countries such as Austria, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Sweden, Spain, Poland, Estonia and Finland, aimed at encouraging companies to implement and develop diversity policies (European Union, 2014).

**ROI**

Evidence collected through both research and practice indicates various potential benefits of migration for the private sector. ROI metrics have not commonly been used to determine the effect of migration on business functioning, yet there is a lot of potential in using the tool in such a way.

ROI has been used in different disciplines throughout history. ROI as used by businesses today derives from macro and micro economics as well as utility analysis. Its main objective is to measure business profits as compared to the investments made by the company. At the macro level, ROI looks at the effects on national economic performance (Sturm, 1993), and relates to understanding the different factors influencing economic growth. On the micro level, it traditionally focuses on measuring the impact of different initiatives on a company’s productivity and profitability.

ROI offers a detailed overview of the costs and benefits related to different investments, ultimately demonstrating the profits or losses that can be made in the form of a percentage. In the basic ROI calculation, the net project benefits are divided by the project costs. The outcome of this is then multiplied by 100 to express a percentage. In formula shape, this calculation looks as follows (Rohs, 2004):

**Figure 2: ROI Basic Calculation**

$$\text{ROI (\%)} = \frac{\text{Net Project Benefits}}{\text{Project Costs}} \times 100$$

Source: Own representation based on Rohs (2014).

This formula is imperative to understanding ROI when calculated in more specific areas, as more exact applications will make the calculation more complex. When applying ROI on the macroeconomic level through, for example, growth accounting, so many variables have to be included, that the final calculation becomes much more complex (Hulten, 2010; Sturm, 1993; Zelenyuk, 2011). However, this also shows that the ROI calculation can be tailored to suit the

specific situation to which it is applied, depending on what measures are included as costs and benefits. At its core, ROI offers a calculation that attempts to measure the benefits of an investment, and there is therefore no definitive method on how it must be calculated. At the business level, for example, the calculation is shaped by the specific business objectives to be gained by an ROI calculation as well as the type of data used (Wang, Dou, & Li; 2002).

### Social Return on Investment

Social return on investment<sup>4</sup> (SROI) is one of the many alternative applications of the ROI tool. Its aim is to address the broader social impact of businesses by looking at stakeholders' involvement. Since SROI focuses on social impact, it is often applied in the third sector and in social enterprises (Arvidson, Lyon, McKay, & Moro, 2010; Millar & Hall, 2013), as these are areas where broader social impact is an important business outcome.

SROI analysis is versatile as it can focus on either the social value generated by the entire organisation or isolate the social impact of a specific business component. The analysis can also be conducted prospectively to predict intended social value, or retrospectively to report received outcomes. This makes it particularly interesting for measuring business initiatives related to migration. Although literature has not focused on this link before, there is a lot of potential for future research, and for businesses that are interested in tracking the effect of migration on both their company's performance and their social environments.

### Data Gathering

To improve understanding of ROI and its core metrics it is essential to recognize the information that allows for an ROI calculation. Different guidelines and methods exist to guide businesses on how to best gather the data needed for the appropriate ROI outcomes. The most essential issue is that ROI outcomes should correspond to business' and stakeholders' interest. Businesses must question their motives in detail and plan their steps carefully. Every business measures its data differently, and problems often arise due to businesses not tracking the correct data. Russ-Eft and Preskil (2005) conclude that businesses should ask more questions to discern the most effective means to address the concerns of stakeholders and to understand the most appropriate methods to use. Sometimes businesses do not report the needed data at all, and this is in fact one of the primary obstacles in ROI research (Wang et al., 2002; McNulty, DeCierings, & Hutchings, 2009).

In many cases, financial outcomes are not meaningful when measuring ROI. The data gathered should therefore strictly correspond to what it is meant to represent. When benefits are not translated to monetary values due to the incredibility or pointlessness of this transfer, business outcomes are labelled as non-financial. Whether financial and/or non-financial outcomes are appropriate depends on the business' and stakeholders' specific interests in the

---

<sup>4</sup> Lingane and Olsen (2004) define Social ROI as describing 'the social impact of a business or non-profit's operations in dollar terms, relative to the investment required to create that impact and exclusive of its financial return to investors (p.118)'.

outcome of the analysis. Elaborating on how the conversion of certain data to financial results may not always be preferable, Ulrich and Smallwood (2005) introduce the term ‘Return on Intangibles,’ which is described as a human resource ROI representing shareholder value that should not be determined by financial results. Examples of such non-monetary outcomes are: stress, job engagement, teamwork, brand awareness, reputation, customer satisfaction, employee satisfaction and public image (Phillips, Phillips, & Pulliam, 2014). Although non-financial benefits do not directly generate financial outcomes, they can be crucial in determining business success.

Businesses rarely report the data needed for measuring the specific ROI outcomes that are required (McNulty et al., 2009), mostly due to the inclination to rely on a conceptually simple approach to evaluation (Russ-Eft & Preskil, 2005). This is why some literature specifically focuses on offering guidelines for businesses to determine what data should be measured in different situations. For example, Phillips et al. (2014) illustrate how their ROI Methodology Framework can help businesses take steps to gather the appropriate data.

## ROI and Migration

Overall, evidence supports the link between migration and a positive ROI. In the areas of business activity where ROI has not been used as a specific methodology, returns can be expressed in terms of costs and benefits. Arguably the most concrete way in which migration and ROI are connected in the literature is through expatriate ROI. This specific application of ROI has been defined as “a calculation in which the financial and nonfinancial benefits to the multinational corporation (MNC) are compared with the financial and nonfinancial costs of the international assignment, as appropriate to the assignment’s purpose” (McNulty & Tharenou, 2004, p.73).

While McNulty & Tharenou (2004) offer a framework and thereby address expatriate ROI from a theoretical point of view, Doherty and Dickmann (2012) conduct an empirical study in which such a framework is applied. In this study, ROI is connected to the diverse purposes of expatriation, relative to the context of the organisation and the promotion or retention of non-expatriated peers, and evaluating both costs and benefits. In short, this study provides empirical evidence outlining the concrete benefits of expatriation for companies in terms of increased performance, promotions, and turnover of expatriates compared to non-expatriates.

Expatriate ROI is a key example of how the link between migration and ROI can be bridged. It also shows a concrete example of how such a metric system can work to track the impact of migration. Although expatriate ROI is a very promising topic, it does have some limitations with regard to the field of migration. For example, it is only applicable on skilled internationals and merely serves to measure outcomes of long-term assignments (McNulty & Tharenou, 2004). In other areas of business activity ROI for migration is only rarely measured. Different applications of ROI measurements on the impact of migration on business performance are recommended, and businesses have a lot to gain from using ROI tools in such a way.

It is within this context of a lack of ROI measurements for migration in businesses that this study is situated. The next section will outline the methodological approach designed to attempt determining the ROI for businesses on migration.



## Methodology

The review of the literature and THP's experience indicate that businesses can greatly benefit from the talents that migrants have in various areas of business activity. However, the use of return on investment (ROI) metrics in direct association with migration has been limited. The ROI metric provides a snapshot of profitability for various aspects of business activity. Its simple formula has allowed for application in marketing strategies, training programmes, and employee performance. This study applies ROI metrics to determine the return on investment for the migration opportunity for businesses.

### What is ROI?

ROI is an economic metric that compares the benefits and the costs of an investment. To successfully calculate the ROI of an initiative, one must first identify the annual benefits of that initiative, convert those benefits to monetary values, and compare the benefits to the costs. This process generates the same ROI metric used throughout any organisation.

Calculating ROI in human capital initiatives is not new. For decades, organisations have been applying this approach to help determine the extent to which an investment is paying off. However, the ROI alone is an insufficient measure. Alone, the ROI can be compared to the ROI of other investments and judgments made based on how the two metrics compare; or it can be compared to a specific target to determine whether or not that target was met. Nevertheless, in order to make improvements in programmes, projects, or initiatives, one must report ROI in the context of other measures.

### ROI Framework

ROI Institute, Inc., the leading source of measuring ROI in all types of human capital programmes and projects, reports ROI in the context of a framework which implies that a logical change occurs as organisations make investments in people. This framework (see Figure 3, below) serves as a data categorization scheme, using the concept of levels, which ensures that a balanced set of measures is reported. This balanced set of measures includes qualitative, quantitative, financial, and non-financial measures. Data represents measures of activity related to migration, reactions to those activities, learning outcomes, changes in behaviour and action, impact on the organisation in terms of improved output, quality, cost, time, customer satisfaction, job satisfaction, work habits and innovation, as well as the ROI. Together these measures represent the full scope of contribution an investment has on an organisation.

Figure 3: ROI framework: Data Categorization Scheme

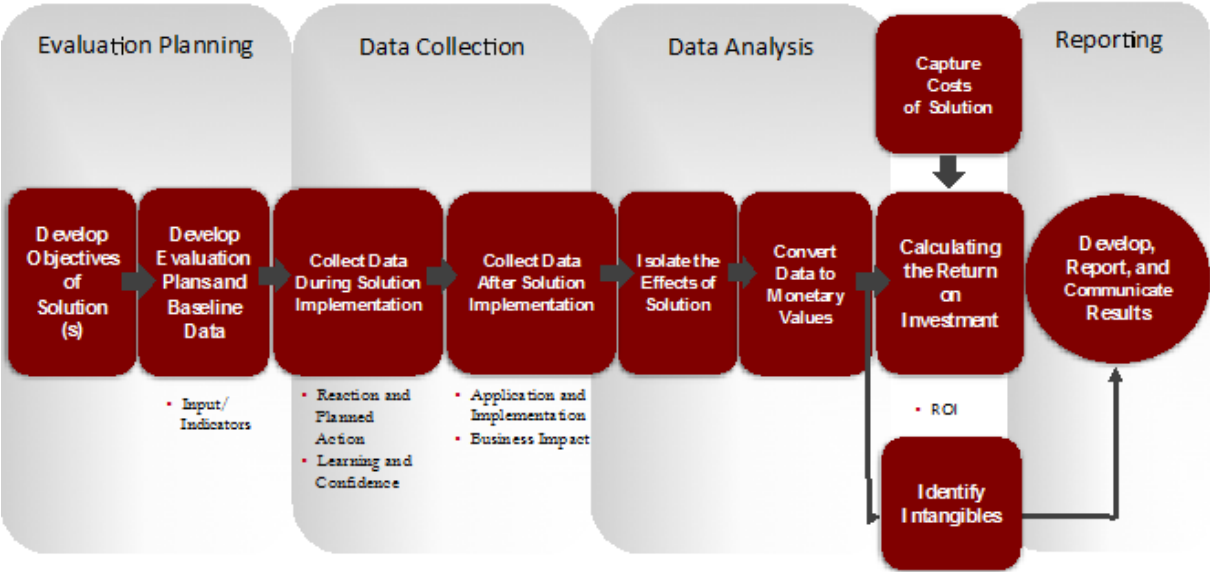
Levels of Evaluation	Measurement Focus	Typical Measures
0 Inputs	The input into the project in terms of scope, volume, efficiencies, costs	Participants, Hours, Costs, Timing
1 Reaction	Reaction to the project or program, including the perceived value	Relevance, Importance, Usefulness, Appropriateness, Intent to use, Motivation to take action
2 Learning	Learning to use the content and materials, including the confidence to use what was learned	Skills, Knowledge, Capacity, Competencies, Confidence, Contacts
3 Application	Use of content and materials in the work environment, including progress with actual items and implementation	Extent of use, Task completion, Frequency of use, Actions completed, Success with use, Barriers to use, Enablers to use
4 Impact	The consequences of the use of the content and materials expressed as business impact measures	Productivity, Revenue, Quality, Time, Efficiency, Customer Satisfaction, Employee Engagement
5 ROI	Comparison of monetary benefits from program to program costs	Benefit-Cost Ratio (BCR), ROI%, Payback Period

Copyright ROI Institute, Inc.

