

THE EXPAT STUDY

2010

By Oxford Research A/S and
The Copenhagen Post



The Expat Study 2010

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PREFACE AND ACKNOWLEDGEMENTS

Oxford Research A/S and The Copenhagen Post present the third survey conducted of expatriates living and working in Denmark.

The study consists of two parts: Part one - The Expat Study 2010 and Part two - the Benchmark Study 2010.

The study has been financed by a group of sponsors, who feel a joint obligation and a need to discover and improve the living and working conditions of foreign knowledge workers in Denmark. Their interest in this study reflects the growing awareness that companies, research institutions and nations must search for competence and knowledge world-wide if they are to gain or maintain a competitive advantage.

Thus, this study is intended to assess the qualities of Denmark as a place to work and live for the foreign knowledge workers who are so important for the future competitiveness of Danish business and industry. The report will point out areas where Danish business and research institutions can do better – notably in the way we target the challenge of globalising our corporate cultures and search for human resources globally. Finally, we hope, that the report will also be a source of inspiration and ideas for Danish policy makers.

The sponsors of the study, in alphabetical order, are:

The Capital Region of Denmark

Copenhagen Capacity

The Danish Society of Engineers, IDA

International Community

The Ministry of Refugee, Immigration and Integration Affairs

The Ministry of Science, Technology and Innovation

The National Labour Market Authority - The Danish National Employment Council

The Technical University of Denmark

A team of analysts from Oxford Research A/S consisting of deputy manager Henrik Mahncke, senior analyst Nina Middelboe, senior analyst Morten Larsen, senior analyst Sandy Brinck, analyst Dorte Stenbæk Hansen, analyst Derek Light and analyst Andreas Kaus Jensen have drafted the report. A team of researchers including Pernille Wohl Rasmussen, Line Bækgaard and Jacob Seier Petersen have provided valuable assistance in calculating statistics and conducting research.

The broad scope of the 2010 survey and the participation of a large number of companies, public institutions and ministries is due in large part to efforts of The Copenhagen Post and its years of engagement in the international community.

The Copenhagen Post and Oxford Research would like to thank the sponsors for sharing their knowledge and experience with us. We would also like to thank Craig Till from Expat in Denmark for providing valuable insights and for being a persistent partner in putting expat issues on the agenda.

Furthermore, we would like to thank all the companies who involved their international employees, especially those belonging to the Consortium for Global Talent. Also a warm thank you to all the universities who supported the study: Aarhus University, the University of Copenhagen, Roskilde University, the IT University of Copenhagen, University of Southern Denmark, Copenhagen Business School and the Technical University of Denmark. We would also like to thank Employment Region Northern Jutland for supporting the survey.

Last but not least, we would like to thank all the expatriates and spouses who so willingly filled out questionnaires and participated in interviews and group sessions.

Henrik Mahncke

Deputy Manager

Oxford Research A/S

Jesper Nymark

Chief Executive
Officer

The Copenhagen Post

December 2010

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EXECUTIVE SUMMARY

This executive summary presents the overall conclusions of the Expat Study 2010 conducted among 1,505 expats living and working in Denmark. This is the third survey among expats in Denmark. The first survey was carried out by Oxford Research in 1998. The second was carried out in 2006 by Oxford Research and The Copenhagen Post.

The study has been financed by a group of sponsors, who feel an obligation to discover and improve the living and working conditions of expats in Denmark. The sponsors are: the Capital Region of Denmark; Copenhagen Capacity; the Danish Society of Engineers; International Community; the Ministry of Refugee, Immigration and Integration Affairs; the Ministry of Science, Technology and Innovation; the National Labour Market Authority; and the Technical University of Denmark.

The study reflects the growing awareness that research institutions, businesses, and countries are required to attract competence and knowledge globally if they are to gain or maintain competitive advantages. It is the aim of the study to examine the qualities of Denmark as a place for expats to live and work. The study will identify areas where Denmark can do better, especially in the way we target the challenge of globalising our corporate cultures and search for human resources internationally.

Expats in Denmark

The number of expats that live and work in Denmark has increased from approximately 33,000 in 2008 to 41,500 in 2010. This increase has taken place in the shadow of the global economic crisis and reflects the fundamental condition that companies cannot satisfy their need for specialised workers from the available applicant pool in Denmark. During the last decade the strategy for attracting foreign knowledge workers has been revised in an effort to grant easier access to Denmark. Furthermore, the scope of the strategy has been increased and now encompasses attracting and retaining of expats.

Working in Denmark

A central part of the experience of being an expat in a new country relates to the job, career opportunities and the work culture. The study shows that 60% of expats are primarily seeking employment in Denmark on their own and only one sixth of all expats are recruited to Denmark. The most commonly used source of information about jobs in Denmark used by expat is the internet. The process of moving to Denmark is very important for expats and 90% find it vital to get assistance with practical issues of relocation. It can be a worthwhile investment supporting expats with practical issues when they are settling in Denmark, as expats are more likely to put in a positive performance at work and may even stay longer in Denmark. Expats across the board find it beneficial that there are institutionalised elements that can support their integration into Denmark such as languages courses, cross-cultural training, buddy programmes, mentor programmes etc.

Danish work culture is attractive to expats and 69% indicate that their experience with work culture in Denmark has been positive, while only 8% found it negative. One of the most important aspects identified by the majority of expats is the opportunity to have a good work-life balance in Denmark. Furthermore, flexibility, trust, and autonomy are central elements that expats point to when asked to identify the positive aspects of working in Denmark. They also find the work culture to be relaxed, informal, and that all employees are valued. On the less positive side, some expats find that team based work and the egalitarian style in the work place blur and slow the decision-making process in the organisation.

The conception of expats as short-term worker in a foreign country could not be confirmed by the Expat Study 2010, as the majority of expats reside in Denmark for a relatively long period of time and 47% stay longer than originally planned.

Standard of living

Expats across the board agree that Denmark has a relatively high cost of living. This is in line with the conclusions of the 1998 and 2006 studies, which concluded that it was one of Denmark's most obvious drawbacks. The percentage of expats who regard the costs of living in Denmark as high have increased from 88% in 2006 to 94% in 2010. Furthermore, the study indicates that the percentages of expats that regard the prices for goods and services as high has grown. This is especially evident for goods and services such as cars, restaurants, cafés, bars, cinemas, theatres, and food and beverages. Nevertheless, a rising percentage of expats indicate that they have a better standard of living in Denmark than in their home country. This can partly be explained by the fact that an increasing percentage of expats regard salaries and benefits in Denmark as competitive compared to other EU countries.

Denmark is a country in which most Danish families rely on dual incomes in order to pay for necessities, such as housing, food and beverages, etc. Furthermore, income distribution is less significant in Denmark compared to many other countries. Hence, a single-income expat family in Denmark will be worse off financially than in a country where they are more common. Nearly double the number of expat families rely on a single income while in Denmark than in their country of origin. These families are faced with a challenge in Denmark, as they will likely lose the income of the spouse since only a few companies reimburse spouses for loss of income. The study shows that employed spouses view the economic factors much more positively than their unemployed counterparts. Hence, spouses' assessments of Denmark are influenced by their economic situation, whether they are employed or not.

Taxation is another very important aspect for expats when deciding which country to work in. Denmark has traditionally been perceived as being a relatively heavily taxed country. Nevertheless, 48% of expats feel that they are taxed more than they expected. This percentage is down from 55% in 2006. The study shows that two thirds of participants in the survey are subject to the standard Danish tax rate as residents of Denmark, while 25% qualify for the tax

scheme for foreign researchers and key employees. The study shows that this reduced tax rate is central to attracting expats to Denmark; 70% of the expats qualifying for the reduced tax rate indicate that it was central for them when accepting their current position in Denmark. Furthermore, the study shows that 62% of these expats designate the time limit of the reduced tax rate as having an influence on when they leave Denmark. The reduced tax rate is even more important for attracting expats employed in the private sector as 85% of such individuals indicate that the tax rate was important for them when deciding to come to Denmark. The percentage of expats that regard the reduced tax rate as central for accepting a job in Denmark has increased since the 2006 Expat Study.

Family life

The choice of whether or not to bring your immediate family is a corner-stone of the overall decision to become an expat, and specifically about coming to Denmark. The study emphasises that the conditions for spouses in Denmark are a central focus point when attracting expats. It is found that the vast majority of expats in a relationship are, or will, be accompanied by their spouse when coming to Denmark. Of those not doing so, the spouse's career is the main reason and the study finds that employment among spouses is important for their integration into Danish society. Unemployment is a consideration for many. The study has found that 84% of spouses worked prior to arriving in Denmark, while 70% have found work in Denmark. There are several issues related to being unemployed in Denmark; a number of these relate to career opportunities but 45% of spouses indicate that being unemployed makes it difficult to build a social network and 42% argue that it makes it difficult to integrate into Danish society. Hence, there is a link between employment and integration of spouses.

Expats that have young children will most likely bring them to Denmark, and therefore, they look at the availability and the quality of education as an important aspect of their expat lives. After settling in Denmark expats are highly satisfied with the educational opportunities for their children and the school they are presently attending in Denmark.

Three out of four expats are satisfied with the school that their children attend, regardless of whether it is an international school or a Danish school.

Social life and integration

Since the Expat Study 2006 was carried out, it has become even clearer that social networks play a decisive role in the integration of expats into Danish society. A well functioning social life in a home country is an important aspect of feeling settled and integrated.

One of the most important factors for integration into the Danish society is good Danish language skills. There is a clear positive correlation between Danish skills and integration. The higher level of Danish the expats masters the more integrated they feel.

The results of the Expat Study 2010 show that expats in Denmark enjoy a high quality of life. Expats also enjoy the highly rated personal safety and the clean environment. These factors support the perception of Denmark as a child- and family-friendly country. Additionally, expats express satisfaction with the sports and recreational opportunities countrywide as well as the cultural attractions and activities.

But expats viewed certain aspects of life in Denmark more negatively. The Danes themselves are to some extent regarded as closed off and difficult to form friendships with, though the attitude of the Danes towards foreigners was generally regarded as positive. The health service also disappointed a rather large number of expats. The aspects of social life in Denmark less favourable to expats were also highlighted in the 1998 and 2006 expat surveys. However, according to an expat study carried out by Oxford Research in 2009 in Sweden, these less positive aspects of expat life in Denmark also apply to expat life in Sweden. The cost of living, tax levels, disappointing healthcare, cultural barriers and the lack of openness of the local population are issues that expats in Sweden emphasise as the downside of expat life there. Expats in Sweden expressed in the 2009 survey that despite efforts to integrate, they felt it was difficult to make Swedish friends.

Therefore, there are parallels between how expats view expat life in Denmark and Sweden.

Public service and regulation

Bureaucracy and public service are important factors for expats because contact with the Danish authorities is an essential part of the official reception that Denmark gives its guests. The study shows that there is a connection between expats' experiences with Danish authorities and their overall assessment of Denmark as a host country in terms of the quality of public services and the level of bureaucracy. If public authorities are difficult to deal with or public services are perceived as poor, it is likely that it will reflect negatively on expats' overall opinion of Denmark.

Expats in Denmark think it is relatively easy to deal with public authorities, and they rate the quality of public services and level of public bureaucracy as being relatively high. Most public authorities can communicate in English, public services are generally efficient compared to other countries, it is fairly easy to communicate with the Danish authorities and civil servants are helpful and service minded. However, expats find it difficult to get an overview of relevant rules and regulations and there is an increased need to have a written English guide to explain the public bureaucracy. The expat initiatives and agencies in Denmark that might be used by expats to gain a better overview of rules and regulations generally suffer from relatively modest use. The most commonly used are Workindenmark and the Danish Immigration Service, which 54% of expats have heard of and used.

Improving integration

The better integrated expats feel, and the longer they stay in Denmark, the more they can contribute to Danish society. There is a clear relationship between how integrated expats feel and their quality of life. The higher the quality of life expats have, the more likely it is they will stay longer than planned in Denmark. The study has identified four factors that make expats feel integrated in Denmark, and six factors that make expats stay longer than planned.

The following factors have been identified in the study as improving the feeling of being integrated:

- Good Danish language skills drastically improve the feeling of being integrated.
- Expats that have been in Denmark for more than three years feel more integrated than expats that have been in Denmark for a shorter period.
- Having children in Denmark makes expats feel more integrated compared to expats without children.
- Good economic standing is important for making expats feel integrated.

