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Published Version

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To link to this article DOI: http://dx.doi.org/10.1111/glob.12397

Publisher: Wiley

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Intra-company transfers: The government/corporate interface in the United Kingdom

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Abstract
This paper explores the role of intra-company transfers in the United Kingdom government’s labour immigration policy over the last quarter century. It demonstrates their role in determining the number of non-European Economic Area foreigners working in the country and examines the way policy, both generally and specifically, has developed. It presents new statistical data and uses that evidence to examine the interplay between the government and multinational corporations in the determination of a significant element of foreign labour immigration. Its findings demonstrate that intra-company transfers have consistently played a major role in the management of UK labour immigration with a small number of occupations and countries of origin characterizing the system at various times. It concludes that the system has operated through a symbiotic relationship between government and major companies to the mutual benefit of both. However, ‘Brexit’ and the COVID-19 pandemic are leading to reassessment of political and corporate objectives.

KEYWORDS
corporate requirements, expatriates, intra-company transfers, state immigration policy

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INTRODUCTION

The rise in the numbers of international workers is a lively topic, both in the popular discourse and in academic work (Castles et al., 2014; Li et al., 2018). It has been argued that this is one of the grand societal challenges of our time (Buckley et al., 2017; George et al., 2016), having extensive implications for business and society. In this respect, the interaction between governments and businesses becomes an issue of concern.

We examine one element of migration which is less well documented, the role of intra-company transfers (ICTs) in the United Kingdom between 1985 and the end of 2019, with some information for 2020–2021. ICTs have always been treated differently from other work permits, identified in administrative data as a separate category since the 1980s. Under the points-based system (PBS), they are a separate visa category, exempt from Resident Labour Market Test requirements that apply to other entrants to the country and the conditions on which visas are granted are treated separately. Historically, most applications, which had to be from ‘approved’ organizations, came from large organizations, widely assumed to be ‘legitimate’ (Bitektine, et al., 2020; Kostova & Zaheer, 1999) and easily able to make a case for bringing in an individual on the grounds of product and market development and corporate career progression. Invariably these companies, which currently tend to be concentrated in the information technology (IT), communication and business services sectors, have had prior experience of the scheme, specialist personnel to deal with applications and liaise with the Department of Employment (and later the Home Office) and specialist agents to handle difficult cases.

How large companies in different sectors operate their internal labour markets plays a significant role in government management of labour migration. Most large organizations operate in dynamic environments characterized, for example, by the drive to consolidate existing markets (‘farming’) and to develop new and emerging markets (‘hunting’) through global corporate restructuring, often involving strings of mergers, acquisitions and divestments (Millar & Salt, 2008). All of these activities require accommodations with governments in the countries in which they operate.

Our findings demonstrate that ICTs have consistently played a major role in the management of U.K. labour immigration with a small number of occupations and countries of origin characterizing the system. We conclude that the system has operated through a symbiotic relationship between government and major companies to the mutual benefit of both. Brexit has led to wholesale changes in the U.K. immigration system which, combined with the effects of the COVID-19 pandemic, appears to have led to some dramatic labour shortages, which affected the balance by route of entry in 2020 and 2021. Although we concentrate here on demonstrating the major role played by ICTs in government management of labour immigration since the 1980s, and its close association with corporate international mobility policies, and eschew debating the issues of post-colonialism (El-Enany, 2020) or those raised by Brexit or the pandemic, we recognize that they will pose new challenges and suggest how that relationship might evolve at the end of the paper.

Foreign labour immigration management by successive U.K. governments has evolved within a central framework set by the declared government objectives of satisfying the need for foreign labour to supplement domestic sources, without undercutting the wages or restricting the opportunities of citizens. Periodic reviews of the various schemes have been the result of both economically and politically driven decisions and policies have changed as political, economic and social conditions have changed (Salt & Bauer, 2020). Multinational enterprises (MNEs) are impacted by the same changes. MNEs have traditionally employed varying combinations of international exchange to deploy their staff expertise to where it is needed. They develop ‘portfolios of mobility’ which combine different types of mobility within their internal labour markets, including long- and short-term assignments, commuting assignments and business travel (Brewster et al., 2021), not all of which require a work permit or a certificate of sponsorship (Millar & Salt, 2008). Their portfolios of mobility are adapted to diverse market and project requirements, as well as to the operation of multiple production and market locations. There is also the need for international staff development with ICTs, involving the transfer of employees to learn how to undertake tasks in a U.K.-based branch of the organization, an important strategic element.
Analysis of labour migrants entering the United Kingdom through the managed system (work permits, PBS) shows the surprising importance of ICTs in the total numbers of people coming into the United Kingdom. This has gone largely unremarked, mainly because such moves are generally seen as a temporary phase in a process of relocation and return, and, of course, numbers fluctuate. However, in recent decades ICTs have amounted to between one- and two-thirds of all managed migration based on the work permit and PBSs.

