

Facilitating Migrant Entry and Integration into the New Zealand Workforce



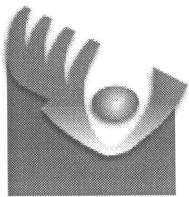
A research report
commissioned by

The New Zealand Federation of Ethnic Councils

Prepared by

**The Centre for Applied Cross-Cultural Research,
Victoria University of Wellington**

May 2007



New Zealand Federation of Ethnic Councils Inc.
P. O. Box 1409 Wellington New Zealand
Web site: www.nzfec.org.nz
Phone: (04) 387 7495 Fax: (04) 387 7393

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This report is the first of two reports commissioned by the NZ Federation of Ethnic Councils on the issue of migrant employment in New Zealand. The report was prepared by the project leader, Dr Astrid Podsiadlowski, on behalf of the Centre for Applied Cross-Cultural Research, Victoria University of Wellington.

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Introduction

Despite New Zealand's positive economic situation and reported skills shortage, a disproportionate number of highly qualified and motivated migrants are either unemployed or are not working according to their qualifications. This has large implications for the well-being and successful integration of people of different ethnic background. This report is part of a larger research on understanding the reasons behind such discrepancies and gaining insights into how to address diversity management at the New Zealand workplace for different ethnic groups. The goal is to improve communication and cooperation among local and foreign employees and work on the achievement of national settlement goals.

The **goal of this report** is to provide and disseminate information specific to New Zealand that can be relevant for and used by the members of different ethnic communities and to gain insights into what to expect when looking for employment in New Zealand. Advice shall be given in relation to how migrants and people of ethnically diverse backgrounds can possibly relate to and deal with prevalent employment practices. This report, as the first of two reports, is based on research that examines employment concerns raised at the NZFEC conference in March 2006.

The following **issues** shall be addressed:

(more information can be viewed on the following website:
<http://www.vuw.ac.nz/cacr/research/facilitating-migrantscom.aspx>)

- Understanding the barriers to employment that ethnically different people face from both the employee and employers' perspective
Review of Literature: <http://www.vuw.ac.nz/cacr/documents/Review%20of%20Lit.doc>
- Identifying regional characteristics and demographics of private businesses Survey: <http://www.vuw.ac.nz/cacr/documents/Survey1.doc>)
- Informing job seekers about prevalent recruitment and selection procedures Recruitment and selection procedures:
<http://www.vuw.ac.nz/cacr/research/docs/RECRUITMENT%20up2.doc>

Acknowledgement:

It needs to be greatly acknowledged that the ethnic communities themselves contributed to this research through their financial support to gather and analyse the data.

The following **research activities** took place as the foundation for the following information, conclusions and recommendations:

Introduction: <http://www.vuw.ac.nz/cacr/documents/Introduction.doc>

- Extensive literature review of 38 research outputs on migrant employment issues, labour market statistics and organizational policies in New Zealand since 1998

- Organizational survey in the Wellington region with 100 private businesses on organizational demographics, management practices and experiences in employing migrants
- Expert interviews in Wellington and Auckland with 18 employers, human resource managers, service providers and recruitment agencies on experiences with a culturally diverse workforce and New Zealand management practices
- Five focus groups with employed migrants and refugees of different ethnic background on experiences in obtaining and working in meaningful employment according to their qualifications.
- Additionally various workshops and meetings with members of ethnic communities as well as representatives of New Zealand organizations and local and central government agencies took place to present findings, discuss issues and initiate activities to support change.

Summary of Findings

1. Regional Workforce Demographics – Wellington Region

The workforce in the Wellington region is culturally diverse with each forth employee of non-New Zealand European background. Among the 395 ethnically diverse people of non-Pakeha background who have been employed by the participating organizations, the largest group were Maori, followed by employees of Chinese and Indian descent. With British being only the fourth largest group there is quite a clear indication of the increasing participation of people of Asian descent in the regional workforce. Though these are only regional figures they exemplify the changes that are going on in New Zealand and give ideas in which industry and with which profession it might be easier to find employment.

British and White South Africans could be found in a wider range of organizations than other ethnic groups implying a more wide spread willingness among organizations to employ people from those countries. For some of the more visible migrant groups (e.g. from the Philippines or Zimbabwe) there were fewer organizations employing them but if they did, then more than one person of this particular ethnic background worked in these organizations. It appears that some employers are more open to employing people of culturally diverse backgrounds than others. The least represented cultural groups came from African and Latin American countries and the Middle East.