Six factors that statistically influence whether expats stay longer than planned have been identified in the study. They are:

- Expats who come to Denmark as part of their PhD are less likely to stay longer than planned compared to expat coming to Denmark for work.
- Expats who come to Denmark to study are more likely to stay longer in Denmark than planned compared to expats coming to Denmark for work.

- Expats who come to Denmark for family or love are less likely to stay longer than planned compared to expats who come to Denmark for work.
- When looking at expats that pay tax according to the Danish standard tax regime it appears that they are more likely to stay in Denmark longer than planned compared to expats who qualify for other tax schemes in Denmark. This is especially true with regard to the reduced tax rate, which applies only for a limited time period.
- Good Danish language skills are very important when determining whether expats are going to stay longer in Denmark than planned. Expats with good Danish language are more likely to stay longer than planned than expats who speak little or no Danish.
- Expats that have brought their children to Denmark or left their children in their home countries are less likely than expats without children to stay longer than planned.

PART 1

THE EXPAT STUDY

2010

INTRODUCTION TO THE EXPAT AGENDA

In 1998 Oxford Research carried out the very first Expat study. It was followed by the Expat Study 2006 and now again in 2010. The studies have focused on assessing the general living and working conditions of foreign knowledge workers in Denmark as well as pointing out the areas where the Danish businesses and research institutions improve notably in the way the challenge of globalising corporate cultures and the search for international human resources is targeted.

A lot of attention has been put on the expat agenda. This chapter introduces some major developments

and trends as well as provides examples of new policies and initiatives aimed at expats.

The second part of the chapter opens the Expat Study 2010 by introducing statistics on the participants in this year's survey.

Expats in Denmark

Figure 1.1 shows that the number of employees with a residence and work permit has increased significantly since the beginning of 2008 (from 32,794 at the beginning of 2008 to 41,514 in June 2010).

Figure 1.1: Foreign workers registered in Denmark 2008-2010



Figure 1.1 shows the number of foreign workers registered in Denmark between 2008 and 2010. The data derive from the National Labour market Authority's statistical database, which contains figures dating back to January 2008. In 2008, the eIncome system was made mandatory for all citizens. With the introduction of the eIncome system, it was for the first time possible to obtain information about the number of immigrants paying Danish income taxes i.e. employed in Denmark. The eIncome system includes all the information that normally is printed on a Danish payslip, and the reported data available online, to the tax administration and other public administrations. The information from the eIncome system is matched with the Danish Immigration Service's register containing data about the number of foreigner who have obtained a residence and a work permit since 2004. Nordic citizens, commuters and posted workers not included.

Source: The National Labour Market Authority 2010

This increase from 2008 to 2010 points to an unforeseen development, as the expected reactions resulting from the financial crisis would be that reduced hiring of new employees, and consequently that expats would be among the first to leave the country. According to the Confederation of Danish Industry, the increase of international employees in Denmark can be explained by the fundamental structural condition that companies cannot satisfy their need for specialised workers from the available applicant pool in Denmark.¹ The tendency shown in figure 1.1 is confirmed in a recent report by the Confederation of the Danish Industry that shows that the influx of foreign employees has risen since 2004 and especially since the beginning of 2008 as a result of the implementation of the Job Plan.²

Figure 1.2 illustrates that the number of immigrants in the knowledge intensive fields (engineers, IT-specialists, doctors and knowledge workers in technology and natural sciences) rose 75% from 2006 to 2007. Since 2007, the influx in knowledge intensive occupations has been relatively steady. It is important to note that figure 1.2 only shows the influx of immigrants obtaining their residence and work permits through the Positive List and Pay-Limit schemes, as these are the only schemes, with statistics based on occupation.

When including the Green Card scheme, the figures would certainly be higher for both 2008 and 2009, and the figures would be even higher for 2010. By July 2010, 1,478 green cards were granted, which is higher than the number of green cards granted in all of 2009 (1,117).³

Figure 1.2: Residence permits through the Positive List and Pay-Limit schemes

	2006	2007	2008	2009
ENGINEERS	110	211	337	178
IT SPECIALISTS	668	1,207	1,318	1,137
DOCTORS	102	108	73	90
KNOWLEDGE WORKERS	14	50	48	47
OTHERS	6	169	679	805
TOTAL	900	1,745	2,455	2,257

Note: The numbers for knowledge workers cover those that are employed in technology and scientists in the natural sciences.

Source: The Danish Immigration Service: Statistical Overview 2006-2009

The increasing number of immigrants is also explained by a growing interest in the assessment of foreign educational qualifications experienced by the Danish Agency for International Education. In 2009 the agency issued 2,892 certificates (81% of these are certificates for further and higher education), which is 38% more than in 2008 and twice as many as in 2007.⁴ These certificates form a part in the decisions of the Danish Immigration Service regarding work permits in Denmark.

Studying in Denmark

Another common way to enter the Danish labour market is by getting an education in Denmark. In 2008, an analysis by the Danish Ministry of Science, Technology and Innovation concluded that approximately every third international full-degree student has obtained employment in Denmark⁵, thus emphasising the link between the number of

¹ The Confederation of Danish Industry, Udenlandsk arbejdskraft gavner Danmark – også i krisetider (2009)

² Ibid.

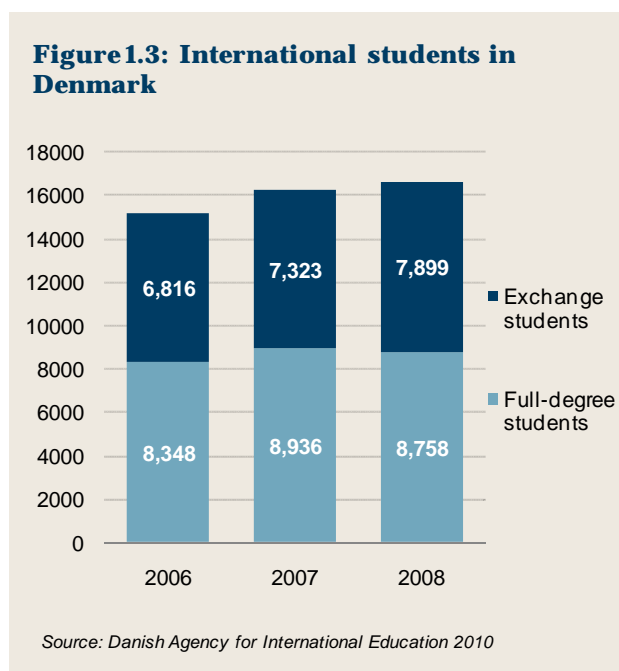
³ The Danish Immigration Service, Numbers on the area of immigration (2010)

⁴ The Danish Agency for International Education, Beretning for 2009 om vurdering og anerkendelse af udenlandske uddannelses kvalifikationer (2009)

⁵ CIRIUS, Internationale studerendes efterfølgende beskæftigelse i Danmark (2008)

international students (especially full-degree students) and the number of foreign employees. A recent matchmaking guide by the Danish Agency for international Education and Forum for Business Education illustrates a range of examples of co-operation between Danish companies and international students.⁶

As figure 1.3 shows, the number of international students rose from 15,164 in 2006 to 16,657 in 2008. For full-degree students the development shows a more uneven result than for exchange students; however the number of full-degree students increased between 2006 and 2008.



Regulations and implementation

One of the findings in the OECD report “Jobs for Immigrants (Vol. 1)” is that the rising number of immigrants working in Denmark is due to the large number of employment initiatives taken over the last years.⁷ Generally three developmental characteristics in the Danish law and recruiting

strategies regarding foreign labour can be discerned⁸:

- Since 2001, the Danish law has been directed at granting easier access for certain specialists possessing skills that are estimated to be in demand on the labour market.
- By “branding” Denmark in foreign countries and “matching” employers and employees, there has been a change from a passive to an active recruiting strategy.
- The recruiting strategy has been extended to include not only the attraction of employees but also the securing of employees.

In the time period 2006 - 2010, a range of relevant laws have been passed in the Danish Parliament. The most relevant ones are listed chronologically here:

2006: Agreement on the Globalisation Pool, which had two important implications for immigrants:

- The introduction of the Green Card scheme
- Extension of the Job Card scheme

2008: The passage of the Job Plan led to a range of new initiatives for attracting international labour:

- Expansion of the Positive List
- Reduction of the Pay Limit scheme from 450,000 DKK to 375,000 DKK
- Expansion of the Green Card scheme
- Flexibility in the section 48E in the Danish Withholding Tax Act – making it possible for foreign knowledge workers to choose between a 25% gross income tax scheme for three years or a 33 % gross income tax scheme for five years.
- Corporate Residence Permit
- Flexibility in relation to change of job
- Better information about the Danish labour market
- Establishment of an interdepartmental task force

2009: The annulment of the National Interim Arrangement allows citizens of the new EU member states the same access to the Danish labour market as EU citizens from the old member states/Switzerland.

⁶ CIRIUS & FBE, International students in your company – get off to a good start (2008)

⁷ OECD, Jobs for Immigrants vol. 1 – Labour Market Integration in Australia, Denmark, Germany and Sweden (2007)

⁸ Nordic Council of Ministers, Rekruttering av kompetansesarbeidskraft fra tredjeland til Norden – Reguleringer, strategier og realiteter (2010)

2010: The change in the Integration Act and a number of other related laws extended the focus of the Integration Act, including among others employed immigrants and their families. The law change has had three consequences:

- Establishment of an introduction course.
- Promotion of employment offers to family members of expats, thus giving family members contact to Danish society.
- Local authorities can establish an advisory function in order to help immigrants to get integrated into the workplace. Also they have the authority to organise “host arrangements” and assist local citizens interested in hosting newly arrived immigrants, thereby more effectively integrating them in the community.

2011: The Danish government plans to amend its expatriate tax regime. A bill was tabled in Parliament on 17 November 2010. According to the current regime, qualifying foreign employees in Denmark, under certain conditions, are entitled to elect to be taxed at a 25% rate for three years or a 32% rate five years. Under the terms of the bill, such employees would be taxed under one system: a 26% rate over five year period starting in income year 2011.

The implementation of the legal initiatives has resulted in a number of special schemes that have been designed to make it easier for highly qualified professionals to get a Danish residence and work permit:

The **Positive List** is a list of the professions and fields currently experiencing a shortage of qualified professionals. People who have been offered a job in one of these professions or fields have particularly easy access to the Danish labour market.

The **Pay Limit Scheme** gives people who have been offered a job with an annual pay above a certain limit particularly easy access to the Danish labour market. In July 2008, as part of the Job Plan, the limit was reduced from 450,000 DKK to 375,000 DKK.

The **Corporate Scheme** makes it possible for employees in a company outside Denmark to be stationed in the company's Danish subsidiary,

parent or sister company or similar for a period of time.

The Green Card Scheme makes it possible for highly qualified professionals to come to Denmark in order to seek work and subsequently to work here

Also there are schemes directed at foreigners whose stay in Denmark has a specific purpose:

- Researchers have particularly easy access to the Danish labour market.
- Trainees can work for a Danish company for a period of time for educational and training purposes.
- Athletes can work in Denmark as professional athletes or coaches.
- Religious workers can come to Denmark to work for a religious order or denomination.
- Self-employed individuals can come to Denmark to establish a business.

Additionally more than 30 initiatives have been implemented on the basis of the recommendations of the interdepartmental task force established in 2008.⁹ The initiatives have focused on three main areas. Firstly, simplification of procedures and improved official information and guidance. Secondly, new offers and improved services for foreign employees and their families, e.g. more spaces at international schools. Finally, removal of barriers for recruiting foreign employees in the public health sector.

The overall purpose of the interdepartmental task force has been to identify and simplify international recruitment barriers experienced by companies and job applicants, seen from the perspective of both employees and businesses.

Initiatives for integrating expats and their accompanying families

Since the Expat Study 2006 was published, it has become even clearer that social networks and integration of the family play an important role for

⁹ The task force is a corporation of: The Ministry of Employment, The Ministry of Integration, The Ministry of Taxation, The Ministry of Interior and Health, The Ministry of Education, The Ministry of Science, Technology and Innovation, The Ministry of Economic and Business Affairs, The Ministry of Foreign Affairs, The Ministry of Social Affairs, The Ministry of Finance

expats. Besides recruiting expats, another relevant issue is to ensure that they stay in Denmark. The 2010 International Community report “Insight and Influence – on Sustaining International Talent” finds that accompanying spouses and family are an important key to retaining international employees.¹⁰ Expats and their families need more personal contact with Danish society so that they can act and feel as if they are part of it, and a prerequisite to fulfilling this goal is to get an understanding and insight into Danish society.