This paper sits at the junction of several literatures, notably those relating to migration and to international human resource management, each of which has its own perspective. It sits within a body of migration theory, developed mainly from the 1980s, which saw international migration by the highly skilled (defined almost exclusively by academic qualification) developing along four main theoretical avenues. First, researchers examined the role of institutions in orchestrating both regional and international flows of migrants, in the context of large private and government organizations (McKay & Whitelaw, 1977), and subsequently widened their view (see, e.g., Castles de Haas & Miller, 2014). Second, the concepts of ‘movement’ or ‘mobility’ became regarded as conceptually more useful (McNulty & Brewster, 2019) than ‘migration’, which was perceived as having connotations of permanency or long-term stay, whereas the movement of many highly skilled persons is intermittent and short term, occurring within transnational networks (Castells, 1996; Koser & Salt, 1997; Massey et. al. et al., 1999) linked with global business organizations (Beaverstock, 2018; Beaverstock et al., 2015), their links with world cities (Sassen, 2001) and with governments playing a managerial role (Cornelius et al., 1994; Guellec & Cervantes, 2002). Thirdly, the transfer of different forms of knowledge (expertise) geographically was seen as a key element in mobility among the highly skilled (Chang et al., 2012; Collins, 1997; Williams, 2007). Finally, attention was paid to the practices of individual MNEs in operating their internal labour markets (Beaverstock, 2018; Millar & Salt, 2008; Salt & Wood, 2011), which depend on sectoral characteristics and individual occupational requirements (Beaverstock et al., 2015).

Our principal contribution is to demonstrate a symbiotic link between government and MNEs intended to create mutually beneficial networks of highly skilled expertise. We bring together the drivers that underlie the role of ICTs in MNE global operations, together with the management of labour entry by the U.K. government. As part of the general Agreement on Trade and Tariffs and Trade (GATT), the United Kingdom allows entry, and temporary stay, of people for business purposes, as a result of which no resident labour market test is applied to ICTs. We demonstrate the centrality of ICTs to total managed labour immigration and seek explanations of the forces underlying them. These include government competition internationally for skilled workers, the development of cadres of expertise within companies, the management of corporate global resources and the role of career development in attracting and retaining high-quality human resources. We identify three underlying principles: global sourcing by both the U.K. government and employers; the need for flexibility; and the symbiotic relationship between changing government policies and employers’ requirements. Using statistical data, many previously unpublished, we show the number of ICTs who have entered the United Kingdom in relation to those coming through other routes; where they come from; and which occupations and sectors they enter. We ask why companies engage in such movements, and clarify the relationship between companies and government management which maintains this system. Finally, we comment on some implications of the coronavirus pandemic and Brexit for the future of the system.

The study thus uses the U.K. example to (1) demonstrate the importance of ICTs in overall immigration management; (2) emphasize the dominance of certain sectors; and (3) examine the relationship between the operation of MNEs and countries’ attempts to manage labour immigration.

ISSUES OF DEFINITION AND DATA

The management literature tends to use the general term ‘expatriates’ to refer to a wide range of people who move to work temporarily in other countries and, within that, use the term ‘assigned expatriates’ to refer to ICTs (McNulty & Brewster, 2017). These include, as assigned expatriates, employees moving on fixed-term contracts, others hired permanently (not on short-term contracts) from the external labour market directly into a country of operations and what
the European Union (EU) calls ‘posted workers’ moved by their employers to work on specific projects. The management literature refers, in addition to self-initiated expatriates (Andresen et al., 2020), to ‘freelance’ expatriates moving to another country to find a job: these may include manual workers such as those on construction projects or in agriculture (Haak-Saheem & Brewster, 2017). In the migration literature, there are also specific definitions. For example, inside the European Union and the European Free Trade Area (EU/EFTA), or the European Economic Area (EEA), as it is known, ‘posted workers’ are salaried or self-employed workers who generally carry out their activity in another member state while staying affiliated to the social security system in their home country. Almost 3 million postings were recorded inside the EEA in 2018 (Lens et al., 2022; OECD, 2020). To complicate the definitional points further, each of these categories may be treated differently in different national legislations, including their approaches to things like health charges and partner employment.

The U.K. government, like others, refers to expatriates moving between international locations within their company’s internal labour market as ‘intra-company transfers’ and they form a separate visa category. It is this group with which this paper is concerned. They have an easily identifiable, legal definition and the system for ICTs constitutes a designated route of entry into the country\(^1\). There is an assumption that ICT moves are temporary and for varying periods, although visas may be extended and in practice some moves become permanent.

Currently there are two Intra-Company routes: the ICT route and the Intra-Company Graduate Trainee route. The ICT route is for established workers who are being transferred by the business they work for to do a skilled role in the United Kingdom. The Intra-Company Graduate Trainee route is for workers who are being transferred by the business they work for to undertake a role in the United Kingdom as part of a structured graduate training programme.