Recommendation: It can be helpful for migrants to use networks within their own ethnic community to learn about job opportunities in businesses where other members of the community have already found employment. It might be also advisable to provide more information and culture specific knowledge about ethnic groups that are represented less in the local workforce to increase familiarity.

2. Industry Specifics

According to size and industry of an organization, quite different demographic compositions can be identified. These can be linked to different reasons why employers are often reluctant to employ migrants. Small businesses, particularly in the construction sector, tend to employ **New Zealand Europeans, Maori and Pacific Islanders**. They primarily state immigration difficulties as a major barrier for not employing migrants due to fear of high training and accommodation costs and of not being able to retain highly qualified people. But these businesses also seem to be particularly open in implementing future diversity management strategies.

Businesses that predominantly employ people of **diverse Asian background**, can often be found in the IT sector, and they state communication difficulties as a major issue. Businesses, that only employ people from **English-speaking and European countries** can be found in various industries and seem to be the least aware of the necessity to specifically deal with cultural diversity within their organization.

Most of the **very diverse businesses** that employ migrants from at least three different regions and continents can be found in the business and finance sector, followed by education, health and community services, manufacturing, wholesale and retail trade and information technology. These types of organizations state English language fluency as the most important requirement to employ people of different ethnic background.

Recommendation: If migrants apply to small businesses they should be prepared to have their immigration issues already sorted and know that small businesses are particularly worried about additional costs with regard to accommodation and training and retaining people. Very diverse businesses are particularly likely to employ migrants but it will be even more important to convey very good oral and written English language abilities. In addition, the awareness of and knowledge about communication styles in their own culture and in New Zealand should help to identify differences in and potential ways of accommodation with regard to communication, e.g. how to approach someone, how to introduce and present oneself, how to convey messages and information, how to voice new ideas or even criticize etc.

3. Employment according to Profession and Qualification

Organizational needs with regard to skills shortages vary according to the type of industry. In some industries, like in electronics, very specific skills are needed, e.g. radio engineering, due to the lack in apprenticeships. Businesses in trades, construction and electronics particularly state these problems as they see only few New Zealanders as qualified and experienced enough (e.g. in trades and scaffolding).

The professional background of migrants varies greatly often having very specific qualifications and being predominantly tertiary qualified. Migrants with an accounting and finance professional background are the second largest group of employed migrants and also have the highest probability to find a job in their original

profession. Having found a job in the same profession does not necessarily mean that people work in the same level they have worked before. Information technologists are the largest group of employed migrants who do not necessarily work according to their level of qualification as only one third of them have a job as IT specialist, e.g. in research and development and two third working in the administration and management of IT services. With administrating, managing and consulting the migrants' job responsibilities seem to be more general than their original professional background and with one fifth of employed migrants working in administration often below their qualifications.

Our research with employed migrants confirms issues of underemployment and difficulties of getting qualifications and work experience outside of New Zealand recognized. For example, only 52.3% of employed migrants say that their educational background was equivalent to their first position in New Zealand and for 31% of employed migrants their previous work experience outside New Zealand was not taken into account. Whilst this might be quite normal for starting a career in general in New Zealand, this discrepancy seems to continue for the appointments to follow and nearly all participants in the focus groups were either still looking for a job appropriate to their qualifications or have given up on that or retrained in New Zealand. Issues of less pay and the lack in full-time and/or permanent work have been raised as well. It appears to be very important to have New Zealand specific work experience, to be prepared to work outside the original profession and to work more as a generalist than specialist. The need to work outside the job description can be perceived as quite a contradiction and is often not expected by migrants who had experienced such difficulties in getting their qualifications recognized before finding a job at all. In the end, hands-on experience and the specific skills count.

Recommendation: Not surprisingly, it is most helpful to have a professional background and work experience in the fields of the largest skills shortage to find employment but there is also a fine line between being over-qualified and/or not having exactly the qualification needed, particularly if the comparability or the recognition of the qualification poses problems to New Zealand authorities. And even though a migrant may fit exactly into an identified, specific gap he or she still needs to be prepared for and have realistic expectations of what is still to come. It will probably still take some time to find an appropriate job, people are generally expected to also work outside their field of expertise and particularly migrants may perceive their tasks as not adequate towards their qualification and previous experience. In job applications it will be very important to convey specific skills and knowledge and previous hands-on work experience, possibly New Zealand related. It may be necessary to gain New Zealand work experience outside one's own profession first and/or start on a lower level than expected or even retrain.