As part of the 2010 change to the Integration Act, an introduction course is now offered to international employees and their accompanying families, consisting of the following three elements:

- Danish education according to provisions of educational legislation.
- A course in the Danish society, culture and history.
- Promotion of employment offers to family members of expats.

These initiatives supplement the three years right to free Danish language courses that foreigners are entitled to after arrival in Denmark, once they have been registered at the national registration office.

Moreover, newly arrived international employees (since 1 July 2010) are offered an introductory Danish course as soon as they arrive in Denmark and even before registering with the national registration office. The teaching can take place at the workplaces or at language centres, and is offered for free.

Another free offer is Online Danish, which is a job oriented Danish language course available on the internet. Starting in March 2011, this offer will be available to expats before and after arriving to Denmark. Online Danish is primarily targeted at international employees and their families but is also usable for others with internet access.

The Ministry for Refugee, Immigration and of Integration Affairs supports a range of integration initiatives for expats and their families. The focus of the initiatives, designated “family packages”, is “host programmes”, “parental information”, and “short introduction course”. The main part of the

supported initiatives helps newcomers to establish networks, e.g. through the workplace, the language course, local authorities or voluntary associations. The instruments are host families, mentor networks, networks for accompanying spouses, different cultural and social activities etc. The best practices from these experiences are accumulated and communicated to a broader number of relevant parties.

Social networks play a pivotal role, in retaining and integrating international employees thus the Expat in Denmark organisation has organised a number of network activities such as “Expat Dinners”, which give expats and Danes a way to connect over an informal dinner. Another network initiative is “Let’s meet in Denmark” – a portal used for matching expats and Danes. Some of the most important initiatives are listed here:

Workindenmark: The National Labour Market Authority has established four Workindenmark centres in order to help match Danish companies and foreign job applicants. In addition to four Danish centres, a Workindenmark centre in New Delhi, India has been established. Workindenmark is the official national website for recruitment and job seeking for all types of foreign labour. The website contains information for employers about recruitment, information about working and living conditions in Denmark for foreign employees as well as a CV and job database. For more information, visit www.workindenmark.dk

Expat in Denmark: The aim of Expat in Denmark is to make Denmark a more attractive place to work, and live. By setting up and maintaining national, regional and local expat networks, the purpose is to assist companies that hire foreign professionals, the foreign professionals themselves and their accompanying families. Expat in Denmark also hosts social and professional events throughout the country, e.g. Expat Dinners are an initiative that provides expats and Danes the opportunity to connect over an informal dinner. For more information, visit expatindenmark.com.

Let’s meet in Denmark: This is a portal for foreigners living in Denmark with the purpose of matching them with Danes. By using the portal, foreigners and Danes can meet up by joining

¹⁰ International Community, Insight and Influence – on Sustaining International Talent (2010)

professional and social networks. For more information: expatindenmark.com/letsmeet

One Stop Shop: International Community established a One Stop Shop in Denmark gathering Citizen Service offices, tax authority SKAT and the Regional State Administration under one roof. The One Stop Shop was conceived of to make the process of acquiring the different legal document easier for international workers and their families. An additional One Stop Shop has been established in Copenhagen. Starting in January 2011, the Danish Government is establishing One Stop Shops in the four main university cities in Denmark (Copenhagen, Aarhus, Odense and Aalborg) servicing international exchange students, international employees and their families. These will gather services from the Danish Immigration Service, the municipalities, Workindenmark, tax authority SKAT, and the State Administration under one roof. The One Stop Shops also provide services for employers looking for foreign workers.

Guide to Danish courses for foreign employees: The Ministry for Refugee, Immigration and Integration Affairs and the Ministry of Education have collaborated on a nationwide campaign about Danish courses for foreign workers that need lessons in Danish in order to speak and write Danish on their jobs. This and other relevant information can be found at: www.nyidanmark.dk/en-us/.

The respondents in the Expat Study 2010

This section serves as an introduction to the Expat Study 2010. It has two main purposes. The first purpose is the give a basic description of the general features of the 1,505 expats who took part in the survey. This information constitutes the primary data source for the report. The second purpose is to introduce some of the background variables that might be of importance when Denmark is assessed as a host country for expatriates, as well as when divergent opinions between the respondents need to be explained. By including these general features of the respondents, the following chapters give a detailed analysis of different aspects of life as an expat in Denmark.

The definition of expats used in the Expat Study 2010

In the following chapters the reader will be presented with a large amount of data on the expatriate community in Denmark and internationally. Therefore a more specific definition of the term "expatriate" is required before the analysis proceeds any further.

There exist many definitions of the word expatriate and repatriate. The following definition is from the American Heritage Dictionary, Third Edition:

Expatriate: "One who has taken up residence in a foreign country. To remove oneself from residence in one's native land".

Repatriate: "To restore or return to the country of birth, citizenship, or origin".

This definition is of course very broad. It hides the fact that this report focuses exclusively on the *highly skilled and educated knowledge workers of the global economy - e.g. non-Danish nationals among the top-level managers, scientists, specialists and technicians working for Danish service providers, industrial producers and R&D.*

Only when necessary will the report distinguish between different types of recruitment and terms of employment. However, three major types exist:

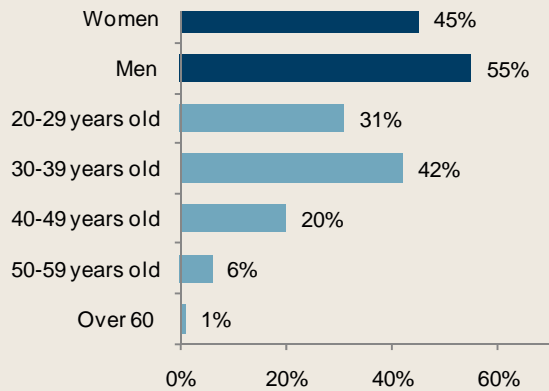
- 1. Expatriates in the classic definition:** The expatriates who are on an assignment within the same company. This group represents 19% of those in the survey.
- 2. The expatriates who are recruited internationally and then move to Denmark** for a period of time. This group, who was recruited for their current job in Denmark, represents 14% of those in the survey.
- 3. Expatriates who applied for the job themselves** make up 65 % of the expats taking the survey and constitute the biggest group participating.

Gender, age, nationality and region

Figure 1.4 below shows the gender and age distribution of the respondents. It shows that the majority of participants of the survey are males (55%). Furthermore figure 1.4 shows that two thirds of expats are under the age of 40, with the majority being in their thirties. This means that many of the expats are about to start or already have started a family, making it relevant to pay specific attention

to family life for the expats in Denmark, which is done in chapter 4.

Figure 1.4: Distribution by gender and age

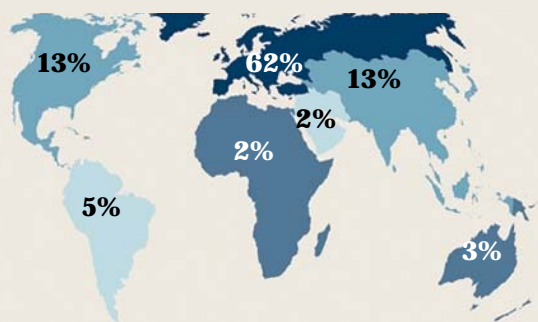


Questions: What is your gender? How old are you?
n = 1,505

Source: Oxford Research 2010

The map of the world below shows that expats from all parts of the globe have taken part in the Expat Study 2010. A total of 93 countries are represented. Naturally, due to Denmark's geographical position, expats from Europe dominate at 62%. Asia and North America are the second most represented continents, while the rest of the world's continents, including Africa, Oceania, the Middle East and South America are represented to a minor extent.

Figure 1.5: Expats' continent of origin

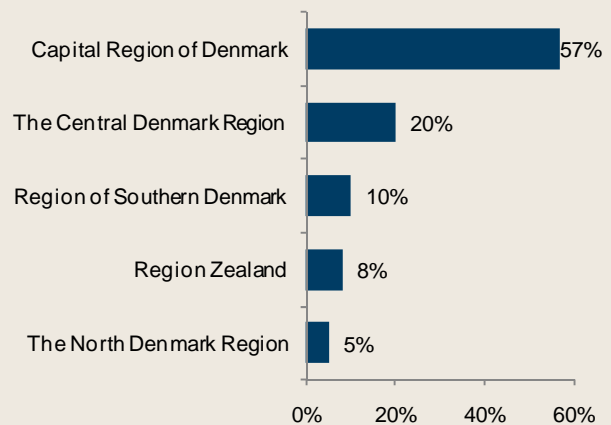


Question: What is your country of origin? n=1505

Source: Oxford Research 2010

The distribution among the five regions in Denmark is shown below. As figure 1.6 illustrates, the majority of expats live in the Capital Region of Denmark. The second most represented part of Denmark is the Central Denmark Region; with 20% of the respondents.

Figure 1.6: Distributions according to region in Denmark



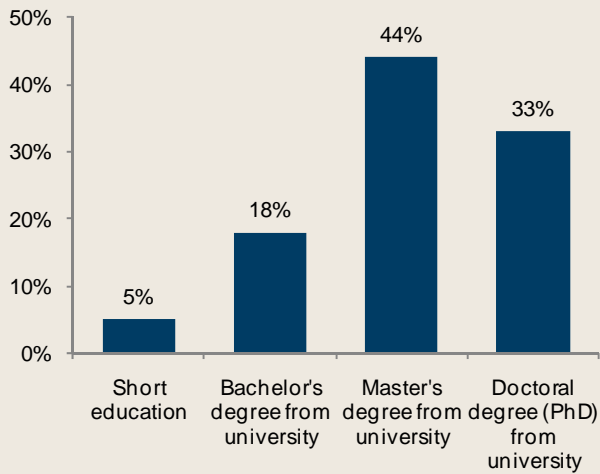
Question: In which region of Denmark do you live?
n = 1,477

Source: Oxford Research 2010

Education, work status and field of work

The educational distribution shows that the majority of the respondents are well educated, as 95% have at least a Bachelor's degree from a university. As seen from figure 1.7 18% have a Bachelor's degree, the largest group (44%) is Master's degree holders and 33% have a Doctoral degree. The remaining 5% have a shorter education and are not included in the study.

Figure 1.7: Educational distribution



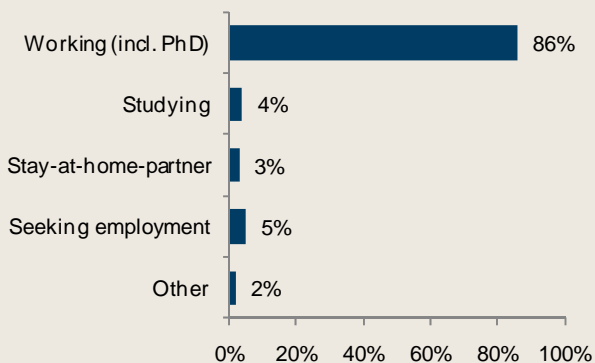
Question: What is the highest level of education you have completed?
n = 1,505

Source: Oxford Research 2010

Taking a closer look at the status of the 1,505 expats, it is found that, as expected, the vast majority are working. Figure 1.8 shows that of the 14% of the respondents, who are not working, 5% are seeking employment, 4% are studying and 3% indicate that they are stay-at-home-partners.

The group of working expats is focused on in chapter 2, while some general comments regarding the group are made in this chapter.

Figure 1.8: Current status of the expats



Question: What is your current status?
n = 1,505

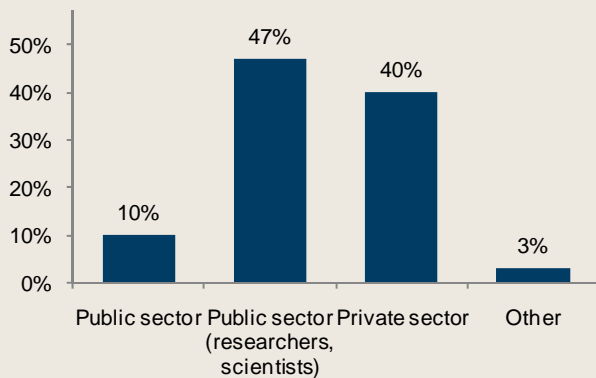
Source: Oxford Research 2010

When an expat gets a job in Denmark, he or she can choose to apply for a residence- and work permit through a number of different schemes. However, citizens from the EU/EEA countries and Switzerland can work in Denmark according to the EU rules of free movement of persons and services. Using these rules, they can seek work for up to six months. However, there are specific application schemes for the self-employed, job seekers and family members from outside the EU/EEA and Switzerland.