The applicant for an ICT visa must have a Certificate of Sponsorship (CoS) from an approved licensed sponsor. This is a virtual document (similar to a database record) which is assigned by the sponsor. Sponsors use a secure IT system called the sponsorship management system to assign a CoS. The majority of CoSs used are issued to applicants from outside the United Kingdom but some are issued to people already in the country. In this paper, we use CoS data as the basis for our analysis since they provide a better indication of the actual numbers coming to work, as some visas may be granted but not used.

The best estimates of overall ICT numbers worldwide are from the OECD, but these include data only for the major destination countries. Between 2010 and 2018, the estimated annual number of intra-company transferees entering OECD countries ranged between 136,000 and 156,000. In 2018, the United States received the most (74,400), followed by the United Kingdom (31,700), Canada (12,800), Japan (9500) and Germany (8000) (OECD, 2020). However, because these data exclude extensions of stay, they underestimate the total number of ICTs approved and issued by governments. For example, in the United Kingdom in 2018 there were 9700 visa extensions leading to a total of 41,400 ICTs.

The main statistical sources for the United Kingdom used here are, for before 2008, work permits (issued to foreign nationals currently outside the country) and first permissions (foreign nationals currently residing in the country), and, from 2008 to 2020, visas and certificates of sponsorship. Of particular importance is the presentation here for the first time of statistics showing the numbers and relative importance of ICTs within labour immigration flows. Data for the period before 2008 are mainly based on unpublished management data, provided for the annual U.K. international migration report to the OECD’s Continuous Reporting System on Migration committee (known by its French acronym SOPEMI). Additional data were provided to the UCL Migration Research Unit for a series of analyses of trends in foreign worker recruitment carried out on behalf of the Department of Employment and the Home Office (Clarke & Salt, 2003; Dobson et al., 2001; McLaughlan & Salt, 2002)\(^2\).

**MANAGING ICTS IN THE UNITED KINGDOM: GOVERNMENT POLICY**

Foreign labour immigration management by successive U.K. governments has, since 1921, evolved within a central framework set by the need for foreign labour to supplement domestic sources, with the stated objective of ensuring
that this did not undercut the wages or restrict the opportunities of citizens\(^3\). Under both economically and politically driven pressures, there have been periodic reviews of the various schemes, always including ICTs as an aspect of overall immigration policy developments. Such policies have operated mainly through a work permit system and, since 2009, through the PBS which replaced it. Since the Second World War, this has been supplemented by a series of special schemes, aimed at specific occupations or groups where there were seen to be skill shortages. In addition, with the exception of some restrictions during transition periods after new member states joined the European Economic Area (EEA) grouping, free movement arrangements for EU/EEA citizens were in place until 2021. Finally, since 1921, Irish citizens have been, and still are, part of a common travel area which allows free movement and the right to live and work between the two countries. Irish labour immigration into the United Kingdom has never been managed except in wartime.

Hence, from the mid-1980s to 2020, a fourfold system evolved in the United Kingdom, the first two government managed and applied to all immigrants except those from the EEA and Ireland: (1) the work permit followed by the PBS and (2) a series of special schemes to deal with specific skill shortages. Two other movements were unrestricted: (3) movements between the United Kingdom and other EEA states and (4) the specific U.K./Ireland arrangements.

In the first two decades after 1945 most foreign workers moved into less skilled occupations. After this, the tendency was for the managed element of labour immigration to focus on higher skilled workers (Salt & Bauer, 2020). In part this was related to the United Kingdom joining the precursor of the EU in 1973, with free movement for its citizens for any (lawful) purpose. There was significant immigration of lower skilled workers, especially from the Mediterranean countries, both before and after 1973. The 1980s saw a growing globalization trend, linked to a new international spatial division of labour (Cohen, 1987) and the growing influence of large MNEs. Corporate expatriation has existed for centuries, but new business trends and new technological possibilities sharply increased the numbers involved. What emerged, in economically developed countries such as the United Kingdom, was a trend for these companies to recruit and move staff internationally within their internal labour markets, a trend reflected in the growth in ICT work permit numbers in the United Kingdom from the late 1980s (see Figure 1).

The trend toward globalization and the growth of MNEs, change in the U.K. economy including the collapse of manufacturing and the growth of business services such as finance and IT, along with free movement from the European Economic Community (EEC), the forerunner of the EU, led to government rethinking labour immigration management. There were four major reviews of the ICT scheme by the Overseas Labour Service, the part of the Department of Employment responsible for the work permit system. The first took place in 1981 (Department of Employment, 1981).

**Figure 1** Total ICTs issued. Work permits and certificates of sponsorship. Source: Department of Employment/Home Office management data.
against a background of economic recession and high and rising unemployment. Its focus was on administrative costs to government and how they might be alleviated and only minor operational amendments resulted. An improving economy during the later 1980s, alongside globalization and international competition for high level skills, and a sectoral shift towards business services, saw policy shifting from employment protection towards encouragement of an enterprise economy. The work permit system was seen as imposing barriers and costs on companies wanting to employ foreign labour. Pressure from employers, combined with government policies to deregulate the labour market and give employers more flexibility, led to calls for a quicker, more responsive work permit system. Within the Overseas Labour Section of the Department of Employment, administration of work permits was supplemented by active discussion and cooperation with major employers as part of a two-way system of information exchange (source: interviews with officials as part of the U.K. SOPEMI report).