4. Recruitment Procedures

What are the most commonly used ways of recruiting people in New Zealand according to our interviews and surveys? Most organizations opt for internal sourcing

first, either directly or via their professional and/or personal networks, sometimes via in-house recruitment centres. Potential candidates might be approached directly. Often only then organizations refer to newspaper ads, internet advertising and/or recruitment agencies. There is the tendency to look for people locally before looking for potential candidates from overseas.

Not surprisingly, people from outside those networks, not known to the organisation and/or employers, have a comparatively low probability of being recognised as potential candidates for the job in question.

Some of the interviewed employers and managers are aware of this and raise problems and concerns when evaluating the effectiveness of the recruitment procedures. For example, internet advertising as one of the mainstream procedures will not necessarily attract everybody who would qualify for a position. It is recommended that organizations should be more inventive and try different mechanisms such as referrals and connections in the community to recruit potential job candidates. These suggestions represent again quite a typical New Zealand way of doing things by using personal contacts and networks, but now trying to reach a wider range of networks and being more attractive to people from all sorts of cultural background.

Recommendation: As networking is such an important feature in New Zealand businesses people from outside New Zealand and/or people of different cultural background used to other ways of recruiting need to use this for their own advantage by establishing various relationships with people living in New Zealand, building up and/or participating in networks within and outside their ethnic community and interacting a lot with locals to learn about the New Zealand way of doing things, gain access and get themselves known. Another option is to apply in organizations that are owned by people of one's own ethnicity or to become an entrepreneur oneself.

5. Selection Procedures

According to the interview partners the most widely used selection tools are interviews and references checks, which are often not the most familiar ones for people from outside New Zealand. In most cases there are preliminary assessments before inviting a potential job candidate for an interview, often starting with reference checks and CV reviews to screen for knowledge, skills, similarity of the previous workplace, previous work experience and length of time worked in a company as well as previous job title. Telephone interviews (and sometimes also e-mail screening) may be used to check communication skills and – in the case of migrants – language abilities. These checks are often perceived as differential treatment by migrants. Psychometric testing is also quite popular.

Psychometric tests may also pose difficulties if they are not tested for their applicability and validity for different groups of people and are only referring to norms based on quite a homogeneous sample. In different cultures, different tests are used and skills are tested in a different way. The familiarity with a specific way of

testing influences the responses. Also the questions used are often very context-specific; people coming from a different national context may understand the questions differently and refer to different types of knowledge.

The main selection tools used are personal interviews which can also include quite personal questions. Particularly popular and quite unique for New Zealand is the behavioural-based interview technique to assess the applicant's soft skills such as handling pressure and ability to cope with people, showing empathy or team skills.

In the interviews conducted for this research it becomes not really clear how formalized these interviews are with regard to who is participating or which questions are asked for what reason. Relatively unstructured interview situations on maybe only a one-to-one basis can be easily influenced by personal dislikes and likes and first impressions which is even more probable if people, for example due to their different cultural background, have different styles of communication. Misunderstandings are even more likely in so called intercultural communication situations.

Some of the interviewed employers and managers recognize that personal interviews can be tricky for people from some cultures and state that selection processes should be blind to ethnicity, gender or any other source of differentiation. Another critical point stated is the focus on the judgement of other people via references. And how are references from non-New Zealanders assessed?

Recommendation: The best advice to be able to give to job applicants is to be prepared for testing and interview techniques they might be not familiar to. All aspects of the application process require New Zealand specific knowledge about how things are done and communicated and it is highly recommendable to seek advice from various employment support agencies and New Zealanders who are familiar with the processes.

6. Selection criteria

In the pre-screening process employers particularly check the suitability of an applicant via looking at work experience, technical and communication skills and similarity of the previous workplace. With migrants in particular they look into the type of visa someone has (a temporary work visa is often preferred), the qualifications which should be recognized prior to arrival and their English language ability.

If an applicant is invited for a job interview the largest focus among the selection criteria is on the so-called organisational fit, to find whether this person fits into the organization mainly referring to so-called soft skills with regard to team and networking skills. It is repeatedly mentioned that technical skills can be trained, but that there needs to be "good chemistry" and an applicant needs to have "just the right character and personality" to get along with the others in the organization. Knowledge and technical skills are mentioned to be also important but they do not seem to be the distinguishing factor whether an applicant is preferred to another and finally gets the job. In most interviews it seems to be decisive whether someone has the right

personality and this judgement seems to be often based on intuition, as this is mentioned repeatedly by the different interview partners.

It is quite obvious that this can reinforce homogeneity and decrease diversity within a workforce. If people are perceived as different, then it is also more likely that they are perceived as not fitting. This is again more probable for people who have a different cultural background.