Half of the respondents in the study (57%) obtained their work permit due to their Nordic, EU/EEA or Swiss citizenship. The fact that more than half of the 1505 expats used this method to get permission to work in Denmark reflects the relatively high number of expats from other European countries described above. Another 19% obtained their work permits because they are characterised as researchers and 6% used the corporate scheme. Another 6% have a job that is on the positive list, which consists of a wide range of specifically defined academic jobs. Foreigners who have found work within one of the occupations where there is a shortage of qualified labour; have particularly easy access to the Danish labour market.

Figure 1.9 below shows the distribution between the public and the private sector with regards to the expat employment. As can be seen by the figure, most of the expats are employed in the public sector. Some 47% of the expats employed in the public sector work as researchers or scientists at universities. Overall, 40% are employed in the private sector, which also incorporates a low number of business owners and entrepreneurs. These numbers reflect the method of collecting the data, where, as described in the chapter of methodology, the universities were an important channel in collecting the data. The rest are outside this dichotomy, as a majority of these respondents are employed in NGO's or similar.

Figure 1.9: Distribution by public and private sector

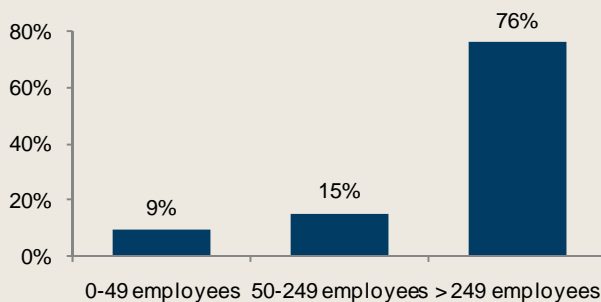


Question: What is your job function?
n = 1,505

Source: Oxford Research 2010

In exploring the types of organisations that expats are employed by, we find that more than two thirds of the expats in the survey are working in a large organisation with 250 or more employees. Another 15% are employed in a medium sized organisation with more than 50 employees but less than 250, and less than a tenth are working in a small organisation with less than 50 employees.

Figure 1.10: Size of workplace



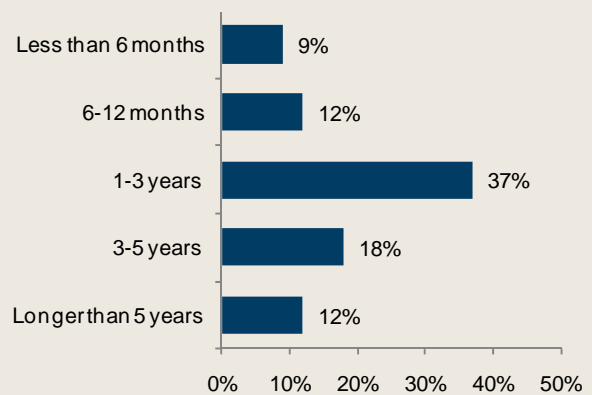
Question: Approximately how many employees does the workplace you work for have in Denmark?
n = 1,207

Source: Oxford Research 2010

Length of stay in Denmark and experiences as expats

It is expected that the amount of time expats have spent in Denmark influences their assessment of Denmark as a host country. Figure 1.11 below shows the actual length of the expats' stays in Denmark at the moment they submitted the questionnaire.

Figure 1.11: Actual time spent in Denmark

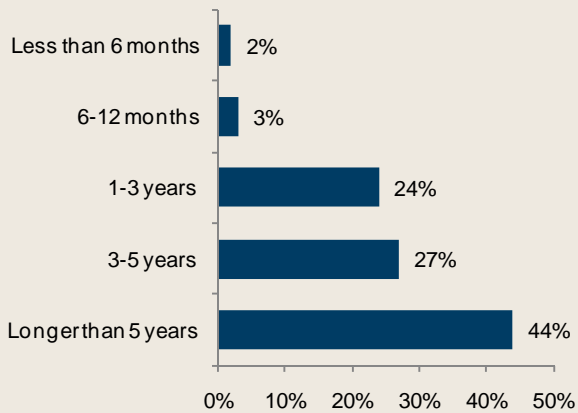


Question: How long have you been in Denmark in connection with your present stay?
n = 1,505

Source: Oxford Research 2010

Figure 1.11 shows that most of the expats who have participated in the study have been in Denmark at least one year. This illustrates the importance of focusing on a wide range of conditions surrounding life as an expat in Denmark, because most people settle down here and stay for a relatively long period of time.

Figure 1.12: Planned length of stay in Denmark



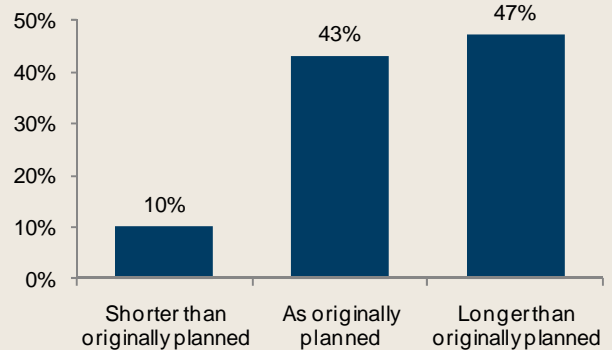
Question: What is the planned length of your stay in Denmark?
n = 1,505

Source: Oxford Research 2010

If we look at the amount of time the expats expect to stay in Denmark, which is done in figure 1.12 above, we discover a similar picture. Only 5% of the expats expect to stay in Denmark for less than a year. Some 24% expect to stay in Denmark between one and three years, 27% between three and five years and 44% expect to stay Denmark longer than five years. In conclusion, the conception of expats as short-term worker in a foreign country could not be confirmed by the Expat Study 2010, as the majority of expats reside in Denmark for a relatively long period of time.

Furthermore, figure 1.13 shows that a majority of the respondents in the Expat Study 2010 adjust the planned length of their stay while they are here. Some 47% currently plan to stay longer than they originally planned, while 43% stick to their original plans. Only 10% plan to leave Denmark before they originally planned.

Figure 1.13: Planned length of the stay in Denmark

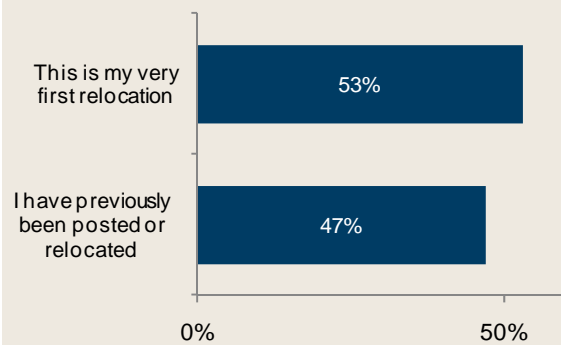


Question: Is your stay in Denmark currently planned to be:
n = 1,196

Source: Oxford Research 2010

Figure 1.14 shows the experiences the expats have with being expatriates in a foreign country. It shows that over half of the respondents, 53%, have relocated for the first time, whereas 47% have been posted abroad or relocated before.

Figure 1.14: Experiences with being an expat



Questions: Have you previously relocated or been posted in connection with work?
n = 1,505

Source: Oxford Research 2010

WORKING IN DENMARK

A crucial part of the experience of being an expat in a new country is the job, the career opportunities and the work culture. This chapter addresses the results of the Expat Survey 2010 with regards to working in Denmark. The expats have entered the Danish labour market through different channels and have different views of the Danish work culture. The questions to be answered in this section are how the expats entered the Danish labour market and how they view company policies and the Danish work culture.

Overall, the study underlines that the expats are primarily seeking employment in Denmark themselves (60%) and only a sixth of all the expats are recruited. In the public sector, including universities, the expats get to know about the jobs through networking and personal relations. Among the privately employed, most expats use the internet to find job openings in Denmark.

Concerning the process of moving to Denmark, the data shows that almost nine out of 10 expats find it important to get assistance with practical issues of relocation. However, only 32% have this privilege. Most of these are expats employed by private-sector companies with more than 50 employees. Large private companies have an advantage over smaller firms because they are able to offer this type of assistance. This type of assistance can be a worthwhile investment, as expats are more likely to have a positive performance at work and may even stay longer in Denmark if they have a smooth entry into the country.

Expats find it particularly important that the organisation that hired them provides help settling in and offer Danish language courses. Especially women find the institutionalised elements that can support their integration to be beneficial (language courses, cross cultural training, buddy programs, mentor programs, etc). Another group of expats that greatly appreciate assistance are the expats living outside major population centres. They find it important that the organisations assist their spouses in finding a job in Denmark.

When it comes to work culture, the majority of expats find the work culture they have experienced

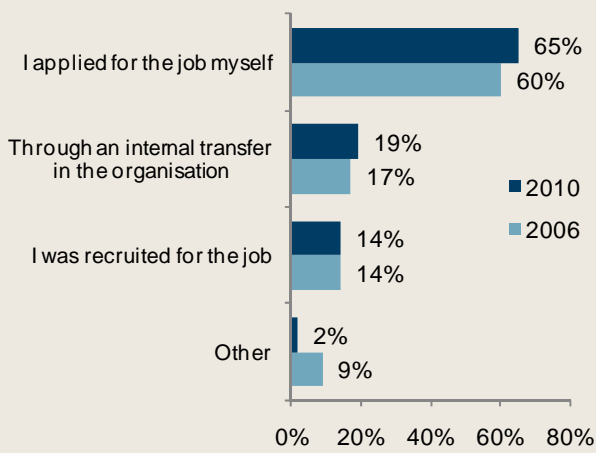
appealing (69%). The work-life balance and flexibility, trust and autonomy that the employee experience are according to the expats strong characteristics of the Danish work culture. They also find the work culture in Denmark relaxed, informal and egalitarian. On the negative side of the work culture characteristics, some expats find that the team based work culture and the egalitarian style can result in blurry and slow decision lines in the organisation.

Recruiting expats

A taskforce across several ministries in the Danish government agreed in April 2010 to a line of initiatives to strengthen Denmark's ability to attract and retain international professionals. Hence, politically there is a focus on improving the recruitment of international professionals to Denmark. Working closely with the government and Ministries is a new joint initiative of 2010 called Consortium for Global Talent. Behind it stand 15 of the largest Danish and international companies in Denmark. The Consortium's overall aim is to improve the conditions for foreign professionals and their families while in living, studying or working in the country.

This section will focus on how expats who are in Denmark were recruited. Some expats in Denmark are recruited for specific jobs, whereas others have applied for the job they have in Denmark themselves. In the expat survey data from 2010, 65% of the expats applied for their job themselves and 19% are on an international assignment, are a transfer within their company or work in Denmark as a part of a research group or research network. Some 14% were recruited for their job. Among the rest responding "other", some are self-employed and others found their job through their local Danish network after completing their Master's degree in Denmark (see figure 2.1).

Figure 2.1: Getting a job in Denmark

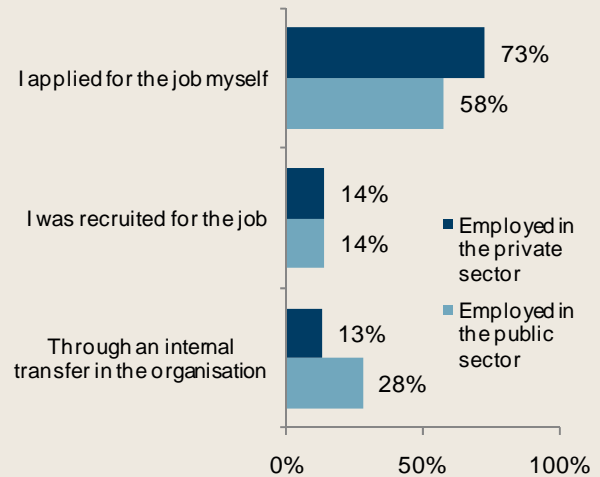


Question: How were you assigned/recruited to your present job in Denmark?

n 2006 = 392, n 2010 = 1,292

Source: Oxford Research 2006 & Oxford Research 2010

Figure 2.2: Sectoral differences in getting a job



Questions: Where do you work? How were you assigned/recruited to your present job in Denmark? (Tick only the predominant function)

n = 1,228.

Source: Oxford Research 2010

Compared to the data from the Expat Study 2006 the distribution is similar. In the Expat Study 2006, 60% applied for the job themselves. Like the 2010 results, 14% were recruited. Hence, the vast majority have applied for the job they hold in Denmark on their own. This fact, supported in both 2006 and 2010, underlines that recruiting of international talents is not only about network and targeted recruiting companies, but also a question of advertising in the right media, and having a good reputation both as a company and as an expat country.