Process and Standards

The process used to develop the data reported here is based on the work of the ROI Institute. This ten-step approach (Figure 4) ensures a balanced set of measures is reported to describe the contribution of an organisation’s investment in talent. It is grounded in a conservative set of standards that ensures the process can be replicated time and again; and its application is documented in publications dating back to 1983 and as current as today. It has been applied in organisations worldwide. While the process calls for the use of qualitative and quantitative data, due to the lack of measurement taking place in the context of migration, the outputs of the study are more qualitative than quantitative.

Figure 4: ROI Methodology Process Model



Copyright ROI Institute, Inc.

**Data Collection and Analysis**

Data were collected using in-depth structured interview guides developed by THP in consultation with the study’s multidisciplinary Steering Group.

Interview data were analysed using the thematic structure of the interview questions as a framework. This structure followed the logic set forth in the evaluation framework described above. To capture ROI tied directly to the activities associated with migration, respondents were asked to provide their estimate of improvement in key business measures, the value of that improvement in monetary terms, how much that improvement is directly related to migration activities versus other factors, and their confidence in their estimate. This final measure adjusts for error due to the subjective nature of the interview data. Respondents were also asked to provide their estimate of the costs associated with activities targeting the migration workforce population.

In addition to ROI Methodology, analyses of costs and benefits relating business engagement with migrants was conducted for six areas of business activity: recruitment and retention; government engagement; corporate social responsibility; product and service innovation; market expansion; and job creation (Figure 5).

**Figure 5: Areas of Business Activity**



**Participants**

Interviews were conducted with a total of 28 companies. Where possible, both the head of Human Resources and the person responsible for strategic decisions were interviewed. Respondents were based in eight countries: Canada, Germany, The Netherlands, Spain, Sweden, Turkey, United Kingdom, and United States of America (Figure 6).

**Figure 6: Geographical Scope of Respondents**



Source: Google Maps, 2015 Copyright.

The sample included both large companies as well as SMEs, ensuring to capture diversity of experiences and resources (Table 1).

**Table 1: Justification of Target Groups**

<b>Target Group 1</b>	Leading businesses	<ul style="list-style-type: none"> <li>• Make use of advanced human resources and business strategies/solutions</li> <li>• Already engaging successfully with migration issues</li> <li>• Rely on SMEs for service provision</li> </ul>
<b>Target Group 2</b>	SMEs	<ul style="list-style-type: none"> <li>• Few resources to carry out activities</li> <li>• Greatest potential employment</li> <li>• Service providers to leading businesses</li> </ul>

Companies were further identified as offering nationally consumed or transnationally consumed products (Table 2). Fifteen different sectors were covered and 12 companies were headed by migrant entrepreneurs. Companies had a very diverse workforce, with employee nationality including: Portuguese, Polish, Ukrainian, Laotian, Chinese, American, Ukrainian, Russian, Dutch, Canadian, Turkish, French, Pakistani, Kenyan, Malaysian, Mexican, Australian, Belgian, Costa Rican, among others.

**Table 2: Classification of Sample**

	Large	SME
<b>Transnationally consumed products</b> (e.g., financial, telecom, media)	5	5
<b>Locally consumed products</b> (e.g., manufactured products and local services)	5	13

# Results and Discussion

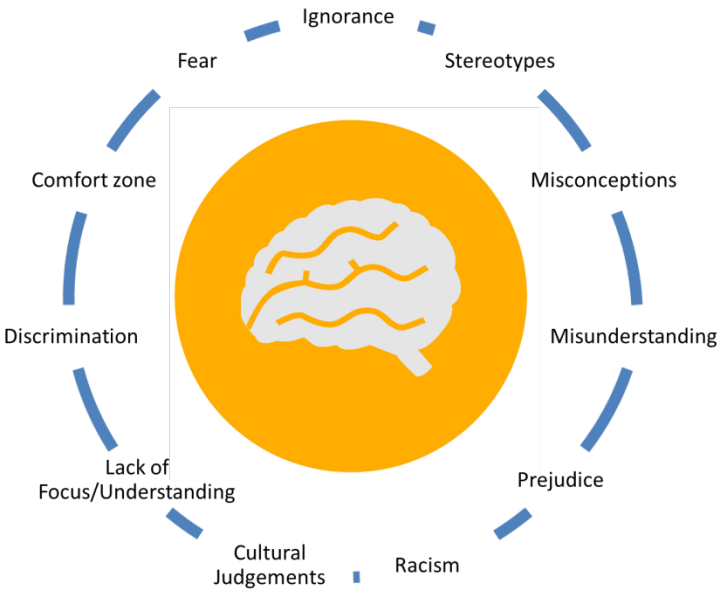
## A. General Perceptions of Migration

Migration is still a topic that generates confusion and mixed perceptions among businesses. While many of the businesses interviewed hold a negative view of current trends in global migration in general, their views were mixed about the relative benefits or detriments that migration creates for their specific organisations.

### Issues relating to mentality

Negative images of migration pervade current media reports on the subject. These stories are salient for many businesses; several of the respondents made reference to recent migration media coverage and voiced concern about current global migration trends in interviews. Psychological hurdles to fully embracing the benefits of migration for business are clearly recognized by many respondents. Each respondent was asked to identify and describe specific issues that prevent organisations from benefiting from migration. The words which respondents used to answer this question were revealing. Each word or phrase they used referred to a negative state of mind or perception about migration. For example, issues listed included: “fear,” “ignorance,” “stereotypes,” “misconceptions,” “misunderstanding,” “prejudice,” “cultural judgements,” “lack of focus/understanding,” “racism,” “discrimination,” and “comfort zone” (Figure 7). Also mentioned were “political agendas fuelled by media” and “a general misunderstanding about migration (it is not always permanent and does not always result in negative consequences)”.

**Figure 7: Issues that Prevent Businesses from Benefiting from Migration**



Terminology plays a big role in the perceptions and understanding of migration. Businesses were often able to distinguish between different types of migration, including internal and international migration, and voluntary and forced migration.

When pressed to choose a side – whether migration was a “good” or “bad” trend and why – respondents were mixed on which side of the divide they selected. Some respondents observed that migration is a natural human phenomenon, noting that in some cases, such movement is “part of human DNA”. Two respondents commented that they reside in immigrant communities possessing two or more generations and that this experience informed their understanding and appreciation of the phenomenon.

Some respondents eschewed holistically categorizing migration as either positive or negative, choosing instead to draw distinctions depending on the type of migration. Three respondents made a point to distinguish migration within a country (internal migration), which was seen to be more positive, from international migration, which was viewed more negatively. Seven respondents mentioned a clear distinction between voluntary (viewed more positively) and forced migration. Forced migration was viewed more negatively by those who voiced a belief that forced migrants desire to seek a better life, pursue opportunity, and develop themselves regardless of the impact that they bear on local populations. Voluntary migration on the other hand was associated with individuals bringing skilled, lower-cost and more efficient labour to the country of residence, triggering innovation, ideas and diversity. Some of the quotations from respondents which reflect a positive view on migration include:

*“If you have diversity of people and cultures in a company, you create an environment of innovation.”*

*“I see huge benefit and am an immigrant myself. Today I get to live my dream and give back to society.”*

*“Personally, I think it’s a good thing. Despite what’s in the media at the moment I think generally migration is good. It enables the cross-fertilization of ideas in the increasingly connected world we live in.”*

---

Recent events in Syria brought forward the negative side of migration (or migration by force).

*“The reasons for migration are bad, because people want to leave to go to a new country because something is wrong with their country, and they want to find a good life.”*

---

### Migration and human capital

When thinking about their companies, respondents were able to relate migration more closely to human capital. Respondents were asked to provide adjectives to describe what comes

to mind when they hear the words ‘human capital’. They offered adjectives such as diverse skills, nationalities, family oriented, motivated, loyal/long serving, experienced, source of creativity, results and productivity. Human capital was explained most commonly as the workforce, the team, investing in people, and people who work in, build, and support and the face of the business/ organisation, intellectual capital, knowledge, talent, production machine (Figure 8).

*“Diverse skills, diverse nationalities, diversely motivated, the immigrants we find to be incredibly motivated than high school dropouts, they are family orientated, to them family is central.”*

The majority of respondents said that they did not differentiate between human capital and migrant human capital and thought of migrants simply as potential workforce, of what they can do and what skills they have and whether they have the ability to do the job.

*“It’s for me the same, because migrant human capital is the same as human capital. He has to be able to do the job, the rest is not important to me.”*

**Figure 8: Word Cloud on Adjectives Linked to Migrant Human Capital**

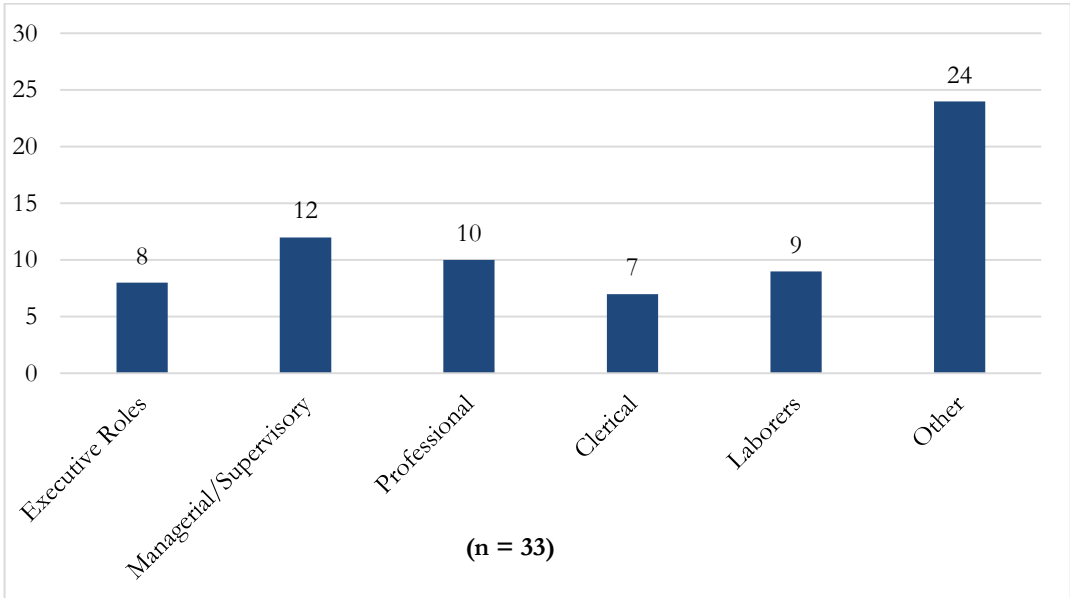


Some businesses saw migrants as a potential workforce with either less or more skills. Respondents were asked about the roles that migrant workers play in their organisation. As shown in Figure 9, the 33 people responding to this question identified several different ways in



which their organisations use talent of migrant workers. Note that managerial/supervisory and professional roles are the most frequently selected roles along with ‘other’. Roles captured in the ‘other’ category include production personnel, CEO, engineer, chef, waitress, kitchen personnel, other highly skilled occupations, mechanic, beautician, volunteer, paralegal, consultant, and translator.