A second internal review in 1989 led to substantial changes to the main scheme (Department of Employment, 1989). As a result, a two-tier system for processing applications was introduced in October 1991. Those satisfying existing occupational skills criteria were to be dealt with under a simplified ‘Tier 1’ procedure: largely for senior management roles and sectors suffering skills shortages. Other applications, in ‘Tier 2’, continued to need fuller justification for appointing an overseas candidate. A new category of ‘Keyworker’ was introduced to allow for high-level, specialized, language (such as translators) and cultural skills. The overall thrust of these changes was to simplify entry for highly skilled and senior people, particularly corporate transferees.

The Labour government elected in 1997 had a more expansive view of labour immigration management than its predecessor. A third internal review of the work permit arrangements followed, between November 1999 and February 2000 (Glover et al., 2001). It was initiated by Ministers in response to factors such as the need to achieve greater efficiencies in the system as the volume of applications rose (Home Office, 2002). At a national level, being able to attract the brightest and best talents was deemed essential for international competitiveness, very much a neo-liberal approach. The review involved discussions with a range of stakeholders and resulted in the implementation of a simpler, more transparent and more cost-efficient system, more flexible and more responsive to employers’ needs and requirements. A major consequence of these changes, it was argued, would be that the turnaround time for applications became a matter of days rather than weeks, giving the United Kingdom a competitive edge over other countries. Large companies with well-resourced human resources departments, and able to pay relocation and other expenses, were thus in a better position to navigate the international recruitment and mobility system.

By 2005, the number of new and existing schemes, not always well synchronized, led to a situation in which the need for better integration of the various components of labour immigration policy had become apparent. The existing system was felt to be too complex, bureaucratic, subjective, lacking in transparency and open to abuse by sponsors. The essence of the new proposal in this fourth review was to move from the two-tier work permit system plus the other entry schemes (Working Holiday Makers, Sector Based Schemes, the Seasonal Agricultural Workers Scheme, the Highly Skilled Migrant Programme) to an all-encompassing five tiers reflecting the purposes of different migrants coming to the United Kingdom (Home Office, 2006). Management would be through a PBS akin to those in Canada and Australia. The main difference was that the schemes in these two countries were designed for permanent immigrants, while that in the United Kingdom was for temporary entrants. In this scheme, ICTs were included in the new Tier 2: defined as skilled workers with a job offer or workers where an overseas national was necessary. Tier 2 was, thus, the direct successor to work permits and first permissions.

Three routes of entry were recognized within Tier 2. Shortage occupations were those for which a shortage of domestic labour was identified by the semi-autonomous Migration Advisory Committee and employers were not required to make a case for their recruitment. The General category required employers to carry out a Resident Labour Market Test to ensure there were no domestic (and at the time European Union [EU]) workers available; minimum salary levels and an annual quota of 21,000 were set by the Migration Advisory Committee (MAC). ICTs constituted a separate route, without a quota but with minimum salary and expertise levels specified and a requirement for having worked for a minimum length of time for the sending company. As part of its remit the MAC frequently consults with
employers and others prior to making recommendations to the government Review of the Intra-company Transfer (ICT) route 2021—GOV.UK (www.gov.uk).

Under the PBS, three types of ICTs were, and two still are, identified:

- **Long term**: for transfers of more than 12 months into a role that cannot be filled by a new U.K. recruit. To work in the United Kingdom, the employee must have worked for their company for more than 12 months, unless the annual salary is £73,900 or more a year. Otherwise, the minimum ICT salary is £41,500. The maximum length of stay in the United Kingdom for those earning more than £120,000 a year is 9 years; if less than that, 5 years, 1 month.
- **Graduate trainee**: for transfers into a graduate trainee programme for specialist roles. The trainee must be a recent graduate with at least 3 months’ experience with their employer overseas. The maximum stay is 12 months, minimum salary £23,000.
- **Short term**: for transfers up to and including 12 months into a role that cannot be filled by a new U.K. recruit. The employee must have worked for their employer overseas for at least 12 months and have a minimum salary of £30,000. In April 2017, this type of visa was closed.

After leaving the EU, in February 2020, the U.K. government published a Policy Statement on the U.K. points-based immigration system (PBS) which ended free movement (except for Ireland) and introduced a single, global immigration system (Home Office, 2020). The PBS will cater for the most highly skilled workers, skilled workers, students and a range of other specialist work routes including those for global leaders in their field and innovators. The intra-company transfer route was included in its existing form but in September 2020 the Migration Advisory Committee (MAC) was commissioned by the government to undertake a study of that route and advise on its operation and effectiveness. Its report, MAC (2021), is currently under government consideration. It recommended continuation of the route, introduction of a separate short-term visa and the collection of more detailed information on its operation. In May 2021, the government launched more details of its aspirational new plan for immigration to be implemented in phases over the following 4 years, reiterating the emphasis on skilled labour immigration.