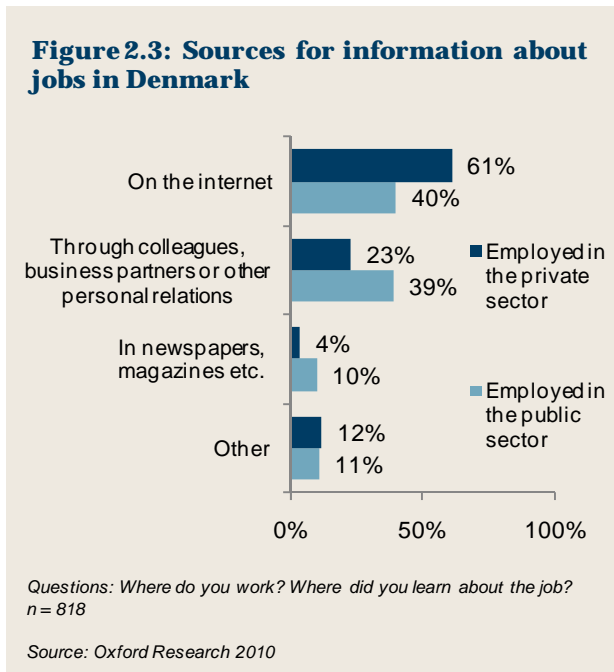
Distributed by sector the data show in figure 2.2 that recruiting is used to the same degree in the private and the public sectors. However, it is more common that the expats in the private sector found their own jobs. The difference is that in Denmark it is more common to get a job through existing networks.

Among the expats who applied for the job themselves, 47% learned about the job on the internet and 33% heard about the job through colleagues, business partners or other personal relations. Just 8% found their job through a newspaper, a magazine or another type of publication. Among the 12% answering "other" to the question of where they learned about their job in Denmark, a large group describe that they took the initiative to send companies their qualifications and/or letters of interest.

Figure 2.3 illustrates the question of where the expats who applied for their job themselves learned about the job in Denmark. The figure also compares the public and private sectors.

The histogram shows that it is common to use colleagues, business partners and personal relations to find positions. This is especially the case in the public sector. Some 39% of public-sector employees learned about their job in Denmark this way. Among expats in the private sector, 61% got to know about their job on the Internet, making it the most widespread information source on jobs in Denmark among these expats. The histogram also shows that a larger amount of expats among public-sector

employees have used print media compared to the expats employed in the private sector.



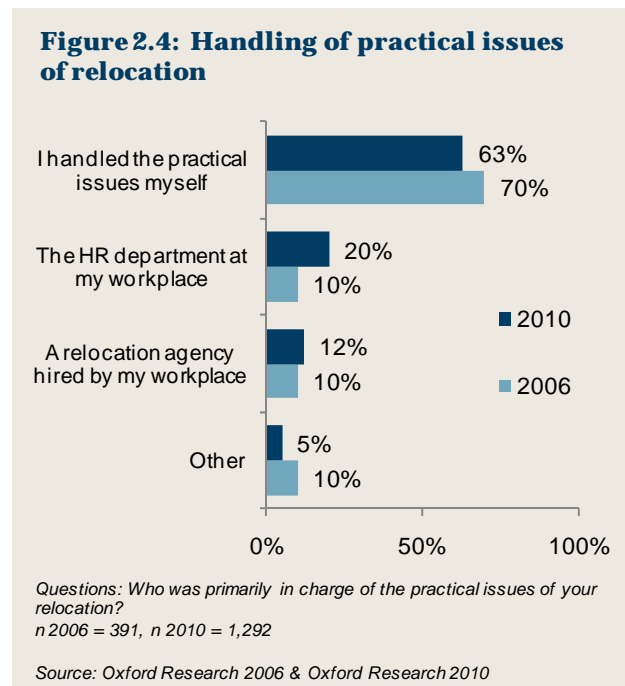
From this data, it can be concluded that the internet is an important medium for recruiting international talent, especially in the private sector. However, personal and business networking is both widespread sources of information about jobs in Denmark, especially in the public sector. This underlines that, in regard to recruiting international professionals, it is important that Denmark participates in leading professional networking in the international arenas.

The survey data shows that half of the expats have a permanent affiliation to the Danish labour market. Thus, 49% of the respondents declare that they have a permanent contract in Denmark. Some 38% are working on a temporary fixed-term contract and 7% are project employed. The remaining 6% have other types of affiliations to the Danish labour market.

Help with relocation issues

When it comes to the practical challenges of settling in as an expat in Denmark, the study illustrates that 62% take care of the practical issues of their

relocation themselves. See the histogram in figure 2.4. For 20% of the expats, the workplace was primarily in charge of the practical issues associated with the relocation. Some 12% of the expats were assisted through a relocation agency hired by the workplace.

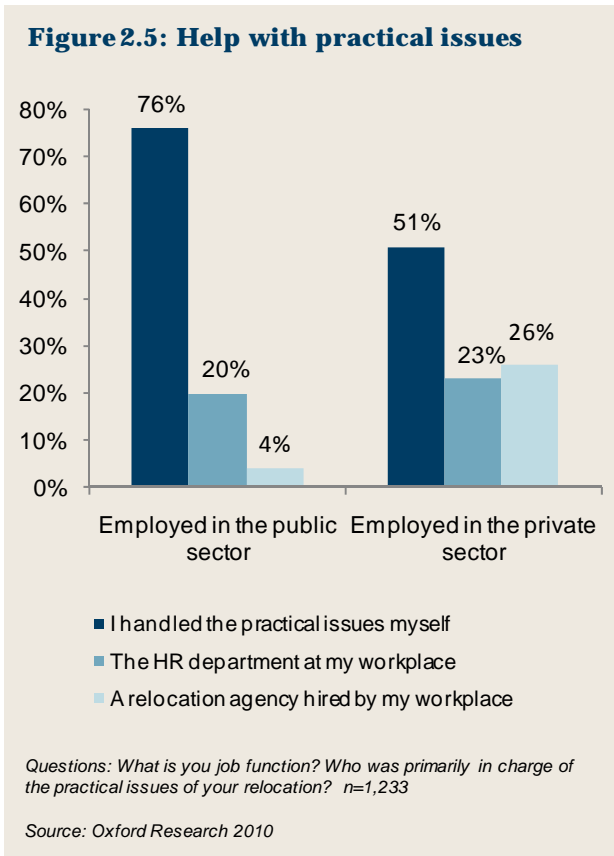


The share of expats that arranged the practical issues themselves was the same in 2006. Survey data from the Expat Study 2006 shows that 60% primarily arranged the practicalities of their relocation themselves. Another 10% were helped by a relocation agent hired by the workplace. Since only 10% could leave these issues to the HR department back in 2006, there could be an increased tendency for workplaces to offer their expats in-house assistance to take care of the practical issues of moving.

Practical issues of relocation include elements like accommodation, contact to different authorities and finding day-care and school for children. Qualitative data from interviews with expats underline how the practicalities of settling in are challenging when coming to a new country.

“As an expat you don’t have a clue where to live, you know nothing about the transport system, if an apartment is overpriced or under priced, if it’s a nice area etc. You are pretty much on your own, and it is hard to prepare for these kinds of things from your home country” expat employed in the public sector, UK

As figure 2.5 illustrates, the responsibility for the practical issues associated with relocation correlate with the sector of employment.

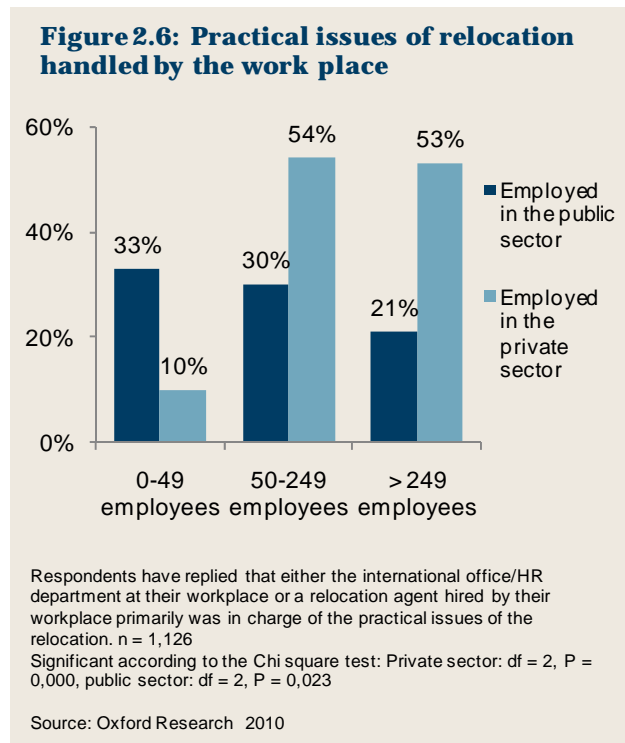


For expats employed in the private sector, a total of 49% can leave most practical issues to their workplace or to a relocation agent, whereas this is the case for only 24% of the publicly employed. The association between sector and responsibility for practical issues concerning the relocation are statistically highly significant. The data also

illustrate that it is more common to outsource relocation tasks to a relocation agent in the private sector. In the private sector, 26% get assistance through a relocation agent. This is the case for 4 % among the public-sector employees.

Looking further at the expats who were supported in their relocation, there is a trend that larger organisations support their foreign professionals in regard to practical issues to a greater extent than organisations with fewer employees. However, the trend reading from the histogram is not statistically significant at a 95% level.

However, when the data is distributed on the sector the expats are employed in, the data reveals that the correlation is statistically highly significant for the expats employed in the private sector. That is, as the histogram in figure 2.6 shows, the larger private-sector companies tend to offer their expats assistance with the practicalities of the relocation more often than small companies. Only 10% of the expats employed in private-sector companies with less than 50 employees could leave the practical issues of relocation to the workplace or a relocation agent. More than 50% have this privilege in the private-sector companies with over 50 employees.



For public organisations, the difference is not statistically significant and the tendency that can be seen in the distribution in the histogram is opposite than what was expected. In the public sector, there is a tendency for the smaller units to offer the expats help settling in more often.

Practical assistance when settling in

Following this, the question becomes whether or not it is important to the expats to get this support from their workplace in Denmark. As the histogram in figure 2.7 demonstrates, workplace assistance with practical issues of the relocation is important to 87% of the expats. Some 11% find it less important and only 2% state they do not find it important.

Qualitative interview data from HR departments and the expats themselves underscore the importance of making sure the practical challenges of settling in are addressed promptly. Experience has shown that challenges involving the practical issues of settling in can affect productivity at work. Practical issues like accommodation and registration with different authorities can be distressing elements. Thus, it can be counter-productive for the hiring company to neglect the importance of practical issues in a relocation situation.

“The practicalities you confront when you move to another country affect you in the way that you feel stressed about the small things. It affects your mental state. Until you are done with the ‘to-do list’ you can’t really relax and perform at work. Therefore it is important to get that stuff done as soon as possible, it is a win- win situation for the company and me” PhD student, USA.

Keeping in mind the small amount of expats that are supported in the relocation process, there is a need and a desire among expats coming to Denmark that is not met.

Even though it is important to many expats and worthwhile for organisation to assist them when they are settling in, it can be a challenge for some organisations, especially small and medium-sized organisations. Large organisations which recruit several international professionals can afford to developed resources that assist expats settling in. They are also able to offer experience and resources in this area. Whereas for small organisations, since they historically hire fewer expats, it can be too expensive to hire or develop resources to support the expats settling in.

One hypothesis in regard to the importance of getting assistance with practical issues is that expats with families find it more important to get assistance with the practical issues of moving to Denmark than expats without families. However, this is not the case. There is no correlation between having a spouse or children and the importance of getting assistance with the practical issues.

