

BRIEF: TALENT RETENTION IN DENMARK

INTRODUCTION

Since November 2002, IOM Denmark and IOM Germany implement the **Talent Hub Project**¹ funded by the European Union via the Technical Support Instrument (TSI). In the project, IOM is looking at factors influencing retention, nurturing and attraction of **talent** in Denmark, Germany, and selected countries, as well as **best practices to retain talent at all skill levels**.² Talent is here defined as skilled and highly skilled Third Country Nationals (TCN), i.e., non-EU nationals that have come to Europe to work. This brief presents initial project findings as regards retention in **Denmark**. That is, factors influencing **integration** and the potential to **stay and work longer** in Denmark.

RETENTION FACTORS

In various global indexes on talent attraction and competitiveness published by OECD and other agencies,³ Denmark usually gets high attractiveness scores and is considered one of the top countries in the world for talent in which to live and work. Especially Danish labour market traits such as good **work-life balance**, flat **hierarchies**, **security**, **societal stability**, **democratic tradition**, **freedom of expression**, **universal healthcare**, **childcare availability**, and **gender equality** are important for talent wanting to come to and live in Denmark. Attractiveness may be supported by **place branding efforts** of the country and its bigger cities.⁴

According to some sources,⁵ Denmark scores low on issues such as **tolerance of migrants**, due to **difficult access to permanent residence** and **citizenship**, challenges in having a social life with Danes and settling in, **language**, and other factors. While several factors have a positive effect when it comes to attracting and retaining talent in Denmark, there is room for improving the conditions to enhance the attraction and retention rates. However, the factors that influence the decision to come and stay in Denmark are not necessarily the same across different groups of talents and individuals (worker or student, with or without family etc.).

Denmark has various **national schemes** for attracting foreign talent in need in Denmark. Legislative changes in force as of **1 April 2023** make it easier to come to Denmark within the existing schemes. This includes granting more **Small and Medium-sized Enterprises (SME)** access to hire international labour.

Because of opt-outs to the EU cooperation on migration, Denmark does not apply the EU Blue Card and EU directives facilitating the access of TCNs to the European labour market. Talent currently in other EU countries, who are non-EU nationals, will therefore have to apply separately to come to Denmark under one of the national schemes and will not automatically be granted access through their existing EU residence. With recent developments at EU level as regards the EU **Talent Partnerships**, **EU Talent Pool**, easing access of skilled workers to the European Union and facilitating their mobility within the EU,⁶ there is a risk that Denmark might become less attractive as a destination.

One of the decisive factors for integrating into Danish society and hence staying longer in Denmark is knowledge of **Danish language**. Even if the workplace language might be English and many Danes speak English, knowledge of the local language is important for **socializing** in and outside work, **participation** in society (understanding media, joining societies, communication with authorities etc.). Expats in Denmark express that better knowledge of Danish could make them stay longer.⁷ Denmark offers free language lessons also

for labour migrants and international students, but the right to language classes expires after five years. Language classes are offered by municipalities in cooperation with language schools, but there is **no national and standardized e-learning system**, nor a systematic offer to learn Danish before arriving to Denmark. Learning Danish at the workplace is not a centralized practice but might be available in some companies and municipalities. Talent in Denmark may find that a regular job is incommensurable with attending language classes if no flexible arrangements are available and therefore drop out. Denmark does not have a centralized system for **pre-departure orientation** to learn about Danish society and values **prior** to coming to Denmark.

While Danish family reunification regulations are generally strict, the rules for a foreign national with a work permit in Denmark to bring her/his family to Denmark are flexible. Even so, it is an important factor for retention that also **accompanying family members** can stay and thrive in Denmark. Activities towards families might include support for the spouse to find **employment** commensurable with the person's **qualifications**, support in **learning Danish** to both spouse and children, finding a **relevant school** (Danish or international) and **accessible leisure activities** for children and/or parents that allow building personal **networks** etc.

Denmark does not apply the EU Blue Card or other schemes where talent can gain initial access based on their education only. A work permit generally requires a job offer, wherefore **recognition of formal qualifications** may not be a general obstacle for the main applicant.⁸ Even so, as for example **accompanying spouses** could end up in the “**Helper Trap**” if they can only find a job for which they are overqualified if their formal education has not been recognized. Working in a profession that does not suit the person's qualifications or **nurture her/his aspirations** could affect retention negatively. Time-consuming **authorizations** for regulated professions that require this – such as the health sector – are often considered a complicating, delaying factor.

An important source for talent to Denmark is **international students** who remain in Denmark to live and work upon graduation. Past cuts in **English-language tuition** at Danish education institutions are considered to have affected attraction and retention of international students negatively.⁹ As of 1 April 2023, some foreign students will receive **automatic residence permit of three years** following their studies to allow them time to find a job, which is longer than the six months offered previously.¹⁰

WHAT IS BEING DONE?