**THE SCALE OF ICTs IN THE UNITED KINGDOM**

ICTs have been a substantial component of labour immigration into the United Kingdom for many years. Such highly qualified and skilled workers are attractive not just for businesses but also for governments, given that they have been linked to national productivity and innovation (Czaika, 2018) and entrepreneurship (Christensen, et al., 2020). ICTs were identified by the Department of Employment as such in the work permit statistics recorded here. Figure 1 shows the number of work permits (including first permissions) and certificates of sponsorship accounted for by ICTs from the mid-1980s onwards. During the 1980s and 1990s, some ICTs were approved as part of a ‘trainee and work experience’ scheme (TWES) and they are included. For example, in 1986, 4999 main scheme work permits and 1006 TWES permits were re-coded by the Department of Employment as ICTs.

The data are taken from successive SOPEMI reports and original sources including both published and unpublished Department for (Education and) Employment/Home Office management information. ICT data for 1999 are not available because of a change in the work permit and associated statistical system at that time.

Fluctuations from year to year occur for many reasons, including the state of the economy and labour markets in the United Kingdom (and the world), individual corporate developments and administrative changes which may have brought forward or held back applications. For the first 20 years, there was an unsteady but continuous increase in the number of approvals from 6000 in 1985 to 48,700 in 2007. The global financial crisis that began in 2008 led to a sharp drop in numbers, but from 2010 there were small if irregular changes taking the figures to 43,500 in 2016 and 42,964 in 2019. The figures broadly coincide with trends in the U.K. economy up to 2008 and the slow and uncertain recovery.
thereafter. Developments after 2008 are less clear since the recession coincided with the switch from a work permit system to a PBS, making it difficult to distinguish the effects of recession from those of administrative change.

An alternative measurement of the scale of ICTs during the mid-1980s was based on Labour Force Survey data for those living outside the country a year before but now working for the same employer in the United Kingdom (Salt, 1991). These accounted for 46% of all labour immigrants, 58% from outside and 22% from within the EEA.

The proportion of the total that ICTs account for is not easy to calculate and depends on the denominator used. Until 1998, work permits were divided into long term and short term. The latter were further subdivided into professional/managerial and others. Most short-term permits were in the ‘others’ category, the vast majority being entertainers and sportspeople (Salt, 1991). Overseas Labour Service advice at the time was that, nevertheless, any ICT short-term permits should be regarded as professional/managerial. Hence, the numerator for those years included all work permit and trainee (TWES) ICTs; the denominator was total long-term and TWES approvals, along with professional/managerial short-term approvals. From 2000, change in the categories removed the short-term entertainers and sportspeople groups, while TWES trainees were incorporated into the main scheme. The proportions in Figure 2 were obtained by dividing the total number of ICTs by the overall total of approvals.

The post-millennium peak was in 2011 when almost two-thirds of all work permit sponsored immigrants were ICTs. More recently, the proportion has hovered at around half the total, confirming that these corporate movements make up a major share of U.K. labour immigration management. It is therefore likely that while ways in which employing businesses organize their international staffing partly reflect the rules laid down by governments, such rules and systems are also adapted to business requirements.

WHERE DO ICTs COME FROM AND WHAT THEY DO?

Who gets ICTs is clear from the data and has changed little over the years, with large foreign companies predominating and a narrow range of sectors and occupations involved. The cost of expatriation is high (Bonache & Pla-Barber, 2005; Bonache & Stirpe, 2012), so MNEs generally only use it for key control and technical staff who will make a difference to subsidiary results. U.K. MNEs tend to send people out, rather than bring them in; the number of what is termed ‘inpatriates’, coming from subsidiaries to Headquarters, is generally low (Harzing et al., 2016; Reiche, 2011), so ICTs are more likely to be found in large foreign-based multinational employers. These big legitimate organizations have

**FIGURE 2** ICTs as percentage of all work permits and certificates of sponsorship. *Source:* Department of Employment/Home Office management data
made most of the applications (Kolb et al., 2004; Wood & Salt, 2012): they are easily able to make a case for bringing in an individual on the grounds of product and market development and corporate career progression, have had prior experience of the scheme, employ specialist personnel to deal with applications and liaise with the Department of Employment (and later the Home Office) and use agents to handle difficult cases. Earlier studies in the 1980s and 1990s found that ICT workers were predominantly male, older and in receipt of much higher salaries than other work permit recipients. They were more likely to be in the financial sector, be senior administrators, come from either the United States or Japan and work in London. In contrast, non-ICTs were mainly engaged in professional services, health, education, science and engineering (Salt & Kitching, 1990; Salt & Singleton, 1995). One critique of the predominance of ICTs in the current system is that by privileging larger and more experienced companies and certain occupations, the effect may be to create important labour shortages amongst more entrepreneurial organizations without the capacity to ‘game’ the system, and in other less usual occupations.