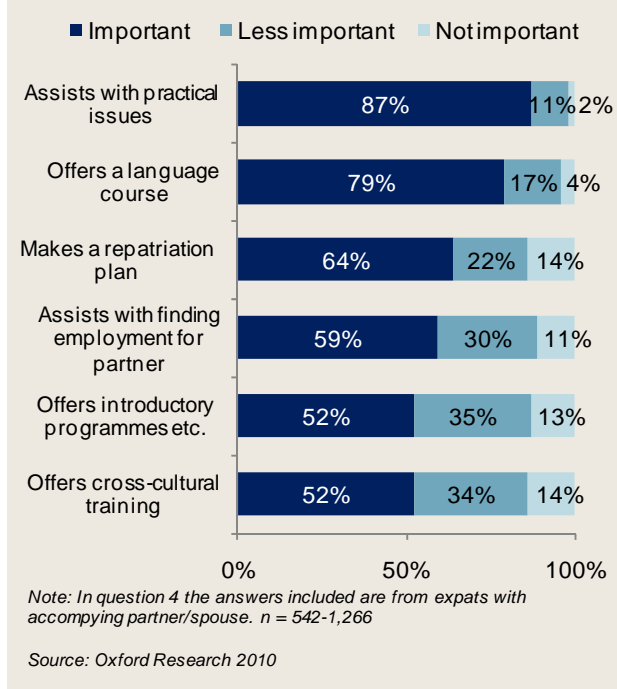
Exploring the data for differences between expats who have been relocated before and expats who are working outside their country for the first time, there is no difference when it comes to the importance of support. Among first time expats and experienced expats, 87% find it important to get assistance in this area.

None of the background characteristics explain the answers the expats give to the importance of getting assistance in the relocation process. There are no statistically significant differences in how the respondents answer when the data are distributed by gender, age, the region of the world the expat comes from, the sector they are employed in or the region of Denmark they live in.

Importance of company services

As figure 2.7 shows, assistance with the practical issues of relocation is the company service the expats find most important. But there are several other services that can support the expats when establishing themselves in Denmark.

Figure 2.7: Importance of companies' services and policies



Access to language courses ranks as the second most important company service for expats. Some 79% find it important. This can both be an expression of how important language skills are in Denmark and an expression of the type of services the expats in general expect from the organisations. Following the language course is the creation of a repatriation plan which 64% find important and 22% find less important. Also assistance with finding a job for spouses is important to many expats (59%). Some 52% find it important that the company offer introductory programs, buddy programs etc. and the same percentage find it important to get cross-cultural training.

Hence, the organisations hiring expats should focus on and attract attention to the services they offer in regard to practical issues and language skills, as these are particularly important to the expats.

In the following sections it is explored whether a range of background characteristics correlate with the importance of the different company services.¹¹

¹¹ Gender, age, children, accompanying partner, region in Denmark and origin divided into world regions.

The data show that neither the age of the expat, whether the expat has children or whether the expat was accompanied by a spouse, affect the expats assessment of the importance of any of the company services in the histogram above.

Services supporting integration

It is open to debate what extent the employer hiring expats in Denmark is supposed to ensure that the expats integrate and establish a network in their new environment and get to know the culture and the language. But no matter how one might position oneself in this debate it is a fact that an expat and his or her family who has a good life in Denmark is more inclined to stay in Denmark longer. That is, if the employer wishes to keep the expat for a while company services facilitating a process of getting to know the country can be a worth-while expense.

Some 79% find it important that their workplace offer language courses. Qualitative interview data with expats show that it is their experience, that all Danes are willing and competent to speak English. However, some expats experience that even though the official work language is English a lot of small talk is in Danish. To other expats it is important in a social perspective because they feel uncomfortable making everybody speak English.

My colleagues tend to speak Danish during lunch, so after a couple of days I found somebody who talks English to sit with during lunch. It's the same with everybody else. So learning Danish is a very good way to integrate" expat employed in the IT sector, India

Hence, in a working environment and from an integration perspective, the Danish language is important. From the perspective of keeping the expats in Denmark for a longer period language courses are also important. From qualitative interview data experts explain that it is expected that expats know Danish if they after two or three years seek new employment in Denmark. It is

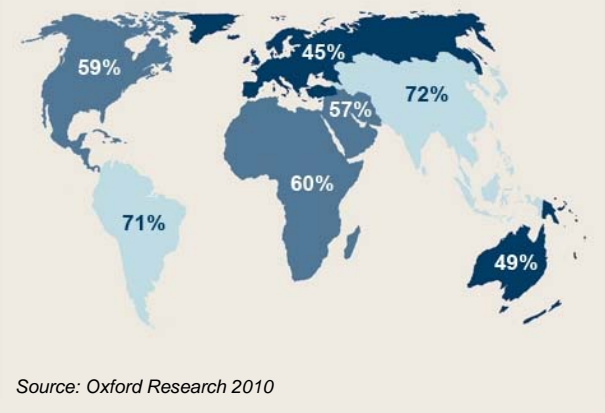
considered as reluctance to integrate in Denmark and it can be challenging to get a second job in Denmark if an expat after years in Denmark does not learn the language.

“It is important for everyone to learn Danish, but especially for an expat who wishes to stay and find a new job at some point. An employer will find it difficult to understand if the applicant has not learned some Danish after having been here for a while. For that reason, I would recommend that you learn basic Danish from the beginning, which can be developed if it is necessary”
Employee at Workindenmark

When the expats are asked whether they find it important that the workplace offer introductory programs, buddy programs etc, 52% find it important and 35% find it less important. The same amount (52%) find it important that the workplace offers cross-cultural training and 34% find it less important. Both types of support to the expat can be characterised as instruments in the integration process, not only at work but also outside work.

Exploring further the group stating that it is important that the workplace offer cross-cultural training there is a statistically significant difference based on the origin of the expat. As figure 2.8 illustrate especially the expats coming from Asia (72%) and South America (71%) find it important to get assistance understanding the cultural differences they will find in Denmark. The expats from Europe, as a group, finds it less important. Of Europeans 45% find it important that the workplace offer cross cultural training.

Figure 2.8: Importance of cross-cultural training

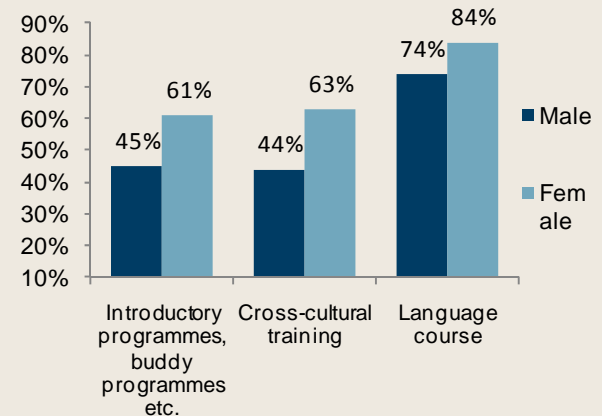


Gender and company integration services

Exploring the group answering that the company integration services, like language, culture and buddy programs are important, there is one background characteristic that is explanatory for all three company services: gender.

The data show that 84% of women state that it is important that the workplace offer language courses. Among the men in the survey it is 74%. See figure 2.9.

Figure 2.9: Company services especially important to women



Question: What is your gender? When moving to another country I find it important that the company offer...

n = 1,254

Source: Oxford Research 2010

The correlation is statistically highly significant. A similar correlation is found when it comes to the importance of offering cross cultural training and introductory programs, buddy programs etc. Respectively 61% and 63% of women find introductory programs, buddy programs, and mentorships etc. and cross cultural courses important. The percentage of men that state these services are important are 45% and 44%, respectively.

Whether the difference is because women find it more important to integrate than males or because they feel they need more support integrating into a new country than male expats cannot be answered with the data collected in the survey.

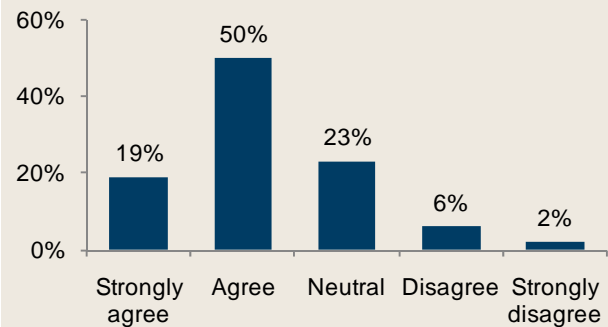
Danish work culture

Expats are typically people with career ambitions, which is why work and relations at work for many are important parts of everyday life. Thus, it is important to consider work culture when Denmark needs to attract and maintain highly skilled professionals from other countries.

Every organisation, department and team has a special work culture that defines the tone of the social and professional environment at the particular workplace and it is not possible to identify *one* Danish work culture. However, there are some characteristics which are more common in the Danish work culture than in other countries - characteristics that especially outsiders such as expats will register.

As the histogram in figure 2.10 illustrates, 69% of the expats agree that, all in all, Danish work culture is appealing. This positive statement is supported by qualitative data showing that expats find Danish work culture very positive in many aspects.

Figure 2.10: Danish work culture is appealing



Question: Please tick the reply which best represents your personal opinion: All in all, I find Danish work culture appealing
n = 1,276

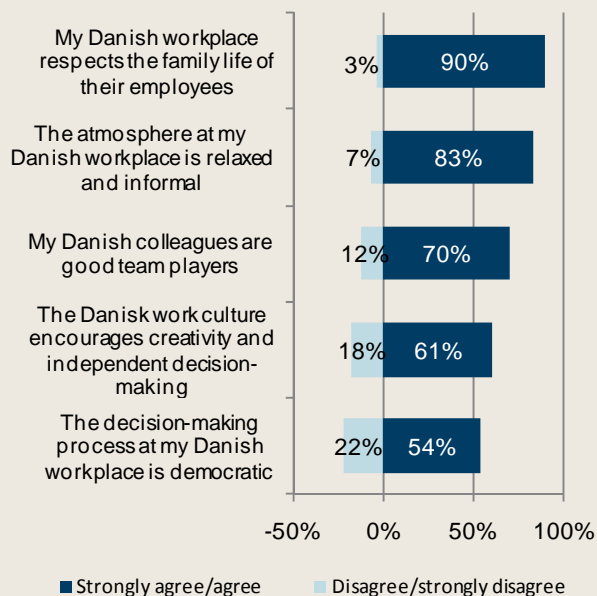
Source: Oxford Research 2010

It could be suspected that the expats in time get used to Danish work culture, meaning that expats who have been in Denmark for a while are happier with the work culture than those who have recently arrived here. This hypothesis is based on an assumption that it can take some time to get to know a new work culture that involves different relationships with co-workers and management. However, this is not the case. On the contrary, a small though not statistically significant tendency that the longer expats have been in Denmark the less likely they are to feel that the work culture overall is appealing.

When exploring other suspected correlations the data shows that classic background information like gender, sector of employment, age and having children does not correlate with the overall assessment of Danish work culture. Thus, the overall characteristics of the work culture the expats experience does not seem to be more appealing to particular age groups, men or women, expats with or without children or whether they are employed in the public or private sector. Meaning, in general, across all groups, most of the expats find the work culture appealing.

In the histogram in figure 2.11 it can be seen what expats say characterises Danish work culture.

Figure 2.11: Characteristics of Danish work culture



Please tick the reply which best represent your personal opinion. Respondents answering 'neutral' are not included. n = 1,083-1,281

Source: Oxford Research 2010

From this it can be read that respect for family life and an informal and relaxed atmosphere are characteristics that are particular defining for how expats experience work culture in Denmark. Some 90% find that the family life of employees is respected and 83% find that the atmosphere is relaxed and informal. These and other characteristics found in the survey data related to work culture are explored further below.

Work-life balance

One characteristic in the work culture is, according to the expats, the amount of respect and flexibility colleagues and management leave for the employees to take time with the family. Thus, 90% of the respondents agree that their work place respects the family lives of their employees.

This characteristic makes it possible for the expats to have both a career and a family. A balance between career and a family is not only possible but common and accepted in the Danish labour market. Many expats were expecting this, but some were still surprised by the extent of it.

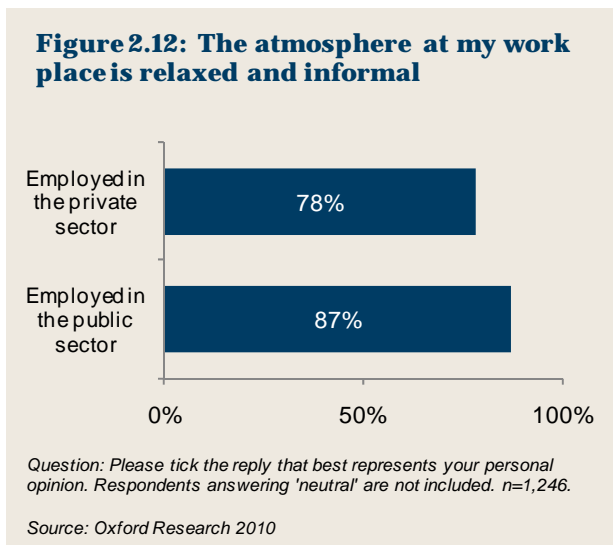
“What surprised me coming to Denmark was the work-life balance. I knew it was there but I couldn’t believe the extent of it! That still surprised me. It is absolutely accepted to leave at 4 or 4:30. Everything about family is priority one, and it is great” expat employed in the pharmaceutical sector, Germany

Finding that the work-life balance is a common characteristic of the Danish work culture, according to expats, there could be a correlation between having a family and finding the Danish work culture appealing. However, there is no statistically significant correlation, or even a tendency in the expats’ answers. The fact that neither age nor having children correlate with the overall assessment of the Danish work culture, discredit a possible hypothesis that the family-friendly work culture of Denmark is less appealing to younger, more career focused expats without family.