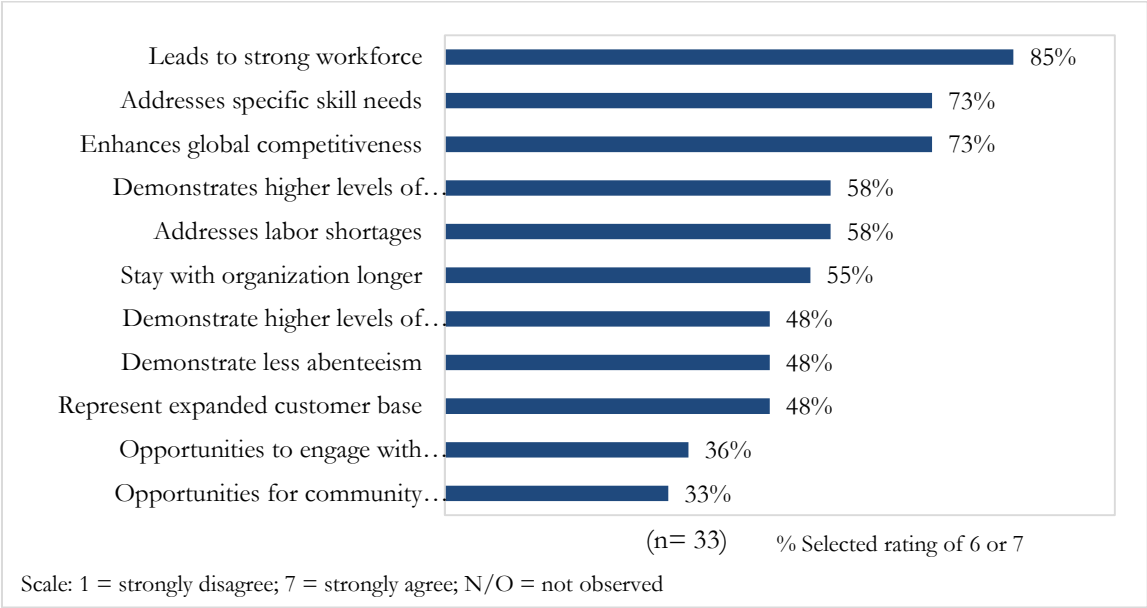
**Figure 9: Roles Migrant Workers Play in Companies**



**Positive aspects of migration relating to business**

Overall, businesses agree with the positive aspects of migration (Figure 10), particularly that diversity leads to a strong workforce. Businesses also recognize the importance of migration in addressing specific skill needs, enhancing global competitiveness, and creating new opportunities for a company to engage in the community. Respondents also indicate that those migrant workers *who are effectively integrated into the organisation* tend to have higher levels of motivation, stay with companies longer, and are absent less often than those migrant workers who are not effectively integrated into the organisation. Of all of the statements, businesses agree to a lesser extent that migration offers new opportunities for them to engage with governments for or against migration policies.

**Figure 10: Perceptions of migration**



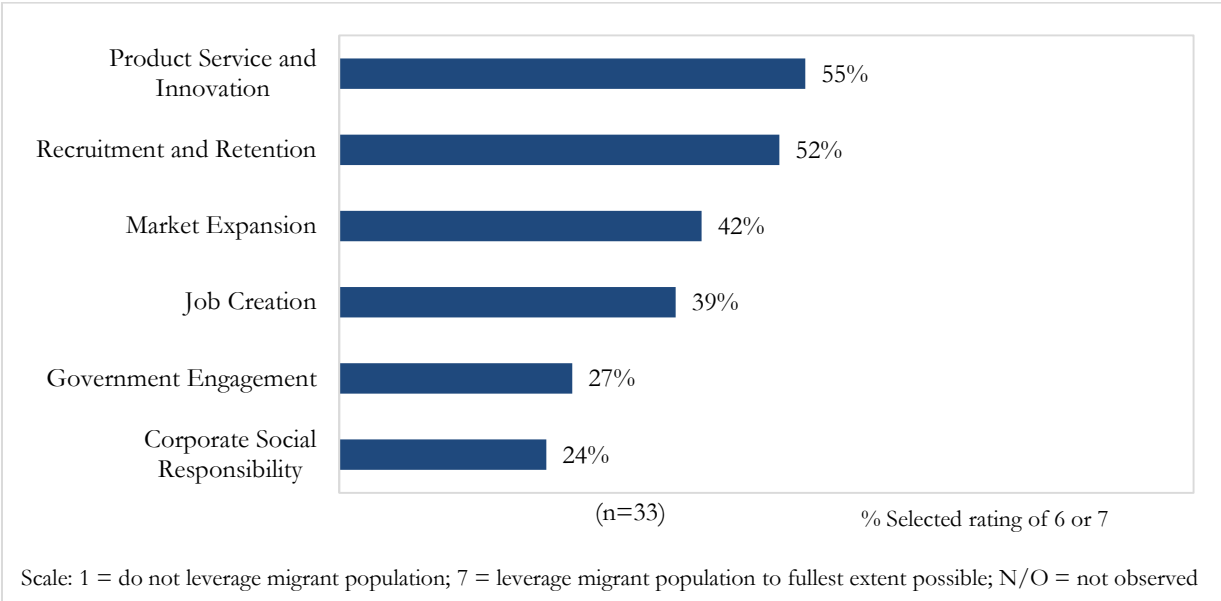
**Takeaway**

A shift in mentality is needed. It is clear that the framing of the interviews helped respondents articulate that there are benefits related to migration. Most of the businesses interviewed did not join the conversation knowing these benefits upfront. The interview was an exercise in critical thinking about migration and there were often “Aha!” moments. Media and governments play an important role in promoting clarification with regards to migration issues. Despite this, businesses are benefitting from migration. This study indicates what those benefits are as perceived by respondents and provides insights into the return on investment (ROI).

## B. Areas in which Companies Benefit from Migration

The breadth of migration and its meanings is also reflected in the multitude of ways in which businesses can benefit from it. Throughout the interview process, businesses were prompted to think about the specific benefits of migrant populations for the six different areas of business activity: recruitment and retention, government engagement, corporate social responsibility, product and service innovation, market expansion and job creation (see Methodology). As shown in the graph, companies leverage migrants to the greatest extent for product service and innovation and recruitment and retention (Figure 11).

**Figure 11: Areas of Business Activity in which Companies Benefit from Migrants**



More specifically, businesses identified different ways in which they leverage migration for the six areas.

- **Product and service innovation**

Respondents explained that leveraging migrant workers to drive product service and innovation involves using their people to improve products and service innovation through idea generation, investment opportunity and intellectual capacity. In several cases respondents linked employee diversity – country of origin being just one possible diversity dimension – to generating a more innovative organisation by bringing different experience sets and points of view into work teams. Other comments from respondents included that they see it as an intuitive thing; they ask what their customers are looking for – anything that might be a blind spot for them. It was also mentioned a newcomer’s strategy allows the company to specifically tune to the needs of migrants from both a product and service standpoint.

*“If you have diversity of people and cultures in a company, you create an environment of innovation.”*

---

- **Recruitment and retention**

When asking respondents to clarify how they leverage migrants in recruiting and retention the responses varied. Some respondents indicated that they work through partnerships and in doing so, they open up their recruitment to migrants, while others indicated that their approach is a process of affirmative action. Respondents noted the importance of hiring from the local community, particularly when moving an office or employee from another location. A few companies strive to diverse as possible and to also reflect their customer base, although without relying on quotas. The importance of hiring more than one migrant employee from any given country of origin was also noted. The argument is that that migrant employees tend to be more satisfied and organisationally committed when there were other similar individuals employed by the organisation.

*“Recruitment and retention of migrants makes a company more attractive to new talent. It increases the talent pool.”*

---

- **Market expansion**

Several companies noted that they intentionally leverage migrant employees’ understanding of the local business context in their countries of origin in order to expand their market, utilizing their knowledge to identify market opportunities and outmanoeuvre their global competition. It was noted that a migrant employees’ social networks in countries of origin could be used to quickly spread information about the brand and product offerings into new markets, thus building brand equity and increasing sales more quickly.

- **Corporate social responsibility**

Migrant employees’ networks and knowledge of the local market could also help shape corporate social responsibility programs, although this benefit of migration was mentioned less often than others within the sample.

- **Job Creation**

Companies that employ highly specialized labour often mentioned the benefits of migrant job creation regarding niche roles in the company, particularly when the size of the local labour market is small. These businesses noted that they hire workers from abroad that possess specific skills that are lacking or difficult to find in local labour markets. These specialized skills ranged from low-to-medium specific skills (e.g., shipbuilding labour) to complex, highly specific skills (e.g., architectural design). This practice was particularly noted among European companies,

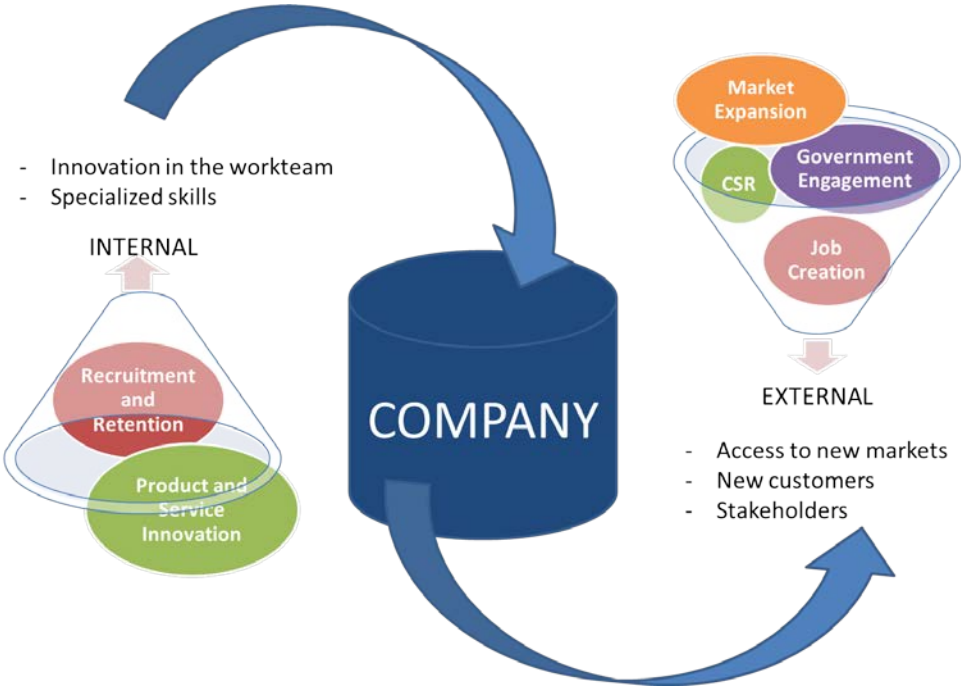
which find it easier to recruit and hire labour from other countries within the European Union, than among North American companies that have to deal with more restrictive immigration policies. Responses noted that hiring migrant workers to fulfil their specific needs allowed their businesses to expand and that this consequently resulted in more job opportunities, both for locals and migrants.

- **Government Engagement**

Few companies reported engagement with migration through government engagement. One respondent noted that migrant employees can also help the company build better, faster relationships with governments in foreign markets if they originate from that country. This respondent believed that migrant hires improved the company’s success advocating with several government actors to make exceptions to immigration restrictions for the company, allowing entry of skilled workers needed to operate the equipment that the company was installing in the country for the government.

Although not all businesses were able to identify benefits in all areas of activity, all areas are deeply interconnected, and benefits identified in one affect others (Figure 12). There are common challenges revolving around costs, which present opportunities for improving cost-effectiveness and jointly addressing issues. The degree of cost is likely linked to the number of full vs. part time employees and how critical new market entry and new customers are to a company.

**Figure 12: Interconnection of Business Activities and Migrant Benefits**



**Measurement and evaluation**

There is an old adage that says: “What gets measured, gets managed”. Measurement and evaluation have never been such important topics in today’s businesses. With measurement, evaluation, and data monitoring, organisations can identify opportunities, mitigate risks, and improve programmes and projects. However, this study finds that generally businesses are not measuring or tracking the contribution of migrants to the different areas of business activity. These measurements are not in place because businesses are failing to see the benefit. They are more often than not, unaware that migrants can provide significant contributions to their operations.

Respondents were asked whether the company had measures or methods for tracking how migrants contribute to each area of business activity. Responses are seen below in Table 3.