Detailed information on nationality, sector and occupations of ICTs is available only for the period from the onset of the points-based scheme in 2008. The pattern by route of entry nationality and occupation has been fairly stable over the last few years. This shows that people from India continue to dominate moves within companies to the United Kingdom, mainly as IT workers, with Americans and Japanese being the only other well-represented nationalities in the ICT stream. Of course, we have no means of knowing the extent of immigration from the EEA before 2021, but these data suggest a growing general shortage of skills being met through labour immigration from non-EEA sources, and a shift away from the dominance of ICTs. This trend seems to be accelerating as the number of general migrants in 2019 rose by 30% over the year compared with a rise of only 7% among ICTs.

The reasons for this shift are unclear. Generally, most in-country visas (granted for workers already in the United Kingdom) go to general migrants and the number has been rising; most out-of-country visas (for workers currently outside the United Kingdom) go to ICTs and the number has been falling. Hence, the evidence of both in- and out-of-country issues suggests a U.K. economy with a continuing demand for skilled labour combined with a long-term structural failure across the U.K. economy to train enough people locally, while MNEs attempt to reduce expatriation costs with fewer transfers.

In 2019, as for most of the previous decade, the ICT route remained dominated by the information and communications sector with 25,471 visa issues, 59.5% of the total. Professional, scientific and technical activities and finance and insurance between them accounted for 29.6% and the only other sector of significance was manufacturing (4.2%). Thus, IT, business services and the ICT routes are inextricably linked, reflecting the internationalization of global service providers.

CoS data reinforce these patterns. In 2019, the 28,807 ICT certificates issued to IT workers were three-quarters of the total, the main sub-groups being business analysts, architects and systems designers and programmers and software development professionals. Business services occupations amounted to 4462 ICTs, 36% of the total, with management consultants and business analysts and business and financial project management professionals being the main sub-groups. For engineering occupations, ICTs accounted for 2,187, or 47% of the total, with design and development engineers being the largest sub-group. Data for the first half of 2020 show a similar distribution.

In summary, therefore, ICTs have been a major part of U.K. managed labour immigration for several decades, with their use heavily concentrated geographically among a few nationalities, especially Indians in recent years, and occupationally in IT and communication, along with certain other business services. Within these occupational groups, certain specific occupations are heavily dominant. Hence, the ICT system feeds a narrow section of the U.K. economy.

There are question marks about the effect of ‘Brexit’ and the global pandemic, but before we address those, and suggest how pressures on the ICT will develop, we show how MNEs have developed their internal labour market mobility practices, both in response to government policy requirements and to the way globalization affects client relationships, corporate growth and evolution, project management and career development.
CORPORATE ORGANIZATION AND ICTs

Our study contributes to the importance of an employer-based approach to migration (Scott, 2013), as part of the institutional environment which comprises both formal and informal structures which complement and interact with each other (Williamson, 2000). National migration policies are major influences on MNEs’ operations, including their subsidiary location choices and their use of international workers (Barnard et al., 2019; Choudhury, 2016). Human resources are a key aspect of firm-specific advantage (Andersson et al., 2019; Narula & Verbeke, 2015). Mobility of people allows an MNE to move knowledge across borders (Minbaeva et al., 2014; Tallman & Phene, 2007). Organizational processes such as the rotation of scientists between R&D laboratories or the hiring of immigrant inventors facilitate social interactions and tacit knowledge exchanges (Froese et al., 2020; Minbaeva et al., 2014).

Most large organizations operate in dynamic environments characterized, for example, by the drive to consolidate existing and to develop new and emerging markets through such means as global corporate restructuring, often involving strings of mergers, acquisitions and divestments (Millar & Salt, 2008). All of these activities require accommodations with governments in the countries in which they operate. Hence, any government’s role in managing migration is inexorably intertwined in a symbiotic relationship with the mass of corporate global management of human resources—what the business and management literature calls co-evolution (Cantwell et al., 2010).

Multinational employers traditionally used various combinations of international exchange to deploy their staff expertise to where it is needed. Their portfolios of mobility are adapted to diverse market and project requirements which vary by sector, as well as to the operation of multiple production and market locations and the need for international staff development (Brewster, et al., 2021; Millar & Salt, 2008; Tarique & Schuler, 2010). They combine different types of international work within their internal labour markets (McNulty & Brewster, 2019). The main rationales for MNEs using assigned expatriates, many of whom will be ICTs, have changed little since the original ground-breaking research by Edström and Galbraith (1977). They identified three reasons for the use of expatriates:

1. For ‘gap filling’ or the movement of skilled staff across borders to bring in skills to a country that either were not there or that the MNE was unable to identify: This would include both hard skills in, for example, information and communications technology, mining or drilling skills or knowledge of specific financial instruments, as well as soft skills where necessary such as logistics or marketing.
2. For ‘coordination and control’: MNEs often do not trust their subsidiaries to be doing things the way that they want them done and having someone senior on the spot who is able to identify inappropriate behaviours, teach correct practice and generally spread the corporate culture has been seen as being worth the costs involved.
3. For ‘staff development’: Spending time working in another country is known to be a hugely rich learning experience and provides an opportunity for MNEs to expand and test the talent at their disposal (Cerdin & Brewster, 2014; Collings, 2014).