Data from the survey show that 83% of the expats responding to the survey agree or strongly agree that the atmosphere at their Danish workplace is relaxed and informal.

“I find Danish work culture a lot more relaxed and less stressful than in the company where I worked in Germany. There everything had to be done faster and faster which is very stressful. In Denmark, however, you are not under as much pressure because it’s up to the individual employee how to manage and arrange a typical work day” expat employed in manufacturing sector, Germany.

Especially the expats employed in the public sector find the atmosphere informal and relaxed. There is a strong correlation between sector and the assessment of the atmosphere as informal and relaxed. As the histogram in figure 2.12 show 87% of the public-sector employees agree or strongly agree that the atmosphere is relaxed and informal whereas among the private-sector employees it is 78%.



Qualitative data shows that many expats are surprised by the relaxed atmosphere, the informality and equality between different types of employees. They state that they value this experience because it creates a positive work environment where everybody is appreciated for the job they do.

“The best thing is the flat structure, my workplace is non-hierarchal here – you can walk into anyone’s office and talk to them, and they’ll even listen to you” expat employed in the financial sector, Sweden.

However, it can also be challenging to get use to this environment and for some expats it results in confusion about decisions-making lines in the organisation and it can be difficult for the expats to know who to confront in a given situation and

where in the organization a particular decision is placed. The hierarchy and decision lines can be especially blurry for people from other countries with different native languages in a culture where these are underlying and often unspoken structures of the culture.

Trust, flexibility and self management

In line with the work life balance where the individual manage the balance of work and private life, such as family obligations, the expats experience the Danish culture as flexible and self-managing. Employees can arrange and put together their work day as they see fit.

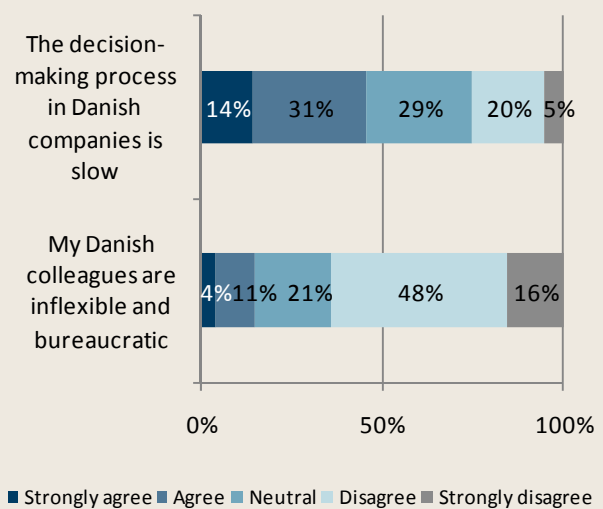
“There is a very concrete flexibility in managing your own time. There’s a commitment, trust and openness. When are you present in the office and when are you not present? It’s up to you. And when you’re not present it doesn’t mean you’re not working. In Denmark employees have their hands free to take decisions and work according to own procedures and practices. And nobody checks up on you. Strict time schedules aren’t viewed as the most essential circumstances, so nobody checks if you’re doing your work fast enough. Instead quality is brought into focus” expat employed in the pharmaceutical sector, Germany

Corresponding to the fact that many expats experience a culture characterised by trust and self-management also means that it is expected that the employee takes initiative and decisions. In Danish work culture it is expected that the employees create and initiate their own tasks and the areas of expertise the individual wishes to develop.

“I chose to make a very challenging shift when I came here by taking up a whole new area. I am quite highly qualified and with each project I was given more responsibility, and I was managing people. But my level of responsibility has dropped. Now my colleagues are nervous about giving me too technical stuff. But I think it is because I have to take more initiative, be blunt. Nobody comes up to you and tells you what to do, you must do something yourself. That is different from what I am used to” expat employed in the ventilation and indoor climate sector, Italy

The experience of Danish work culture as flexible, self-managing and characterised by trust in the individual employee. Furthermore, only 15% of expats find their Danish colleagues inflexible and bureaucratic (See figure 2.13). A culture of trust is often less bureaucratic, as the single employee and the different work procedures are not subject of control to the same extent as would be the case in a work culture where the individuals are questioned in their line of work.

Figure 2.13 Characteristics of Danish work culture



Please tick the reply that best represents your personal opinion. My Danish colleagues are inflexible and bureaucratic. The decision-making process in Danish companies is slow. n=1,083-1,281

Source: Oxford Research 2010

Team work and decision making

Despite a culture characterised by self-management that allows the individual employees to take decisions and arrange their work day themselves, expats find that their Danish colleagues are good team players. Some 70% of the expats agree or strongly agree that their Danish colleagues are good team players.

This corresponds to qualitative interview data which support expats sentiment that the cooperative culture in many Danish work places creates a positive environment. Many expats also experience that in time, the cooperative work culture has a good effect on other issues like involvement, loyalty and the development of innovative solutions.

“There is a lot of team work where I work, and the performance is not only assessed individually but also at a group level. Working as a team has for me been different from what I have been used to, but I’ve learned a lot, and in my experience working

closely together like this can create new ideas” expat employed in the utilities sector, the Netherlands.

On the downside qualitative interview data show that some expats have a hard time accepting the extended teamwork because it is too slow and less effective than the work cultures they are used to.

“I do find that Danish way of doing most things in teams is personally and professionally beneficial. However, teamwork also means that decisions take forever to make and sometimes things just need to be done” physician, India.

It is interesting to examine the quote above in more detail. Hence, the question of whether the decision-making in Danish work culture is slow might be connected to this. The question splits expats. As can be seen from figure 2.13, some 45% agree or disagree that the decision-making process is slow and 25% disagree or strongly disagree. Another 29% state they are neutral.

The other question about characteristics of decision making in Danish work culture evenly divides the expats. Some 61% agree that Danish work culture encourage creativity and independent decision making. That is, only two out of every five find this encouragement in the work culture in Denmark. When it comes to democratic decision making 54% agree or strongly agree that decision making is democratic at their Danish work place. These data point out that in connection to decision making there are no clear characteristics in Danish work culture according to the expat experiences.

Researchers working in Denmark

Research in Denmark carried out by highly specialised and the need to attract highly skilled PhD students and researchers at different levels can be crucial for the research Danish institutions can

carry out. Therefore attractive research environments are important.

Taking a closer look at expats who are PhD students, researchers and scientists, the Expat Study 2010 shows that Danish research companies make use of international knowledge and competencies by hiring international researchers predominantly within the natural science and within engineering and technology. From figure 2.14 it can be seen that 34% of PhD students, scientist and researchers work within the natural sciences and 28% are employed within engineering and technology.

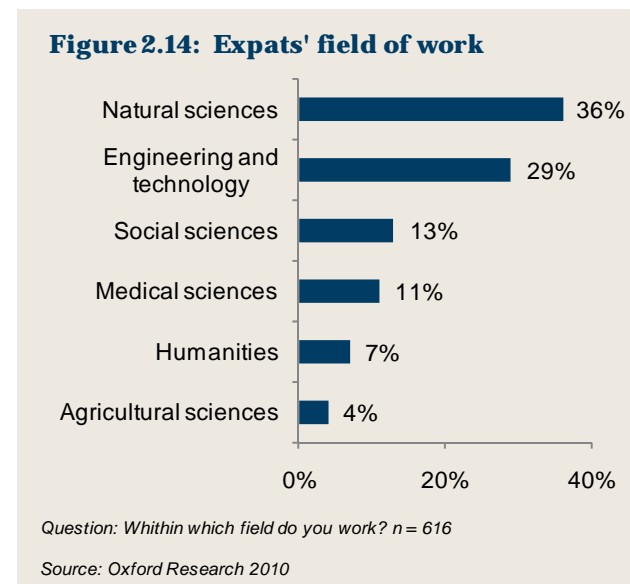
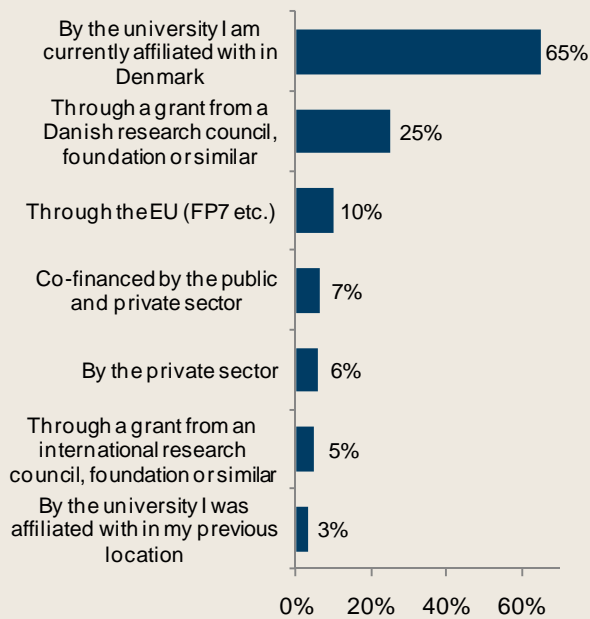


Figure 2.15 illustrates how the position the researchers from other countries working in Denmark are funded. Among PhD students, researchers and scientists working in Denmark the survey data show that the majority received financing for the position they have in Denmark through the institution they are affiliated with in Denmark (65%) and a large share through a grant from a Danish research council, foundation or similar (25%). Some 10% got funding from the EU and 7% were financed jointly by the public and private sector.

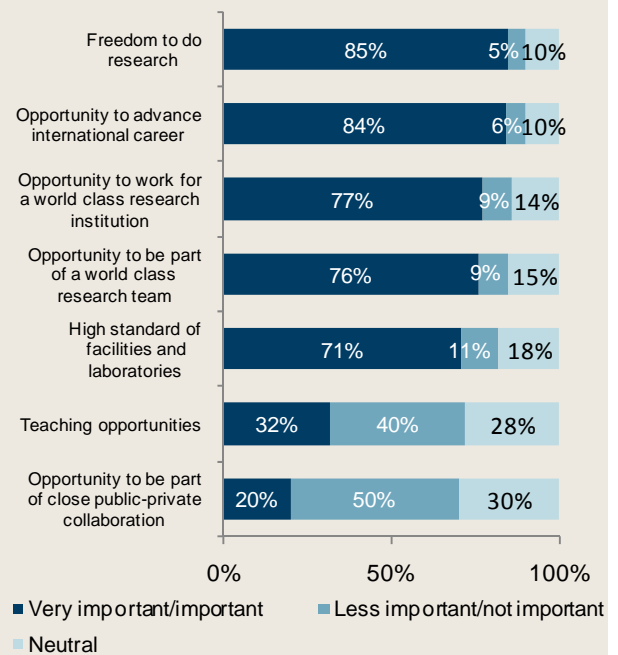
Figure 2.15: Sources of finance for position



Questions: How is your position financed? (tick all relevant categories)
n = 645

Source: Oxford Research 2010

Figure 2.16: Central factors for accepting a researcher position in Denmark



Questions: How important were the following factors to you when accepting your position in Denmark? n = 609-634.

Source: Oxford Research 2010

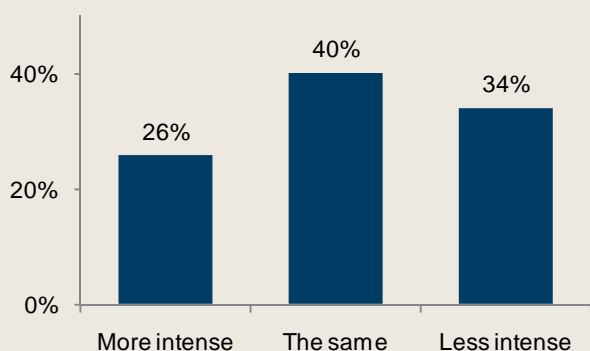
Important factors and competition

The expats working as researchers in Denmark state that the most important issue when accepting a job in Denmark is the freedom to do research. Some 85% find this important or very important. See figure 2.16. The second most important reasons for accepting a job in Denmark is the opportunity for international career advancement. Some 84% find this important or very important. In addition to these reasons, many of the researchers who answered the survey cited the opportunity to work for world-class research teams as important.