**Table 3: Reported Measures for Tracking Migrant Contribution to Areas of Business Activity**

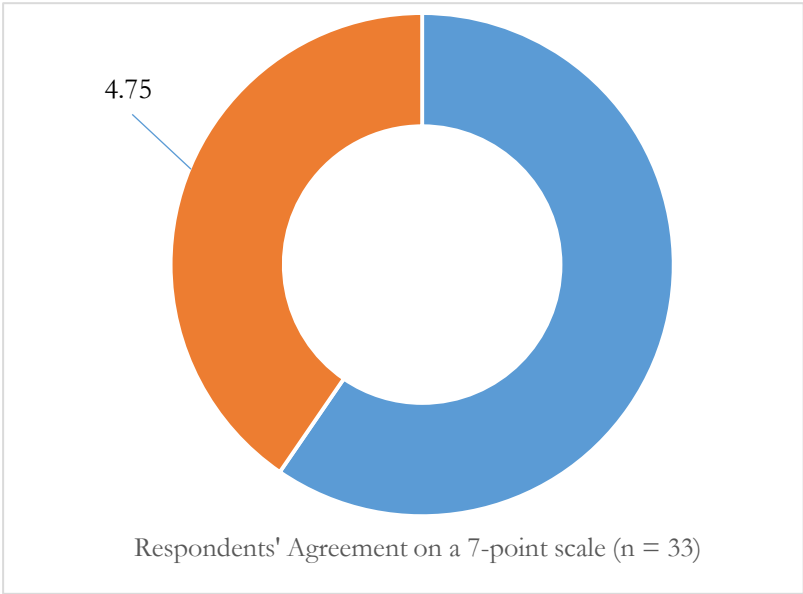
<b>Recruitment and Retention</b>	One organisation said they had targets and diversity objectives in terms of minorities but none for migrants.
<b>Government Engagement</b>	One organisation said they are very engaged with government, but measurement was based on personal observation.
<b>Corporate Social Responsibility</b>	One person indicated that it was important to their clients because they were interested in who did the work.
<b>Product and Service Innovation</b>	No responses, however two people mentioned migrants were necessary for success.
<b>Market Expansion</b>	No measures but two people said they were able to recognize market expansion; one regarding specific dishes migrants added to a menu, and another felt that a company’s general performance is a reflection of market expansion.
<b>Job Creation</b>	No measures reported.

Respondents were further asked about specific indicators they use to track the diversity of their workforce, specifically indicators that relate to migrant representation. Overall, organisations are not tracking diversity or migration beyond what the law requires. Eight individuals reported classic measures they track, such as minorities, nationalities, and gender. Two mentioned celebrating diversity in specific ways and another three respondents reported using subjective methods such as observing people. There were nine “no” responses and two said they had no migrants in their organisation. One indicated that they track a lot of things in their organisation, but not migrants. One respondent indicated they track the languages their team members speak.

The lack of measurements in place to track the migrant workforce is also reflected in the way companies approach the integration of migrant workers. Respondents were asked to rate on a scale of 1 to 7 how actively the company looks for ways to effectively integrate migrants into

the workforce (1 indicates minimally active; 7 indicates extremely active). As shown in the figure below (Figure 13), respondents overall are moderately active in integrating migrants into the workplace. Some purposefully try to help foreign workers while others do not actively integrate migrants at all. Some even indicated that it is entirely irrelevant to their organisation. On average, respondents scored a 4.75 for this question. They know the importance of filling positions with the right people, but actively helping migrant employees settle into the workforce is not a common practice for many organisations.

**Figure 13: Active Integration of Migrants**



**Why are businesses not measuring migrant contribution?**

Businesses are not measuring migrant contributions, not due to lack of interest, but rather because they are likely failing to see the benefit of doing so. More often than not, businesses are unaware that migrants bring significant contributions to their operations. Migrants are not viewed as something separate from the rest of the company. As one respondent said:

*“We don’t have a budget for a diverse workforce, but again, everything we do is about diversity, equality, and mutual understanding.”*

These results are in line with existing literature, as the concept of migration and diversity is often not uniform or clear, having a different meaning or interpretation across companies. From a business perspective, these concepts are still often related to activities outside the business, and thus separate from strategic business outcomes. In addition, within the workforce migrants are often considered alongside other minority groups such as women, ‘people of colour’, and individuals with a disability. This directly hinders the capacity of businesses to see

and measure the direct benefits of migrants. However, these perceptions often do not apply to particular groups of migrants such as expats or the highly skilled.

Cultural norms also make measurements challenging. Measurement in the context of a study on migrant workforce requires the collection of demographic identifiers. For some organisations collecting these identifiers is routine. For example, one of the companies reported measuring all aspects related to their employees. When a new worker is hired, the company captures the nationality and links it to other indicators such as job satisfaction and job performance. This may be acceptable in some contexts but not in others (e.g., United States, Canada, United Kingdom), depending on a country's history and perception of foreigners. Companies must be aware that one person's sensitivity could also be another person's discrimination or breach of privacy.

### Takeaway

In general, organisations do not have specific measures they are tracking related to the activities in which they leverage migrant workers. The implication is that they value diversity in the workplace, but do not measure its contribution to the strategy and performance of the company. While there may be other investments that organisations purposefully make to drive operational excellence, customer relationships, innovation, and sustainability, diversity – particularly migrant workforce strategies is just not one of them. Engagement with migration seems to evolve organically, rather than purposefully.

There are many benefits for businesses if they engage on migration about which no one is talking. The lack of attention organisations give to these benefits prevents them from understanding how the benefits and costs compare, and the opportunities migration brings to advancing their company's agenda. In order to respond to the call from businesses regarding a cost-benefit evaluation of engagement with migration, the measures need to be present. Businesses are involved in various activities that influence diversity and the integration of migrants. These activities ultimately benefit businesses but are neither defining the investment nor measuring the impact. To leverage the migrant workforce to improve operational excellence, customer relationships, innovation, and sustainability, businesses must trace migrants' contributions.



## C. Measuring Return on Investment (ROI)

To calculate ROI, one must know the level of investment an organisation makes in projects, programmes and initiatives.

### Investments in integrating the migrant workforce

As part of this study, businesses were asked about how much they invest in programmes that ensure the organisation has a diverse workforce. The responses were telling. Only four respondents provided their best estimate of the investment in a diverse workforce as a percentage of payroll. One respondent estimated less than one per cent of the company's payroll. A second respondent suggested that due to the training required of all employees, their best estimate was 30-40 per cent. Another estimated 10 per cent due to the programmes they have that create exchange between countries, along with other cultural trainings. While the last respondent remarked that 20 per cent might be a bit high; but considering they had to open an additional office in a different country, and the effort put in place to retain employees, it is likely to be around that amount.

One respondent commented that they do not have a budget for diversity because they are already a diverse organisation. Still another said that they are not active in the area of integrating a diverse workforce; they are passive. They said:

*“...we are flexible and love all of them, but we are not actively supporting them or taking care of them. We are not focused on that, diversity is something that is happening.”*

---

Respondents were also asked specifically about investments for integrating the migrant workforce, as a percentage of payroll. The responses were very much the same, they knew of no specific allocations of funds dedicated to the migrant workforce.

While there are no specific resources allocated to integrating migrants in the workforce and there are no real measures being monitored, there are a variety of activities in which companies are engaging and leveraging migrant workers. It is therefore necessary to delve deeper into understanding how organisations actively integrate migrants into their workforce so they can leverage the talents to drive business outcomes.

### Active integration of migrant workforce

Businesses were asked about specific ways in which their companies integrate employees into the organisation. Eleven businesses indicated that they had a formal orientation programme or on-boarding programme for all employees. Many of these programmes include training and giving information about the organisation. One respondent indicated that their integration initiative encouraged employees to become more acquainted with the company's customer base.

This included, for instance, spending time in the sales channels, getting to know where the customers live, spending time in different locations and communities, as well as writing in the community blog. However, only few businesses were able to mention concrete initiatives aimed at integrating migrant employees. Some general activities in which organisations are involved to help integrate migrants include:

- Activities to enhance an employee's foreign language skills;
- If English is not their first language, the offer of an ESL course;
- Encourage migrants to learn English;
- Encourage other employees to take foreign language classes;
- Social information when hiring foreigners (housing, local law, etc.);
- Cultural sensitivity and education;
- Provide information about the organisation;
- Mosaic Group;
- Buddy system.

Other respondents indicated they have no migrant experience, while some comments were less about activities and more about how they treated migrants (for example, that everyone is treated the same with respect).

Although the businesses interviewed had no specific programmes in place to integrate migrant workforce, they are investing to some extent in activities that enhance diversity and migration in the company with the intent to drive outcomes such as output, quality, cost, time, customer satisfaction, job satisfaction, work habits, and innovation. The responses indicate that the companies believe that migrants contribute to business success, but they do not treat the issue as a strategic lever, much like a company would invest in leadership development or coaching.

## Measuring ROI

The key to benefitting from migrants in any of the areas of business activity<sup>5</sup> is to leverage a well-integrated migrant workforce by tapping into their diverse perspectives, cultural norms, and innovative thinking to generate new ideas and solutions. However, this requires implementing programmes and initiatives that allow an organisation to do just that.

Four businesses provided their perception of the ROI in integrating migrants into the workplace. To calculate the ROI an organisation must capture the cost (or investment) in a programme that is intended to drive specified business outcomes. Additionally, the organisation must measure and monitor those outcomes, including early indicators that the outcomes are in sight. Using a set of standards that ensures reliable assumptions that drive the ROI process, a

---

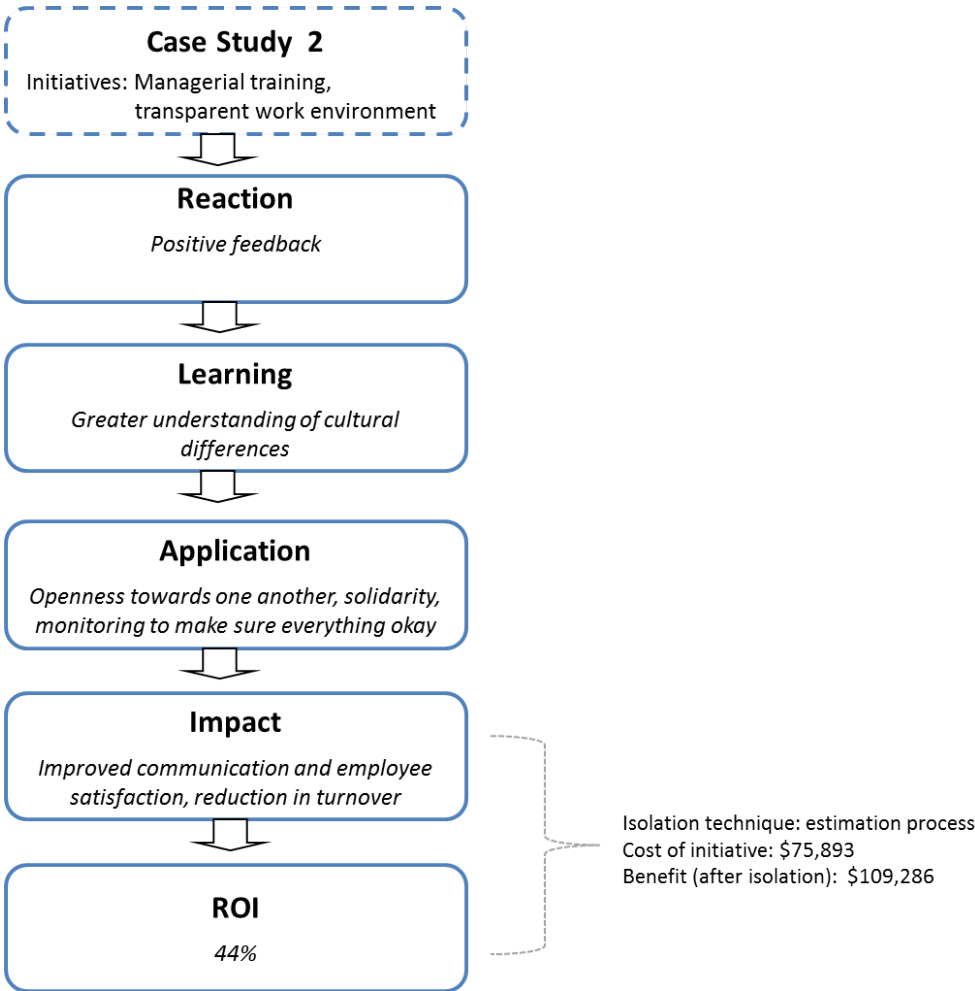
<sup>5</sup> The areas of business activity explored in this study are: recruitment and retention, government engagement, corporate social responsibility, product and service innovation, market expansion, and job creation (see Methodology, Figure 5).

business can capture the benefits and costs of an initiative and report them in a single metric (see Methodology).