These three reasons for the use of assigned expatriates are well-known and have changed little over the years (Beaverstock, 2018). Beyond assigned expatriation, there is much less information about why businesses use other forms of international workers, but it is likely to be mainly to overcome local labour shortages at minimum cost, with spin-off benefits for the international activities of firms of including language skills and international experience and knowledge (McNulty & Brewster, 2019).

So MNEs need intra-company transfers, but they have not been and are not free to transfer people as they wish. Apart from transfers within the EEA, these businesses have to obtain government approval for their people to enter and work in a country. There have always been and continue to be strong contacts between the U.K. Home Office sections responsible for migration and multinational employers, and indeed local employers, using foreign labour. Some of the process was to an extent formalized in 2008, when the government’s Home Office set up a Migration Advisory Committee, composed mainly of economics academics, to formalize the way businesses could persuade government
of their requirements (Beaverstock & Hall, 2012). The MAC takes evidence from business both directly and, since third parties are heavily involved in this area (Beaverstock et al., 2015), indirectly.

MNEs also seek to influence the regulatory framework, a familiar issue in international business (Cavusgil et al., 2020). Although much research examines developing countries (Brandl et al., 2019; Boddewyn & Doh, 2011; Desbordes & Vauday, 2007), such influence takes place everywhere. MNEs ‘devote considerable resources to monitoring and influencing the domestic and foreign institutional environments they confront’ (see also Holmes et al., 2016; Sutton et al., 2021) and the relationship with government is mutual. In the United Kingdom, for example, discussion with relevant government officials confirm that historically their staff visit MNEs and run seminars on the PBS for companies and, since 2008, the MAC surveys include visits to consult with employers. It has been argued that such lobbying and the power to impact economies that lies behind it mean that, in practice, governments will be subservient to MNEs (Adler, 2019; Lindblom, 1977). Although MNEs lobby governments, their policies develop synergistically (Cantwell et al., 2010; Farndale et al., 2020), and often ‘out of sight’ (Mense-Petermann, 2020).

Firms will have their own idiosyncratic concerns, so that they may not speak with one voice. Through much of the period under review, for example, it seems likely that firms with headquarters in Europe, for example, would have been much less likely to use ICTs than firms based in the United States or Japan. They may all employ considerable numbers of expatriates, but the former would have been able to transfer staff without any government involvement, whereas the latter would need to get ICT authorization. From the government point of view, immigration policy will be driven by a recognition of the generally favourable economic impact of immigration (Docquier & Rapoport, 2012; Hajro et al., 2021; Solimano, 2010), but countered by a host of political constraints (in the United Kingdom, e.g., both the main political parties are committed to ‘controlling’ immigration). The outcome is likely to be a compromise policy that, as we have seen, fluctuates in time and runs the risk of satisfying no-one.

CONCLUSIONS: LOOKING TO THE FUTURE

Our findings demonstrate that ICTs have been a consistently important facet of U.K. managed labour immigration over a long period. They have also been peripheral to the main work permit and PBSs, being more generously treated and administered with different rules. For the most part, they are related to the requirements of large MNEs, in certain sectors, whose global operations and global internal labour markets are integral to the national economy. Our findings indicate that a symbiotic relationship has become established between government and companies which, when it works, operates to the mutual benefit of both. We have noted that there may be downsides to the reliance on certain kinds of corporations and certain occupations (management consultancies, e.g., that offer such services may find it easy to bring people in; relatively new organizations in newly developing areas of the economy may find it very complicated). Brexit itself was unpopular with businesses outside the financial sector and the split with government thinking and, arguably, the resulting labour shortages that hit the United Kingdom in 2021 and 2022 showed that the system has limitations.

The effects of COVID and Brexit are still being played out on government and corporate policies. CoS data for 2020 and 2021 show a major shift in the balance between the various routes of entry. Overall, designated shortage occupations, mainly medical but also IT, came to dominate entry routes. Those in occupations on the government shortage list increased from 9940 (9% of the total) in 2019 to 71% in 2021. Meanwhile, ICT numbers fell from 42,964 (39% of the total) in 2019 to 24,536 (26%) in 2021. Between 2019 and 2021, national proportions of ICTs remained fairly stable with Indians comprising 73% of all ICTs at both dates: the main shift was the inclusion of EEA nationals to reach 8% in 2021. Hence, even during a double crisis, ICTs continued to be an important facet of U.K. managed labour immigration.