Various initiatives are carried out across Denmark by businesses and/in partnerships with municipalities, public authorities, as well as projects and forums to **exchange ideas and best practices** on retention and attraction of talent. Major actors are, for example **Copenhagen Capacity** and the **Confederation of Danish Industry**. There is to IOM's knowledge however no central (state) retention strategy or structure for such initiatives nor a central repository on things that have worked well.

Retention and attraction initiatives include but are not limited to onboarding initiatives, buddy systems, mentoring programmes, volunteers, support to building social networks, supporting spouses, and numerous other initiatives to support attraction and retention of talent at the local level. Municipal integration measures in language teaching and other measures might be more focussed on integration of non-labour migrants (such as refugees and their family members) rather than on social inclusion of talent.

Partnerships between **education institutions** and **local Danish businesses** can help strengthening the connections between international students and businesses by facilitating **internships** and **employment** during and after studies.¹¹

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DENMARK BRIEF: NOTES AND SOURCES

NOTES

¹ The full title of the project is “Talent Hub: Supporting Copenhagen Capacity to strengthen retention and EU-mobility of skilled migrants through collaborative multi-country coordination on talent retention and circulation in the EU”

² Depending on the source, what is here termed “talent” may also be referred to as expats, highly skilled or skilled workers or labour migrants. While the focus of the project and this brief are non-EU citizens, the group of expats and skilled migrants may also in some sources include EU or Nordic citizens on several skills levels that strictly speaking are not part of the project target group but also cannot be excluded from the sources.

³ See as for example [OECD Indicators of Talent Attractiveness 2023](#), [OECD Better Life Index 2020](#), [Inter Nations Expat Insider 2022](#), [INSEAD Global Competitiveness Index 2022](#) or [MIPEX: Migrant Integration Policy Index 2020](#)

⁴ “Talent til Danmark – en national indsats for talenttiltrækning,” Copenhagen Capacity 2019-2022, “Denmark’s Battle for Global Talent – Analysis, trends and strategic recommendations,” Confederation of Danish Industry (DI), 2018.

⁵ See as for example [MIPEX: Migrant Integration Policy Index 2020](#) or [ODI Public narratives and attitudes towards refugees and other migrants – Denmark country profile 2022](#)

⁶ European Commission press release 27 April on [Legal Migration: Attracting skills and talent to the EU](#) and [EC Communication on attracting skills and talent to the EU](#)

⁷ [“The Expat Study 2020 – An analysis of living and working in Denmark as an expat”](#) by Oxford Research

⁸ [“Work Environment in Denmark” \(Da. Arbejdstilsynet\)](#) 2023, “Vurdering og anerkendelse af udenlandske uddannelseskvalifikationer m.v. – Beretning for 2021”, Uddannelses- og Forskningsstyrelsen 2021

⁹ “Drop fordømmene: Vi skal have flere udenlandske studerende,” Tanja Villumsen & Jens-Kristian Lütken, opinion piece in Politiken 16-Feb-23, “Denmark cuts students on English-language programmes,” The Local 7-Nov-17, [“Knap 400 engelsksprogede uddannelser forsvinder til sommer: Det koster vigtig arbejdskraft, frygter erhvervslivet,” DR 22-Jan-22](#)

¹⁰ [L46 regarding strengthened recruitment of foreign labour in Denmark](#) accepted in the Danish Parliament on 23-Feb-23 and coming into effect on 01-Apr-23, extended the residence period to foreign students looking for a job in Denmark after graduation from six months to three years.

¹¹ See for an example “I Sønderjylland har udenlandske ingeniørstuderende jobgaranti,” Ingeniøren 20-Mar-23.

SUGGESTED FURTHER READING

- “Language Training Services for Adult Immigrants in the Nordic Countries. A Comparative Study,” Oxford Research for the Nordic Council of Ministers, April 2023
- “Denmark”, International Labour Organization (ILO) 2020
- “Litteraturstudie vedr. Danmarks muligheder for tiltrækning af udenlandsk arbejdskraft,” Rambøll 2017
- “Modtagelse og fastholdelse af udenlandsk arbejdskraft i danske virksomheder – En analyse af praksis og behov blandt virksomheder godkendt til fast-track ordningen,” Foreningen Nydansker
- “Mobilitet blandt udenlandsk arbejdskraft,” Højbjerg Brauer Schultz 2017
- “International Migration – Denmark. Report to OECD,” Udlændinge- og Integrationsministeriet 2021
- “Rekruttering og fastholdelse af højtuddannet arbejdskraft. Danmark, Norge, Holland, Storbritannien og Canada,” Frederik Thuesen, Mette Kirstine Tørslev, Tina Gudrund Jensen, SFI - Det Nationale Forskningscenter for Velfærd 2011