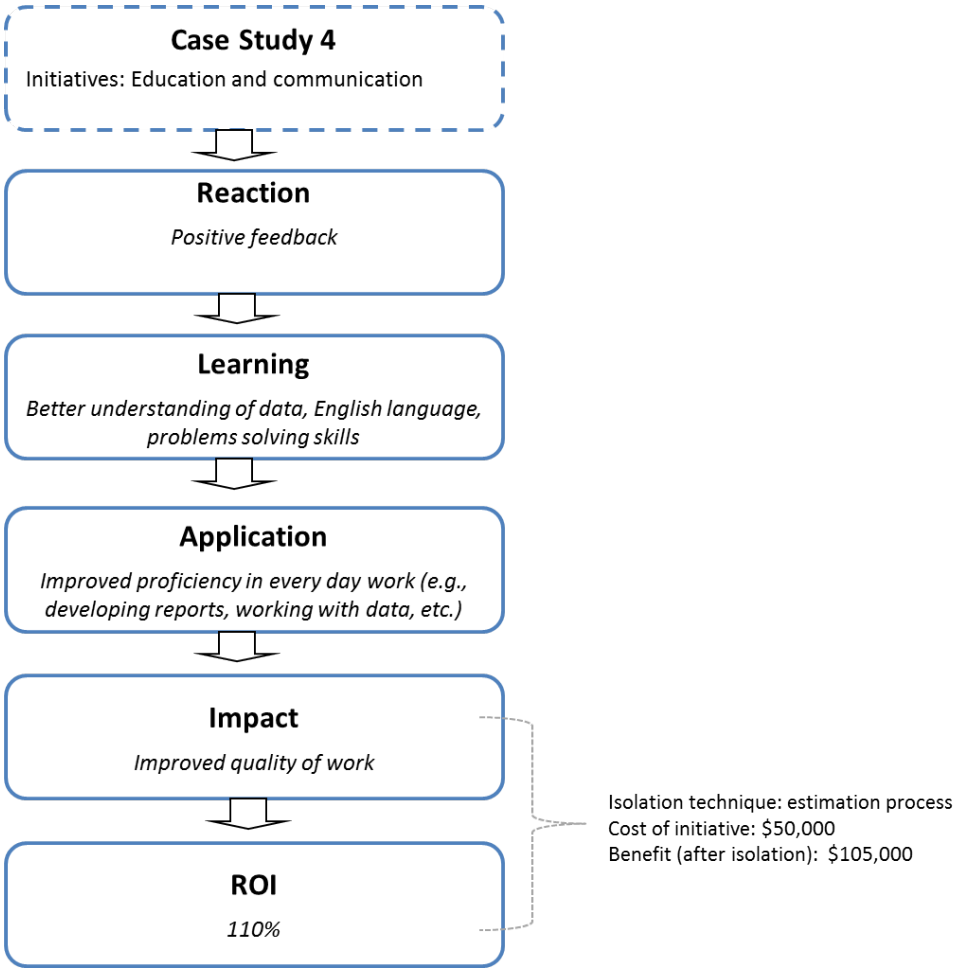
This metric, as previously mentioned, is reported in the context of other measures of performance so the full scope of contribution of an activity is evident. This chain describes the theory of change that occurs as an organisation invests in its people, its people react positively to that investment, acquire requisite knowledge, skill, or information, then apply that knowledge, skill or information. A consequence of application is the improvement in output, quality, cost, time, customer satisfaction, job satisfaction, work habits, and innovation. To ensure a connection exists, the process requires that a step be taken to isolate the effects of the programme. To then calculate the ROI, benefits are converted to monetary values and compared to programme costs.

Examples of the linkage are shown in Figures 14 and 15 below:

Figure 14: Chain of Impact – Case Study 2



**Figure 15: Chain of Impact – Case Study 4**



To calculate the actual ROI, respondents were asked, among other things, to identify the benefits of integrating migrants into the workplace. Measures such as quality of work, employee satisfaction, job commitment were among those to which monetary value was tied. In addition to describing benefits, respondents were asked to estimate the annual monetary value of improving these measures as a result of initiatives. These estimated values were based on how measures such as quality of work, employee satisfaction, etc., were perceived as contributing to the organisation. Because estimates rather than more scientific approaches (e.g., experimental design, trend line analysis, etc.) were used to define the monetary benefits, the estimates were adjusted for error by asking respondents to provide the confidence in their estimates.

As shown in the table below (Table 4), the estimated value contribution of activities supporting migrants was adjusted down to a more conservative result. These values ranged from \$13,454 to \$452,048 for the four businesses providing the information. In addition to reporting the monetary value of these activities, respondents provided their estimated costs of the activities. The costs are also provided in the table below. Costs ranged from \$16,822 to \$75,893 for the four businesses providing the information.

**Table 4: ROI Measures as Reported by Respondents**

	Measure	Annual monetary value of improvement*	(b) % of Improvement due to initiative	(c) Confidence in estimate	(d) Benefit due to initiative* <sup>1</sup>	(e) Fully-loaded Costs*	ROI <sup>2</sup>
<b>C1</b>	Quality of work	\$941,766	64%	75%	\$452,048	\$56,058	706.39%
<b>C2</b>	Quality of work	\$250,000	60%	70%	\$105,000	\$50,000	110.00%
<b>C3</b>	Employee satisfaction	\$151,786	80%	90%	\$109,286	\$75,893	44.00%
<b>C4</b>	Greater commitment	\$56,058	30%	80%	\$13,454	\$16,822	-20.02%

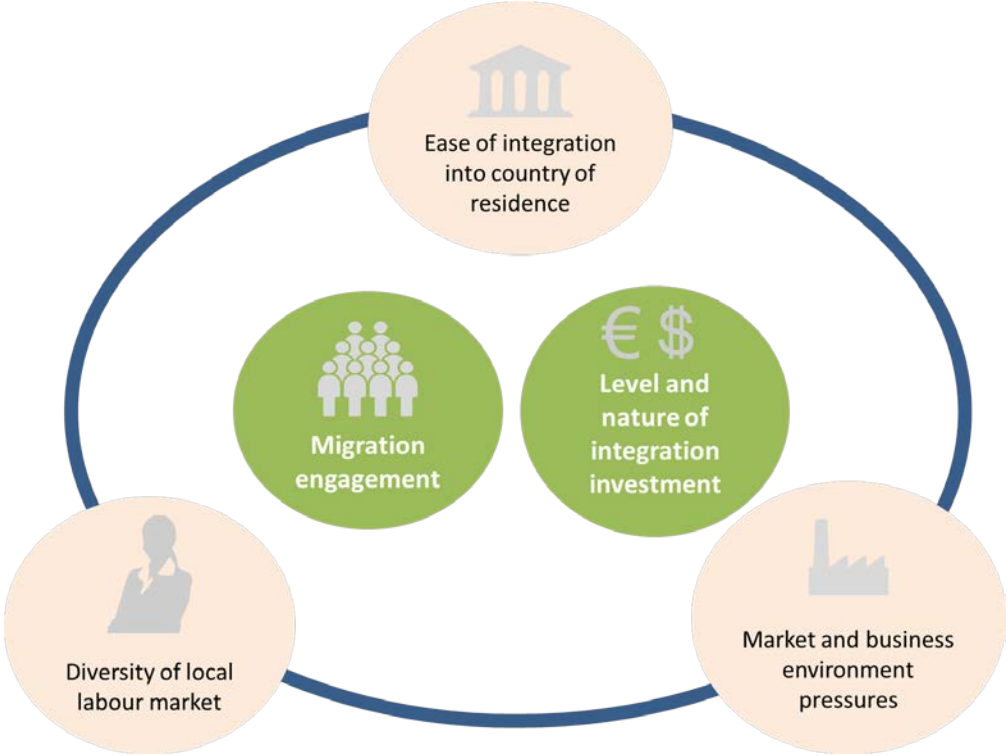
\*All monetary values in U.S. dollar; <sup>1</sup> After Isolating; a x b x c; <sup>2</sup> Calculation: d-e/e x 100

As shown, the ROI for each business reporting ranged from -20 per cent to 706 per cent. This broad range tells us little in terms of the overall effects of migration on business, as ROI cannot be interpreted on its own. To understand its meaning requires an understanding of the chain of impact (mechanisms) that led to a particular ROI, as well as the contextual factors. For instance a negative ROI may be due to the nature of the company. In this case, the company is a start-up relying on migrant talent for market development; the returns start negative. Returns are often observed in the long term while costs are typically greater in the short term. The costs associated with having a diverse integrated workforce may impede or intimidate some native firms in engaging in this kind of activity. On the other hand an extremely high ROI, such as 706 per cent, is often due to an organisation’s ongoing efforts to embrace migrant workers and integrate them into influential positions as well as skilled and unskilled labour, such as is the case with Company 1 (C1).

One company engaged in a less costly strategy as an alternative, and, although ROI could not be calculated due to lack of reported measures, responses clearly indicate a very profitable situation. Instead of making investments in full time employees, this organisation takes on more part time employees who are mostly project based. This results in fewer costs and the company doesn’t have to worry so much about long term integration. They are hiring for an explicit reason and only need to have integration at the level of language (English only initiative). Any monthly gain would add increased sales. This is a very realistic example. Governments need to think about this, as more firms tend to think of short-term benefits first.

As shown by these two cases, ROI cannot be interpreted as a measure on its own without accounting for contextual factors. Contextual factors may include important market and industry developments, the size and diversity of the local talent in the labour market, the ease of legal and social integration into country of residence, market and business environment pressures (or niche opportunities) to localize products and services, and whether or not the business is owned by a migrant, among others. Contextual factors may be key enablers to achieving a positive ROI, as they will influence a business’ level of engagement with migration, as well as the level and nature of integration investment within a company (Figure 16).

Figure 16: Contextual Factors for Business' ROI for Migration



Understanding contextual factors and their potential influence on a business' ROI for migration is essential, as often both the company itself and outside stakeholders such as governments are in a position to influence contextual factors so as to boost or worsen the returns. Providing the adequate context for a positive ROI comes hand in hand with allowing a company to understand the potential benefits of migrant workers. For all four case studies, a relationship has been observed regarding the intentionality of a firm on leveraging migrants for their benefit and the amount of resources spent on recruitment and retention or integration of migrant workers. However, as this study indicates, intentionality is not enough, and a company will only be able to establish the actual ROI if the correct mechanisms are in place.

The case studies below discuss more in depth the contextual factors and mechanisms associated with the estimated ROI for the four businesses that were able to provide such information.

## Case Study 1 – Small Yacht Design Company

Company 1 (C1) has been involved for a number of years in every aspect of the design of racing and cruising yachts, from conception and analysis to final construction drawings. The company is composed of a multicultural team specialized in the design of high performance racing yachts. Its members are at the forefront of yacht design and engineering, from the most sophisticated simulations using 3D, CFD and FEA tools to the production of detailed construction drawings and interaction with building teams.

With 10 full-time employees, C1 hires full-time migrant workers. As part of their on-going strategy, they provide resettlement assistant services. The organisation focuses on supporting any immigrant as it relates to their day-to-day job. This includes helping them out with the accommodations, utilities, health insurance, obtaining their national I.D., taxes, and trying to help them to set up their professional status. The way they explained it, integration more than actions, per se, relates to treating people the same way regardless of where they come from.

Their support for staff occurs routinely. They do not necessarily have a formal way to evaluate it. Being a small company, they come into contact with their workers on a daily basis, so feedback comes straight away: *When workers are not comfortable with a certain issue it is visible to see that they are not focused. Also, sometimes they thank you for helping them.* This is a benefit to a smaller organisation.