The recommendations given by the interview partners therefore also remain mostly to how potential applicants should “sell” themselves which is strongly linked to certain ways of communicating and presenting oneself. These recommendations also imply a lot of assimilation on the side of the potential candidates which is not really recommendable for the successful integration of people of different cultural background. But at least the knowledge of how things are done, what is expected and also how to interpret such situations based on this knowledge can help to improve these culturally sensitive and crucial interactions.

If there are clear descriptions of the criteria needed and how they can be checked and observed in an interview situation, bias in the selection process could be reduced. If people of different cultural background are involved in the development of the selection tools and criteria as well as the selection process, the danger of bias will be less.

Recommendation: Job applicants need to be aware of the strong focus in relational and soft skills apart from the specific knowledge and experience people bring with them. In job interviews it is advisable to particularly stretch previous hands-on work experience as well as experience in working and interacting successfully with a range of people, let it be colleagues, team members or customers. The interview situation might be perceived as more informal and relaxed but it is still very important to get major intellectual and personal strengths across, e.g. also conveying one's own reliability and motivation.

7. Role of recruitment agencies

Some of the interview partners involve recruitment agencies in their recruitment and selection process. Generally, recruitment agencies manage job advertisements, replies for clients, even with regard to internal staff recommendations, and can also serve as a training house for people who can't find jobs by helping with CVs or preparing them for job interviews. As recruitment tools they particularly refer to internet and paper advertising and their own database. The pre-screening process is particularly important to them to become confident in recommending an applicant to a client who matches the client's needs and expectations. This is – apart from reference checks, testing and interviewing – also based on so-called intuition. Cohesive team fit is stated as an important selection criteria amidst cultural and personality differences.

Again the danger of increasing homogeneity and diminishing the chance for diversity in the selection process becomes quite apparent. Some interview partners describe clearly discriminatory practices regarding applications. One example is to put a

question mark on a CV and put the application aside if the applicant has a foreign name – assuming language and communication difficulties without even having checked on these and let the client decide. This procedure reflects also a perceived feeling of insecurity (e.g. how to pronounce the last name) among employers and appears to be more common than one might think as wider research projects by Colleen Ward and Marie Wilson and colleagues have shown.

The interview partners therefore draw quite an ambivalent picture of recruitment agencies and it appears that they can function as gatekeepers. But there are also examples of recruitment agencies that particularly promote migrant candidates by giving blind CVs, preparing them for the job interviews and following up with the client – overall – using different strategies with regard to migrants and being aware of culturally appropriate recruitment paths and tools.

Recommendation: Recruitment agencies can help in finding employment but they need to be chosen carefully. It is advisable to look for recruitment agencies that particularly address or even focus on issues that are relevant for migrants who are looking for employment and that have a successful history of recommending people of different cultural background to future employers.

Concluding Statements

The processes used in recruitment and selection procedures may adversely affect culturally different people seeking employment which can be seen in overqualification and underemployment for migrants. There are overt and covert disadvantages culturally diverse people face throughout these procedures. Particularly unique for New Zealand selection practices are the behavioural event interview technique, personal reference checks and personality tests. Knowing what to expect and being prepared for the specifics in recruiting and selecting might be one step (apart from many other barriers to overcome) into successfully finding meaningful employment.

Generally, there is an encompassing importance of getting known and establishing networks. Advice should be sought regarding the specifics in the application procedure. For example, CVs should be prepared in the New Zealand way by being neither too simplistic nor too elaborate. Quite specific interpersonal skills are expected in interview situations which also mirror relevant selection criteria. The expectation of assimilation definitely poses a challenge to people whose unique cultural background should be acknowledged and even considered as enrichment to one's own way of doing things. Certain aspects are okay in the New Zealand context which might not be okay in the cultural context where people are coming from but are comparatively easy to adapt to as long as one understands the why and how (e.g. to approach people more directly, to be more casual, also towards people of higher status, to ask questions in an interview situation, etc.). For a society to become truly multicultural and embrace diversity mutual adaptation and accommodation is necessary. One first step towards it is increasing cultural knowledge and intercultural understanding.

Outlook

While this report is focussing on the question how to find employment addressing issues of regional demographics, barriers to employment and the recruitment and selection process the second report will focus on the New Zealand workplace environment. Information will be given about expectations and management practices of New Zealand employers and about important aspects of the New Zealand workplace culture. The goal is to get an increased understanding about the specific New Zealand work context and how potential cultural differences may lead to misunderstandings and mismatching expectations.

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