As a country trading globally, the United Kingdom has been a major player in international transfers. The assumption by the present government is that Brexit will reinforce this internationalism, not least by bringing EEA entrants into the managed system. However, Brexit may also dampen enthusiasm on the part of some European businesses and individuals for working in the United Kingdom. The global pandemic has substantially reduced international mobility.
Further, firms’ established practices in employing internationally mobile staff, including intra-company transfers, may run counter to popular sentiment wanting to ‘control immigration’, increase protectionism and resist perceived threats to national identity (Evenett, 2019). Such ideas may be part of a movement towards ‘de-globalization’ (Witt, 2019). Fundamental to many people holding such opinions are concerns about popular views of a ‘rising tide’ of migration that, in the particular case of the U.K. government, was one of the drivers for Brexit (Gavin, 2018; Goodwin & Milazzo, 2017). There are also other pressures; for example, environmental concerns were causing businesses to look at reducing air travel for climate reasons even before the pandemic.

The COVID-19 pandemic not only reduced both the frequency and extent of global mobility, but fundamentally questioned its need (Caligiuri et al., 2020). Firms found they were able to operate with little or no physical international mobility while increasing virtual mobility by remote working. Although government attempts to discourage globalization may have had little effect on cross-border economic flows (Cuervo-Cazurra et al., 2020), the pandemic may make a significant difference. For example, ‘working from home’ may impact the need for corporate office space and, by definition, the physical locations to which transferees may be sent (Mangla, 2021).

Recent global surveys indicate that MNEs are adapting their ICT operations in both the short and long term. A key challenge is whether the pandemic will have a permanent effect on the strategies of internationalizing and multinational companies and hence on their international mobility policies. To a large extent, this depends on how long the pandemic disruption lasts, as well as the continued threat of future pandemics, together with changes in the nature of work and changing patterns of work in different sectors and countries and disruption to globalization and supply chains. Some evidence indicates that companies see this as an opportunity to reappraise their strategies, re-evaluate policies and refresh their employee value proposition for cross-border work (MetLife, 2021). A ‘work anywhere’ pilot in response to the global pandemic in 2020 is now being considered as a permanent work arrangement for many organizations, with companies turning ‘work anywhere’ into a strategic opportunity to support growth and focus on how the work gets done, rather than where (KPMG, 2020; Moore Kingston Smith, 2020).

The relationship between the U.K. government and corporate labour migration policies is, therefore, currently in a state of flux. The global situation is still uncertain with the prospect of sudden changes in regulations causing difficulties in planning new assignments (Faragher, 2020). Companies are unsure if and when ‘business as usual’ will return. The pandemic and Brexit (Redclift & Rajina, 2019) are unlikely to change MNE strategies substantively, but will almost certainly impact their practices. They will necessitate fundamental government rethinking of how to manage labour immigration, within which ICTs have traditionally played such a major role. Bureaucracy will need to adapt to applications for all individuals transferring to work for MNEs in the United Kingdom, including all applications for entry from the EEA, other than those from the Republic of Ireland. It will also have to adapt to how company mobility strategies change, especially in light of the demise of free movement between the United Kingdom and the EEA.

Companies used to move staff around Europe for long and short term, assignments, international commuting and some business trips will now have to conform to new and untried rules. This will need to be done at a time when the pandemic and Brexit have created considerable uncertainty. In particular, they have created labour shortages in some sectors that the government may need to address in the future through some changes in immigration policy. Given that ICTs occur within global networks, pandemic effects upon them will continue for some time in a curtailed fashion until borders are fully open. What is certain is that although ICTs will remain a significant element of U.K. migration policy for the foreseeable future, their geography and characteristics may well shift.

Across the world, migration is increasing rapidly (Castles et al., 2014; IOM, 2021) and is increasingly focused on the developed counties (Czaika & de Haas, 2014; de Haas et al., 2019; IOM, 2021). Whilst our analysis has focused on the peculiar situation of the United Kingdom—Brexit is an unparalleled event—the relationship between government immigration policy, technological accelerations as a result of the COVID-19 pandemic, businesses’ need for intra-company movements of personnel and public opinion in relation to immigrants means that for many countries issues of the relationship between business needs and government immigration policy will continue to be controversial and in flux. Detailed analysis of each element of such policies is, we believe, more valuable than commentary or posturing and studies in other countries would be welcome.
ACKNOWLEDGEMENTS
Thanks are due to Victoria Bauer (Geography UCL), who did most of the statistical work, and to the editor, Zachary Neal, and four anonymous referees for their advice.

CONFLICT OF INTEREST
The authors declare no conflict of interest.

DATA AVAILABILITY STATEMENT
The data that support the findings of this study are available on request from the corresponding author.

ENDNOTES
1 According to the Home Office, an intra-company visa allows an individual to come to or stay in the UK to do an eligible job in their employer’s UK subsidiary.
2 Historical data tables are available in Salt and Bauer (2020) and further detailed data are available in Salt (2018). Both are available on the UCL Department of Geography, Migration Research Unit, website: https://www.geog.ucl.ac.uk/research/research-centres/migration-research-unit.
3 Most recently in Home Office, 2021
4 Detailed breakdowns by nationality, industry and occupation are in Salt & Bauer, 2020.

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