From a learning perspective, even integration does not prevent occasional cultural bias as employees frequently form groups. This does not create a problem at C1, however. As a result of their efforts to integrate migrant workers, they maintain and improve the quality of their work. As the representative explained, *if clients do not appreciate the quality, they will not want to work with you anymore.* The link between quality and immigration is because normally the people that have the day to day relationship with the clients are people from different nationalities on the team. Basically, they are the face of the company and the first impression of the quality of work towards the client.

***“If you have a strong diversity of people and cultures in a company, you create an environment of innovation. Diversity leads to a strong workforces, yes, but only if properly handled.”***

According to the representative, quality of work improvement this year resulted in an estimated cost savings of US\$941,755. The representative estimated that 64 per cent of this value was due to migration activities alone, accounting for all other factors. In an effort to keep the estimate as conservative as possible, they adjusted their estimate by reporting a confidence level of 75 per cent.

In the end, C1 saw a \$452,048 monetary benefit for their migration activities. This year’s cost for migration activities include staff time spent liaising with government agencies, advocacy efforts, and tailored approaches depending on the need. The estimated cost was \$56,058. When comparing the benefits to the costs, the outcome is a 706.39 per cent ROI in investing in integrating migrants into the workforce.

## Case Study 2 – Large Telecommunications Company

Company 2 (C2) represents the mobile telecommunications industry. It was founded in 2001 by individuals who shared a vision to shake up the international calling market. Their vision is to *bring happiness to the lives of migrant communities all over the world by making their lives easier*. They offer entertainment services along with low cost calling and messaging services.

Their entire strategy is based on serving migrant communities. With a staff of 300+ employees, C2 employs full- and part-time migrant workers. Their integration strategy includes tracking and assessing human resources records by migrant status as well as yearly evaluations among employees to assess satisfaction. There is a transparent work environment with accessible managers. All employees are satisfied with their work at C2.

*“Nationality of the workers is important especially during job interviews [...]we have a]clear-cut overview of nationalities by department.”*

Managerial training is one specific type of programme offered at C2 to ensure seamless integration of migrant workers into the workplace. While they do not have a formal process for evaluating this training, they do receive positive feedback.

From a learning perspective, cultural differences among employees are an important outcome. As a result, there is more openness toward each other. From a company perspective, it is important to keep a satisfied workforce and efforts are made to make sure everything is okay. If anything goes wrong, it is addressed.

Training is ongoing at C2 – for managers as well as new workers. They find this training to improve communication among the team. The result is improvement in employee satisfaction.

*“[Results of training programme include] “for the managers, greater understanding of cultural differences, for employees more openness toward each other, solidarity.”*

According to the representative, this improvement in employee satisfaction amounted to USD\$151,786 a year. They derived at this value based on turnover rates related to employee satisfaction. They estimate that 80 per cent of this improvement is due to the migration initiative and they are about 90 per cent confident in their estimate. This gives an adjusted monetary value of \$109,286.

In terms of cost, it is an ongoing initiative. Every new manager and employee gets training. So in the last year, they spent about \$50,000 investment in this activity. The actual cost for the activity that they are claiming is \$75,893 and the ROI for this initiative is 44.00 per cent.



### Case Study 3 – Job Portal in Emerging Markets

Company 3 (C3) is the fastest growing job portal in emerging markets. With 35 employees, they employ migrant workers and serve migrant consumers. They report having no specific migrant integration strategy – it depends on how one defines migrants.

All employees have to go through the same process, which includes interviews followed by on-boarding. Human resources (HR) administer a survey to understand how on-boarding is perceived, in addition to performance reviews, to determine how well employees have integrated. The feedback they receive on the on-boarding process from migrants has been in line with feedback from other employees. The learning reported is more generic and refers to being very transparent on what the company intends to do, not with migrants specifically, but with every employee. It helps employees move toward specific goals, and individual goals. The on-boarding book is an important tool, and the company encourages all employees to contribute towards it; it is what they call their brand book. The book allows all employees to know the strategy and direction the company is taking, enabling employee engagement with their individual goals. It further enables individuals to provide better input into the company. The on-boarding integration initiative and the on-boarding book lead to improvements in commitment.

*“People are more committed to the work and have more value.”*

This improved commitment resulted in cost savings due to less turnover, fewer recruitment costs, and less time spent by employees getting up to speed. Considering that on average, 10 per cent of their employees leave their jobs annually (3.5 persons), the costs associated with on-boarding translates into 3.5 times the monthly salary (approx. US\$5,606 per month). The costs calculation also considers the period it would take for a new employee to become more efficient, which is one to two months’ salary, in addition to the time it takes for them to get up to speed, another month’s salary; approximately \$56,058 per year.

The representative suggests that 30 per cent of the cost savings is due to their effort with on-boarding; with an error for adjustment of 80 per cent. This translates to a cost savings of \$13,454. Additional costs for C3 includes the time spent preparing the on-boarding book and implementation of the on-boarding programme (the actual on-boarding takes a full day or more of an employee’s time, plus time between the sessions). They estimate two working days per employee, per year for on-boarding (with 35 employees, roughly two months of salary). The cost would be of \$11,211 (using the same average salary of \$5,606 per month), plus an additional \$5,606 for design and implementation, the investment would be of \$16,817.

While the costs exceed the benefits in monetary terms, resulting in a negative ROI of -20.02 per cent, the additional intangible benefits provide a positive balance. Language skills and social networks their employees create open up the company to foreign markets. The cultural experience and additional knowledge assists the organisation with market-specific tailoring of services. The on-boarding process at Company 3 pays off in a number of ways.

*“Of all things mentioned which is the most important? It is a combination of the on-boarding and the informal drinks. You cover both dimensions: the official and the unofficial.”*

## Case Study 4 – Small Transit Company

Company 4 (C4) is a leader in the transit industry. Their services include transit planning, land use enhancements, financial and implantation strategy, programme management, and intergovernmental support. Founded in 1980, C4 has been assisting its clients to plan, fund, and implement mobility projects. With 21 employees, they employ full-time migrant workers and engage with migrant community stakeholders. As part of their integration strategy they offer professional development in language and writing skills.

Communication in the English language is very important to C4, and therefore the company stimulates continuous language education for migrant employees. Through their interview process the company is able to assess the skills of potential employees, including command of the English language, as well as technical skills. They test their communicative skills based on writing products and their ability to read substantive work. C4 works with employees to map out improvement in skills relevant to the individual and the company. Employee reaction to this process is positive and employees are grateful for the experience. All employees participate in technical briefings and webinars to acquire a better acumen for their particular skills, as well as for the field of mobility projects in which they are engaging. Having migrants from Latin America has helped the company deal with challenges relating to Latin American communities in certain areas of their projects.

*“There [previously] was a difficulty in preparing information for those in the community. Now, our migrant workforce is helping translate information to Spanish and Mandarin.”*

---

The educational component provided for the migrants is targeted for the outgrowth; with an improved command of the English language, they can better understand the data and solve problems. The representative indicated they migrants have an added value in terms of data understanding and crunching numbers, therefore investing in their English skills is a great gain for the company. This also allows migrant workers to take on and manage greater responsibility; while requiring less supervision to complete tasks. The results of these efforts give employees the ability to grow and develop better products.

*“We have benefited from migrants that have technical skills that fit into our paradigm.”*

---

Quality of work was reported as the primary benefit of the investment C4 is making in migrants. The representative estimated that the value of improved quality is of US\$250,000 per year. This value is based on the proficiency of employees, obtained from the company’s average annual production and employee performance tests. They suggest that 60 per cent of this improvement is due to the efforts with migrants; with an error adjustment of 70 per cent; this translates into a \$105,000 cost savings. The cost for offering opportunities to their employees is of approximately \$50,000 for the year. The ROI is of approximately 110 per cent. In addition to the payoff in terms of positive ROI, the company sees benefits for employees outside of work. They are better able to better understand the context in which they live. They can better understand the country and its democracy – this helps them define themselves as individuals in this world.

## Benefits of investing in activities to integrate migrants in the workplace

While the remaining businesses do not have any specific programmes or initiatives for the integration of migrants in the workplace, respondents do provide their perspective into the overall benefits of having a well-integrated migrant workforce. This was generally achieved through non-specific initiatives or informal activities taking place within the workplace. Furthermore, businesses do not, for the most part, have a formal process for evaluating programmes to connect those benefits to the investments. Data presented here were reported as perceived by respondents and no monetary value was attributed to any of the effects observed.

Some businesses do mention using evaluation tools to monitor their general integration activities. Among those, employee satisfaction surveys appear to be commonly used. Other methods mentioned include monitoring diversity objectives in terms of the staffing and events; receiving informal feedback (for small companies); formal meetings and goal setting; and using key performance indicators (KPIs). The feedback generated was often positive, and specific feedback from migrant workers did not seem to differ from that of other workers.

Respondents do provide evidence that regardless of the type of activities aimed at migrants, new knowledge, skills, and information are generated for the company. Below are some of the outcomes based on what the company and its employees learned through the general integration activities put into place:

- Cultural learning and awareness;
- Better understanding of the company's population;
- Knowing how to deliver materials;
- Better understanding of the business' culture;
- Pressure to make all communications in English;
- Migrants better reaching their goals;
- General HR learning;
- The spirit of the company;
- Establishing good employer/employee relationships, but also knowing boundaries;
- Key performance indicators (KPIs);
- Understanding products and feedback from sales partners;
- Enhanced ability of workers to solve problems and communicate.

Most importantly, the knowledge, skills, and information generated from these activities is often being used or applied by the companies and their employees. Based on input from 25 respondents, the use of this knowledge, skills and information has occurred in the following ways:

- Information was integrated into the company's operations and training skills;
- Improved communication;
- Incorporating cultural sensitivity;
- More options for professional growth for employees;
- Adoption of a common language;

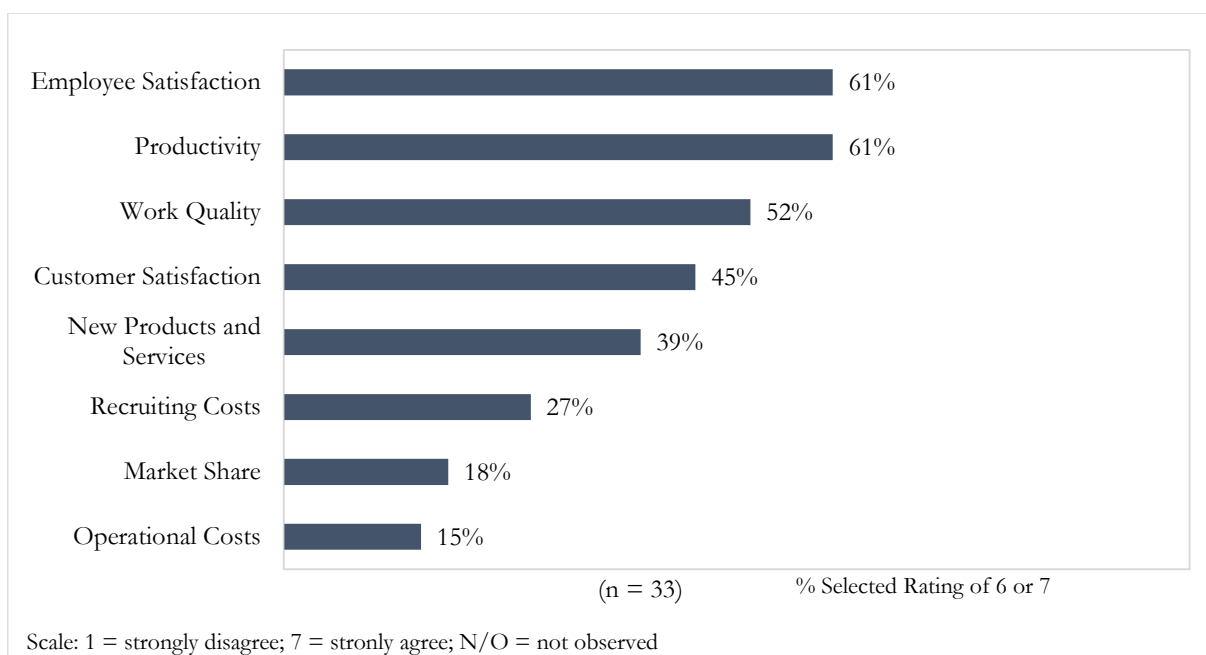
- More meetings to keep employees informed;
- Updated information for employees in written form;
- Lists with job duties and changes;
- Assisting people within appropriate boundaries.

Other changes observed by the companies as a result of having general integration strategies include:

- Migrants feel more comfortable with saying who they are;
- Migrants are better able to integrate their comments into the company – both positive and negative;
- Better adjustments to culture differences;
- Helps migrants not see the offer of help as a ‘bribe’;
- Improved workforce planning, better performance feedback, and helps staff retention;
- Increased energy within company and employees feel more confident;
- Migrants taking on greater responsibility and manager responsibility, requiring less supervision.

Businesses also indicated that their general integration initiatives and informal activities involving migrants resulted in the improvement several measures. As shown in the figure below (Figure 17), productivity and employee satisfaction are the measures perceived to be most influenced.

**Figure 17: Measure Improvement due to Migrant Related Activities**

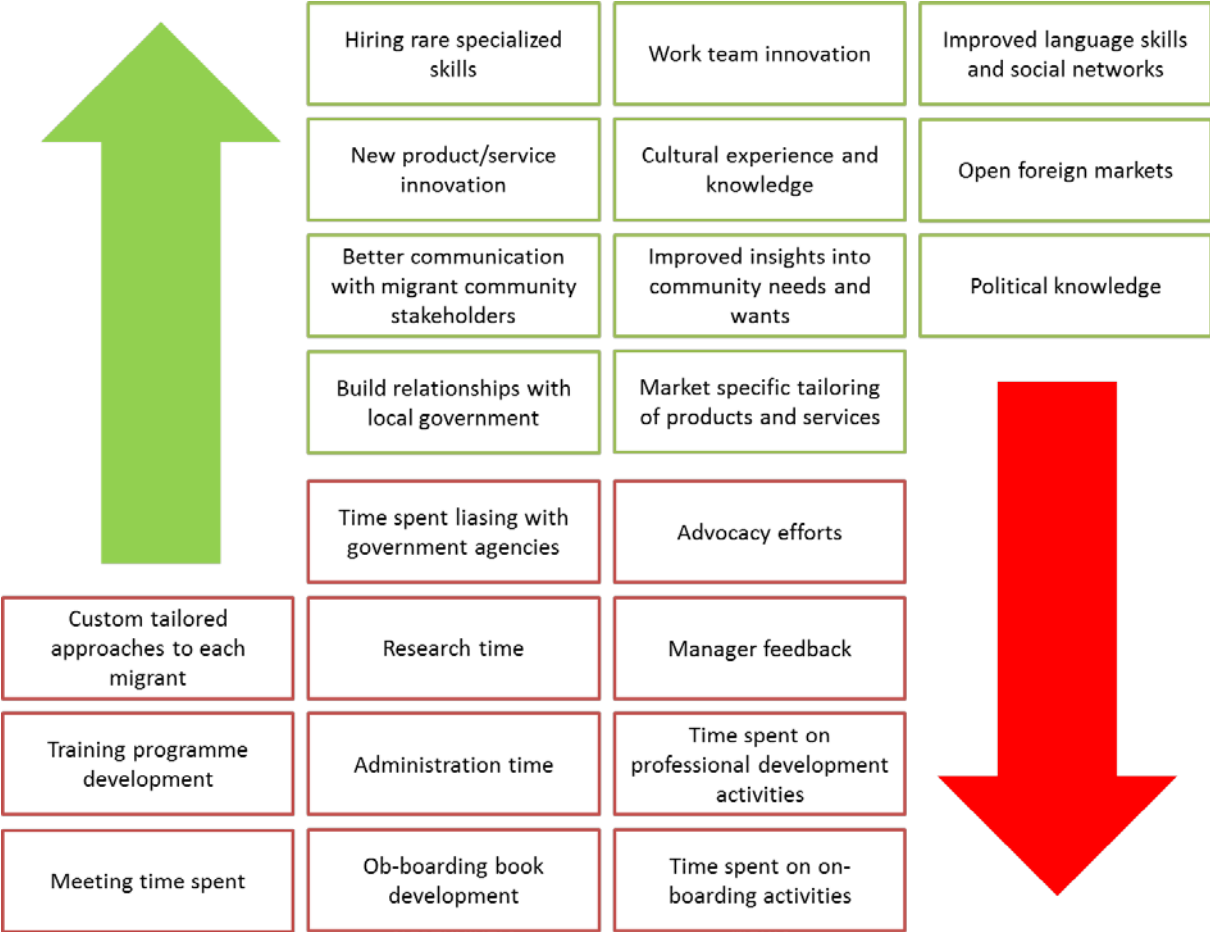


Understanding the chain of impact (mechanisms) of any initiative is essential for businesses, and while positive evaluations are desired, it is important not to ignore the negative evaluations. Negative evaluations have a great potential in leading an organisation to improvements and reconceptualization of their practices. The businesses interviewed were also prompted to discuss some of their least successful experiences and the changes that occurred in the company as a result. One respondent mentioned that it is particularly hard to employ aboriginal workers, despite numerous initiatives aimed at this group, maintaining they are harder to train because they can turn to government assistance "as a back-up". Nonetheless, they continue in their efforts to find a suitable way to leverage this potential workforce. Other respondents mentioned failure to adequately train migrant employees in local language and not being strict enough about enforcing language policies at work. Regrets about not spending enough time or money on on-boarding or training (both of migrant employees and local workers) were also reported by several respondents. It was also noted that decentralized hiring decisions and practices to local managers resulted in a decrease in hiring of migrants and a significant uptick in the hire of local talent, which led to a return to a centralized hiring system.

### Takeaway

Although ROI could not be measured for all of the participating businesses due to either lack of an existing programme or initiative, or lack of evaluation processes in place to determine the contribution and impact of migrants in the organisation, almost all businesses reported perceived costs and benefits associated with their migrant workforce. Figure 18 below presents some of the costs and benefits perceived by businesses. Some of the costs refer to internal and others external to the company (see Figure 12, p. 36). Often internal benefits lead to external benefits. It is essential to understand these linkages when looking at investments to integrate the migrant workforce, as a company operates as a holistic organisation, where all areas of business activities are deeply interconnected. Having the right measurement tools and evaluation mechanisms in place assist companies in isolating specific effects and benefits linked to migration.

Figure 18: Costs and benefits from migration



## Implications

The findings of this study suggest that businesses understand the value of migrants in the workforce. However, the use of the migrant workforce as a strategic lever is still a missed opportunity by most organisations. Of the 33 individuals interviewed, none identified a formal way in which to measure and monitor the migrant workforce. While the perceived benefits of migration are worth noting, respondents struggled to identify specific investments made to leverage the migrant workforce and to define specific measures that improved as the result of investments.

Nevertheless, the study demonstrates benefits to businesses from embracing migration as part of their core business. It suggests that if companies are to leverage the talent a diverse organisation contributes, particularly the migrant workforce, they must focus on investment in specific programmes that drive outcomes important to the organisation. Companies must also ensure that measurement tools, and tracking and evaluation systems are in place to fully perceive and realise the potential benefits of migration.

However, there is no one ROI for all businesses engaging with migration. The ROI outcome is unique to each individual company and dependent on the characteristics of the company, the contextual factors and the mechanisms in place. The findings of the study also suggest that ROI for migration tends to be positive more in the medium to long term. Nonetheless, it is essential that businesses share their experiences, successful or not, so as to provide better understanding of the effects of migration on business outcomes.

This study identifies important implications for three stakeholders:

- **SMEs**
  - SMEs can benefit from the global migration opportunity to the same extent or more than large corporations. The size of the company is not an impediment to benefitting from the global migration opportunity.
  - SMEs are in the same or better instate to measure and capitalize on opportunities. However, due to having fewer resources when compared to large global companies, SMEs are often overlooked in terms of private sector engagement.
  - The cost burden is particularly problematic for nascent and small companies. This is likely to result in negative ROI for migration in the short term, however, the implementation of innovative solutions, as well as favourable contextual factors, are likely to lead to a positive ROI in the medium to long term.
  
- **Migrant entrepreneurs**
  - Migrant owned companies seem to be more willing to make the upfront investments required to capitalise on the migration opportunity.

- Migrant entrepreneurs play a key role in capitalizing on migrants for business outcomes. This effect is observed both for large and small companies founded by migrant entrepreneurs. This potential is of particular importance as the benefits can be realised not only internally for the company, but also externally. External benefits are likely to have a spill-over effect on other businesses. Incentivising practices such as cross-cultural entrepreneurship may further enhance this potential.
- **Role of government**
  - Governments need to improve the communication of positive benefits of migration to businesses. A shift in mentality relating to migration is needed in order to create more opportunities for businesses to benefit from migration.
  - Governments will see more private sector engagement if they provide programmes for businesses to better leverage migrants for positive outcomes. Governments are in a privileged position to influence the contextual factors involved in achieving a positive ROI, including access to migrant workforce, as well as favourable policies.
  - Governments will see more businesses engage with migration if they facilitate the short-term returns and benefits for migration. This is of particular relevance for small businesses, as their cost burden is particularly problematic.

This study blazes a trail by answering to the call from businesses to demonstrate the costs and benefits, as well as the potential ROI for migration. The results of this innovative study provide a tool for businesses to apply in their consideration of direct involvement with the topic of migration, including those that do not have a history in addressing it. The results also serve as a foundation for further econometric and quantifiable analysis of ROI for businesses engaging with migration.



## References

- Alexander, R., Mazza, S. W., & Scholz, S. (2009). Measuring rates of return for lobbying expenditures: an empirical analysis under the American Jobs Creation Act. *Journal of Law and Politics*, 25(4), 401–457.
- Arvidson, M., Lyon, F., McKay, S., & Moro, D. (2010). The ambitions and challenges of SROI.
- Bernhagen, P., & Bräuninger, T. (2005). Structural power and public policy: A signalling model of business lobbying in democratic capitalism. *Political Studies*, 53(1), 43–64.
- Blake, R. (2006). Employee retention: what employee turnover really costs your company. *July*, 24, 2006.
- Bontis, N., & Fitz-Enz, J. (2002). Intellectual capital ROI: a causal map of human capital antecedents and consequents. *Journal of Intellectual Capital*, 3(3), 223–247.
- Brinkerhoff, D. W., & Brinkerhoff, J. M. (2011). Public-private partnerships: Perspectives on purposes, publicness, and good governance. *Public Administration and Development*, 31(1), 2–14. <http://doi.org/10.1002/pad.584>
- Castanos. (2012). The contribution of migrant entrepreneurship to the economy. European Economic Social Committee.
- Çelik, G. (2013). Het beste van beide werelden: Succesfactoren van Turks-Nederlandse innovatieve ondernemers. *Journal of Social Intervention: Theory and Practice*, 22(3), 23–49.
- Center, I. P. (2012). Value Added: Immigrants Create Jobs and Businesses, Boost Wages of Native-Born Workers.
- Chattopadhyay, P., Tluchowska, M., & George, E. (2004). Identifying the in-group: A closer look at the influence of demographic dissimilarity on employee social identity. *Academy of Management Review*, 29(2), 180–202.
- Collings, D. G., Scullion, H., & Morley, M. J. (2007). Changing patterns of global staffing in the multinational enterprise: Challenges to the conventional expatriate assignment and emerging alternatives. *Journal of World Business*, 42(2), 198–213.
- Constant, A. F. (2014). Do migrants take the jobs of native workers? *IZA World of Labor*.
- Delano, A., & Marczak, J. (z.d.). Immigration and Integration: The role of the private sector. *Americas Quarterly*.
- Desiderio, M. V., & Salt, J. (2010). *Main Findings of the Conference on Entrepreneurship and Employment Creation of Immigrants in OECD Countries*. Paris: OECD.
- de Sola, I. (Red.). (2013). Chapter 3: Migration Generates Business Opportunities. In *World Economic Forum: The Business Case for Migration*. Network of Global Agenda Councils. Retrieved from [http://www3.weforum.org/docs/GAC/2013/WEF\\_GAC\\_Migration\\_BusinessCase\\_Report\\_2013.pdf](http://www3.weforum.org/docs/GAC/2013/WEF_GAC_Migration_BusinessCase_Report_2013.pdf)
- Deuze, M. (2006). Ethnic media, community media and participatory culture. *Journalism*, 7(3), 262–280. <http://doi.org/10.1177/1464884906065512>
- Doherty, N. T., & Dickmann, M. (2012). Measuring the return on investment in international assignments: an action research approach. *The International Journal of Human Resource Management*, 23(16), 3434–3454.
- Edsall, T. (2013). Kill bill. *The New York Times: The Opinion Pages*.
- Emslie, L., Bent, R., & Seaman, C. (2007). Missed opportunities? Reaching the ethnic consumer

- market. *International Journal of Consumer Studies*, 31(2), 168–173.  
<http://doi.org/10.1111/j.1470-6431.2006.00578.x>
- European Union. (2014). Diversity Management: Implementation and Impact amongst Diversity Charter Signatories in the European Union. Retrieved from [http://ec.europa.eu/justice/discrimination/files/diversity\\_report2014\\_en.pdf](http://ec.europa.eu/justice/discrimination/files/diversity_report2014_en.pdf)
- European Union Platform of Diversity Charters. (2014). Assessing diversity: impact in business. European Commission.
- Facchini, G., Mayda, A. M., & Mishra, P. (2008). Do interest groups affect US immigration policy? *Journal of International Economics*, 85(1), 114–128.
- Fargues, P. (2014). Is what we hear about migration really true?: questioning eight stereotypes.
- Farndale, E., Scullion, H., & Sparrow, P. (2010). The role of the corporate HR function in global talent management. *Journal of World Business*, 45(2), 161–168.
- Farnsworth, K., & Holden, C. (2006). The Business-Social Policy Nexus: Corporate Power and Corporate Inputs into Social Policy. *Journal of Social Policy*, 35(3), 473–494.  
<http://doi.org/10.1017/S0047279406009883>
- Fassinger, R. E. (2008). Workplace diversity and public policy: challenges and opportunities for psychology. *American Psychologist*, 63(4), 252.
- Fox, T. (2004). Corporate Social Responsibility and Development: In quest of an agenda. *Development*, 47(3), 29–36.
- Gmur. (2013). The business case for migration. World Economic Forum.
- Gordano, C. (2014). The migration industry of connectivity services: A critical discourse approach to the Spanish case in a European perspective. *Crossings: Journal of Migration & Culture*, 5(1), 57–71. [http://doi.org/10.1386/cjmc.5.1.57\\_1](http://doi.org/10.1386/cjmc.5.1.57_1)
- Green, K. A., López, M., Wysocki, A., & Kepner, K. (2002). Diversity in the workplace: Benefits, challenges, and the required managerial tools. *University of Florida Cooperative Extension Service Institute of Food and Agricultural Sciences*.
- Grimsey, D., & Lewis, M. K. (2005). Are Public Private Partnerships value for money? *Accounting Forum*, 29(4), 345–378. <http://doi.org/10.1016/j.accfor.2005.01.001>
- Hedberg, C., & Pettersson, K. (2011). Disadvantage, Ethnic Niching or Pursuit of a Vision?: Motives of Immigrant Women Care Entrepreneurs in the Ageing Swedish Society. *Journal of International Migration and Integration*. <http://doi.org/10.1007/s12134-011-0217-1>
- Hohn, M., Atkins, L., Waslin, M., Center, I. L., & Center, I. P. (2012). *Immigrant entrepreneurs: Creating jobs and strengthening the economy*. US Chamber of Commerce.
- Hong, G., & McLaren, J. (2014). *Are Immigrants a Shot in the Arm for the Local Economy?* National Bureau of Economic Research. Retrieved from <http://www.nber.org/papers/w21123>
- Hulten, C. R. (2010). Growth accounting\*. *Handbook of the Economics of Innovation*, 2, 987–1031.
- Hunt, J. (2009). *Which immigrants are most innovative and entrepreneurial? Distinctions by entry visa*. National Bureau of Economic Research.
- Joshi, A., Liao, H., & Jackson, S. E. (2006). Cross-level effects of workplace diversity on sales performance and pay. *Academy of Management Journal*, 49(3), 459–481.
- Juzwiak, T., McGregor, E., & Siegel, M. (2014). *Migrant and Refugee Integration in Global Cities: The Role of Cities and Businesses*. The Hague Process on Refugees and Migration & UNU-MERIT and its School of Governance. Retrieved from <http://thehagueprocess.org/wordpress/wp-content/uploads/2014/04/MigrantRefugeeIntegrationGlobalCities.pdf>

- Kerr, S. P., & Kerr, W. R. (2011). *Economic impacts of immigration: A survey*. National Bureau of Economic Research.
- Kochan, T., Bezrukova, K., Ely, R., Jackson, S., Joshi, A., Jehn, K., ... Thomas, D. (2003). The effects of diversity on business performance: Report of the diversity research network. *Human resource management, 42*(1), 3–21.
- Kourula, A., & Halme, M. (2008). Types of corporate responsibility and engagement with NGOs: an exploration of business and societal outcomes. *Corporate Governance: The international journal of business in society, 8*(4), 557–570.
- Lazarova, M., & Tarique, I. (2005). Knowledge transfer upon repatriation. *Journal of World Business, 40*(4), 361–373.
- Lingane, A., & Olsen, S. (2004). Guidelines for social return on investment. *California management review, 46*(3), 116–135.
- Marimuthu, M., Arokiasamy, L., & Ismail, M. (2009). Human capital development and its impact on firm performance: Evidence from developmental economics. *The journal of international social research, 2*(8), 265–272.
- Martin, P. (2012). The economic analysis of international migration and migration policy: Toward a research agenda. Gepresenteerd bij 2012 Migration Impacts Symposium, COMPAS, University of Oxford: COMPAS Center on Migration, Policy & Society.
- McNulty, Y., De Cieri, H., & Hutchings, K. (2009). Do global firms measure expatriate return on investment? An empirical examination of measures, barriers and variables influencing global staffing practices. *The International Journal of Human Resource Management, 20*(6), 1309–1326.
- McNulty, Y. M., & Tharenou, P. (2004). Expatriate return on investment: A definition and antecedents. *International Studies of Management and organisation, 34*(3), 68–95.
- Midttun, A. (2005). Realigning business, government and civil society: Emerging embedded relational governance beyond the (neo) liberal and welfare state models. *Corporate Governance: The international journal of business in society, 5*(3), 159–174.
- Millar, R., & Hall, K. (2013). Social return on investment (SROI) and performance measurement: The opportunities and barriers for social enterprises in health and social care. *Public Management Review, 15*(6), 923–941.
- Moon, J. (2002). The social responsibility of business and new governance. *Government and Opposition, 37*(03), 385–408.
- Neville, F., Orser, B., Riding, A., & Jung, O. (2014). Do young firms owned by recent immigrants outperform other young firms? *Journal of Business Venturing, 29*(1), 55–71.
- OECD (Red.). (2010). *Open for business: migrant entrepreneurship in OECD countries*. Paris: OECD.
- OECD. (2012). Harnessing the skills of migrants and diasporas to foster development: policy options. French Ministry of Foreign Affairs. Retrieved from [http://www.oecd.org/migration/Policy\\_Brief\\_Migrants\\_En\\_BD%20DEFINITIF.pdf](http://www.oecd.org/migration/Policy_Brief_Migrants_En_BD%20DEFINITIF.pdf)
- Ortiz, E., Agyeman-Budu, E., & Cheney, G. (2010). How should corporate social responsibility address labor migration in light of market globalization? *Migration in the 21st Century: Rights, Outcomes, and Policy, 45*, 54.
- Ottaviano, G. I., & Thisse, J. F. (2002). Integration, agglomeration and the political economics of factor mobility. *Journal of Public Economics, 83*(3), 429–456.
- Ozgen, C., Nijkamp, P., & Poot, J. (2011). Immigration and innovation in European regions. Retrieved from [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1908138](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1908138)
- Papademetriou, D. G., & Sumption, M. (2011). The Role of immigration in fostering

- competitiveness in the United States. *Migration Policy Institute*, 8.
- Phillips, J. J., Phillips, P. P., & Pulliam, A. (2014). *Measuring ROI in Environment, Health, and Safety*. John Wiley & Sons.
- Prahalad, C. K. (2009). *The fortune at the bottom of the pyramid, revised and updated 5th anniversary edition: Eradicating poverty through profits*. FT Press.
- Prahalad, C. K., & Hammond, A. (2002). Serving the world's poor, profitably. *Harvard business review*, 80(9), 48–59.
- Rohs, F. R. (2004). Return on investment (ROI): Calculating the monetary return of a leadership development program. *Journal of Leadership Education*, 3(1), 27–39.
- Russ-Eft, D., & Preskill, H. (2005). In search of the Holy Grail: return on investment evaluation in human resource development. *Advances in Developing Human Resources*, 7(1), 71–85.
- Saxenian, A. (2002). BRAIN CIRCULATION. How high-skill immigration makes everyone better off. *Brookings Review*, 20(1), 28–31.
- Sharma, L. L., Teret, S. P., & Brownell, K. D. (2010). The food industry and self-regulation: standards to promote success and to avoid public health failures. *American Journal of Public Health*, 100(2), 240.
- Smallbone, D., Kitching, J., & Athayde, R. (2010). Ethnic diversity, entrepreneurship and competitiveness in a global city. *International Small Business Journal*, 28(2), 174–190. <http://doi.org/10.1177/0266242609355856>
- Sprinkle, G. B., & Maines, L. A. (2010). The benefits and costs of corporate social responsibility. *Business Horizons*, 53(5), 445–453.
- Sturm, R. (1993). *How Do Education and Training Affect a Country's Economic Performance? A Literature Survey*. ERIC.
- The Hague Process on Refugees and Migration. (2014). Engagement with the private sector on international migration: Mapping study. The Hague Process on Refugees and Migration.
- Ulrich, D., & Smallwood, N. (2005). HR's new ROI: Return on intangibles. *Human Resource Management*, 44(2), 137–142.
- UNESCO. (2014). High level event on diversity management: 10 years of Diversity Charters in Europe: Achievements, current challenges and future perspectives. European Union.
- UN Press Release. (2013). International Migration Figures. Retrieved from [http://www.un.org/en/ga/68/meetings/migration/pdf/UN%20press%20release\\_International%20Migration%20Figures.pdf](http://www.un.org/en/ga/68/meetings/migration/pdf/UN%20press%20release_International%20Migration%20Figures.pdf)
- Wang, G. G., Dou, Z., & Li, N. (2002). A systems approach to measuring return on investment for HRD interventions. *Human Resource Development Quarterly*, 13(2), 203–224.
- World Business Council for Sustainable Development. (2004). *Doing Business with the Poor: A Field Guide*. World Business Council for Sustainable Development Geneva.
- Wee Eng, R. A. D. (2014, November 13). Are Canada's diverse diaspora networks our "hidden advantage"? Retrieved August 4th 2015, from <http://opencanada.org/branch-news/ottawa-news/are-canadas-diverse-diaspora-networks-our-hidden-advantage/>
- World Economic Forum. (2013). The Business Case for Migration. Retrieved from [http://www3.weforum.org/docs/GAC/2013/WEF\\_GAC\\_Migration\\_BusinessCase\\_Report\\_2013.pdf](http://www3.weforum.org/docs/GAC/2013/WEF_GAC_Migration_BusinessCase_Report_2013.pdf)
- Zelenyuk, V. (2011). Aggregation of economic growth rates and of its sources. *European Journal of Operational Research*, 212(1), 190–198.