That is, attracting researchers from outside Denmark it can be underlined how a position in Denmark can support an international career. Further it can be important to promote the research institution and the teams where researchers from outside Denmark are needed.

When the researchers are asked to assess the competition in Denmark compared to the situation in their home country in regard to getting a permanent research position, most find the level of competition is the same. As figure 2.17 illustrate 40% believe that the competition is the same in Denmark and in their home country. Some 34% of expats state that they find the competition less intense in Denmark and 26% find the competition in Denmark to be more intense.

Figure 2.17: Competition for permanent research position in Denmark



Question: In your experience, how is the competition for a permanent research position in Denmark compared with the competition for research positions in your home country?
 n = 515

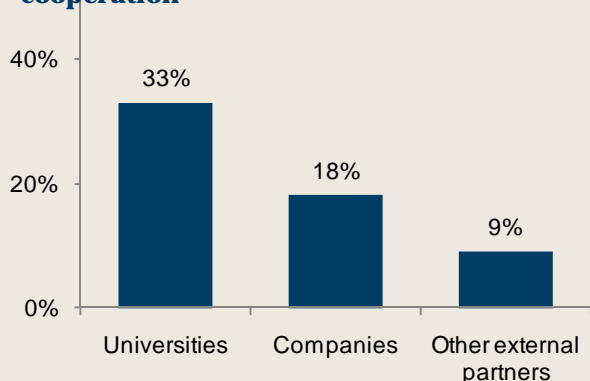
Source: Oxford Research 2010

In relation to cooperation with the private sector 18% of the researchers, scientists and PhD students state that they cooperate with private-sector companies. Looking at figure 2.16 the data show that 20% of the researchers find it important to be a part of a private-public cooperation when accepting a research position in Denmark. Meaning that, the data show there is not a big gap between the wishes and the possibilities when it comes to research positions which involve public-private cooperation. Some 9% of the researchers that cooperate with external partners do so with other type of external partners.

External cooperation

All in all 84% of the researchers have cooperated with external partners in their research. The percentages in figure 2.18 show that cooperation with other universities is the most common form of external cooperation. Some 33% of the researchers who take part in external cooperation cooperate with other universities.

Figure 2.18: External partners in research cooperation



Question: Please specify the type of external partners you have been cooperating with.
 n = 543

Source: Oxford Research 2010

STANDARD OF LIVING

This chapter deals with Denmark's general cost of living, salaries and benefits, standard of living, and taxation from the perspective of expats residing here. It is evident from the survey that expats regard Denmark as having a relatively high cost of living independent of job type, age, time in Denmark, country of origin, or which tax scheme they are subject to. At the same time, Danish salaries are relatively high and are regarded by a majority of expats as being competitive compared to other EU countries. Furthermore, 40% of expats believe that their net income in Denmark allows them to have a better standard of living in than in their home country. However, it is relatively difficult for expats to put money aside while in Denmark.

Most families in Denmark depend on two incomes in order to pay for necessities such as housing, food and beverages etc. This means that there is a gap between Denmark and countries where it is more common for families to rely on a single income, and where there is larger income distribution than in Denmark. Especially since 30% of expat families in Denmark rely on a single income, while this was the case for 16% of expat families in their home country. Hence, there is a risk that some of these expat families will find it difficult to maintain the standard of living they are accustomed to when relying on a single Danish salary.

Goods and services in Denmark are regarded as having relative high prices across the board. This is especially evident for goods and services such as cars, restaurants, cafés, bars, cinemas, theatres, and food and beverages. All of these are perceived as having a high or very high price by almost all expats. This is a trend, which has increased during the last twelve years as a growing percentage of expats indicate that Danish prices for goods and services are high or very high.

Taxation is another important factor when expats decide on which country to work in. Nearly 50% of expats in Denmark pay more in taxes than they expected. Two thirds of all expats are taxed according to the Danish standard tax regime as a resident of Denmark, while 25% have reduced taxes according to the tax scheme for foreign researchers

and key employees. This tax reduction scheme is very important for attracting key employees, as 70% of expats subject qualifying for this tax scheme indicate that it was central for them when accepting their current position in Denmark. Furthermore, 62% of expats say the reduced tax scheme has a direct influence on their decision on when to leave Denmark. The percentage of expats that regard the reduced tax scheme as central for accepting a job in Denmark and for staying in Denmark has increased since the Expat Study 2006.¹² Hence, it is evident that the reduced tax scheme remains an important aspect for attracting and retaining expats in Denmark.

Economic factors

Expats in Denmark face a number of economic issues. Figure 3.1 shows how expats regard central economic factors, such as the general cost of living, the competitiveness of Danish salaries and benefits, how the standard of living is affected by their net income, and their ability to put money aside for the future.

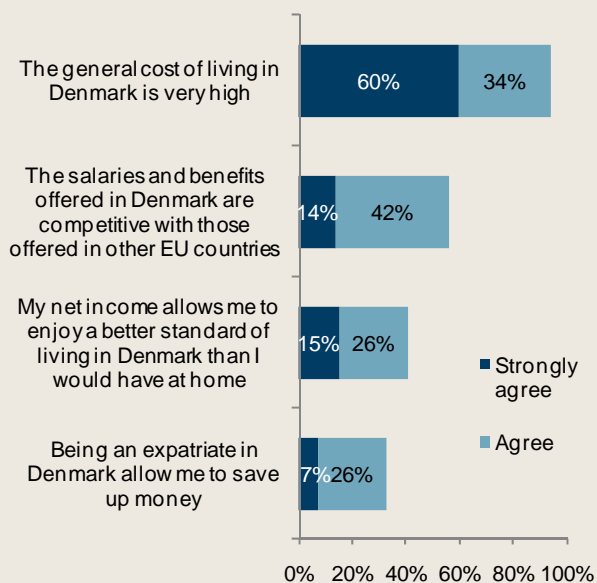
The general cost of living in Denmark is perceived as high by expats. In 2006, 39% agreed and 49% of expats strongly agreed that the general cost of living in Denmark was very high.¹³ The 2006 study concluded that the high general cost of living was one of Denmark's most obvious drawbacks.¹⁴

¹² Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006.

¹³ Ibid.

¹⁴ Ibid.

Figure 3.1: Economic factors



Questions: Please tick the reply which best represents your personal opinion. My net income allows me to enjoy a better standard of living in Denmark than I would have had at home; Being an expatriate in Denmark allows me to save up money; The salaries and benefits offered in Denmark are competitive with those offered in other EU countries; The general cost of living in Denmark is very high. n = 1,292-1,502

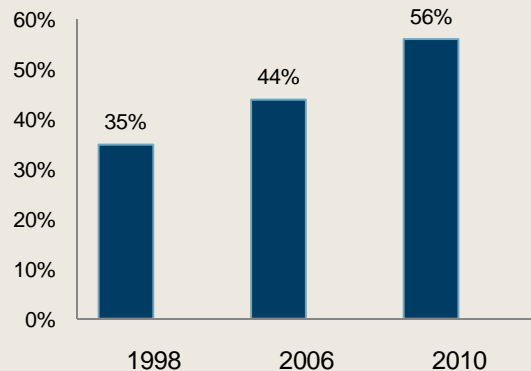
Source: Oxford Research 2010

However, as can be seen from figure 3.1, 34% agree and 60% of expats strongly agree that the general cost of living in Denmark is very high. Only 2% disagree or strongly disagree that Denmark is characterised as having very high costs of living. Hence, the percentage of expats that regard living costs in Denmark as very high has increased.

Danish salaries are relatively high, and according to a 2009 study of 73 international cities, Copenhagen is ranked at the top in terms of gross earnings.¹⁵ Even when contributions to labour market, health care, and income taxes are subtracted, salaries in Copenhagen remain among the most competitive. As illustrated in figure 3.2, the percentage of expats who indicate that their salaries and benefits are competitive compared to other EU countries rose

from 35% in 1998 and 44% in 2006 to 56% in 2010.¹⁶

Figure 3.2: Development in perception of competitiveness of Danish salaries and benefits



Question: The salaries and benefits offered in Denmark are competitive with those offered in other EU countries. The figure represents the percentage that strongly agree or agree. n 2010 = 1,505, n 2006 = 391

Source: Oxford Research 1998; Oxford Research 2006; and Oxford Research 2010

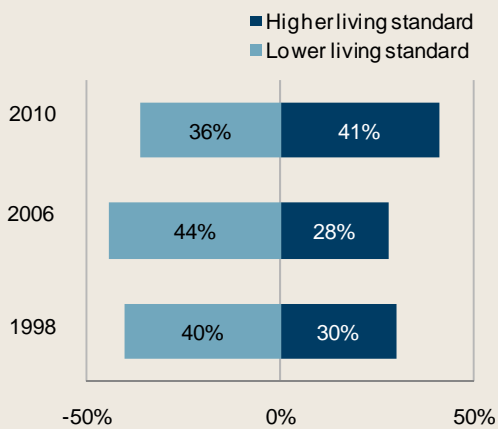
It can be seen from figure 3.3 that the distribution of expats that regard their net income in Denmark as providing a higher standard of living and those that regard it as giving them a lower standard of living are largely the same. This is a little surprising, as 94% of expats regard the general costs of living as very high (see Figure 3.1). However, despite this, it appears from figure 3.3 that 41% agree or strongly agree that their net income allows them to have a higher standard of living in Denmark than in their home country. This represents an increase from 28% in 2006 and 30% in 1998.¹⁷ Furthermore, during this period, the percentage of expats that believe that their net income gives them a lower standard of living in Denmark than in their home country has decreased marginally from 40% in 1998 to 36% in 2010.

¹⁵ UBS (2009): Pricing and earnings 2009

¹⁶ Oxford Research 1998: The Expat-Study '98 & Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

¹⁷ Ibid.

Figure 3.3: Standard of living compared to home country



Question: My net-income allows me to enjoy a better standard of living in Denmark than I would have had at home. The neutral category has been excluded from the figure.

n 2010 = 1,505; n 2006 = 392

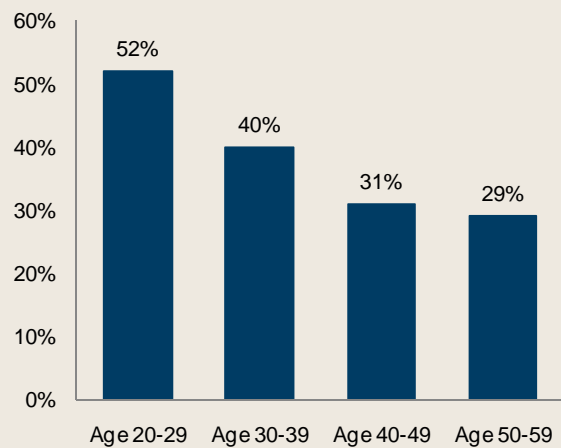
Source: Oxford Research 1998;2006; and 2010

When examining the results behind figure 3.3 closer, it appears that there are notable differences between expats employed in the public and private sectors. Expats employed in the public sector are more likely to agree that being an expat in Denmark gives them a better standard of living (47%) than expats employed in the private (35%). One explanation for this could be that the Danish salaries and benefits in the public sector are relatively high compared to other European countries. This is supported by the fact that 58% of expats employed in the public sector indicate that they agree or strongly agree that their salaries and benefits in Denmark are competitive compared to other EU countries, while only 15% disagree or strongly disagree.

Expats who come to Denmark have vastly different backgrounds and originate from different parts of the world. Some are in the beginning of their international careers, while others are at the end. Attracting young expats is in the interest of Denmark, since these individuals have many years left on the labour market in which they will pay taxes and contribute to society in general. So, if expats stay in a country for many years it will be of great benefit to that country. One aspect of retaining

expats in Denmark is related to how expats regard their standard of living. When looking at expats from different age groups and whether their net income allows them to have a better living standard in Denmark than back home, it is evident that the younger expats are the more likely they are to regard the standard of living that their net income gives them positively (see figure 3.4).

Figure 3.4: Standard of living



Question: Please tick the reply which best represents your personal opinion: My net income allows me to enjoy a better standard of living in Denmark than I would have at home. How old are you?

The figure represents the percentages that strongly agree or agree. n=1,367

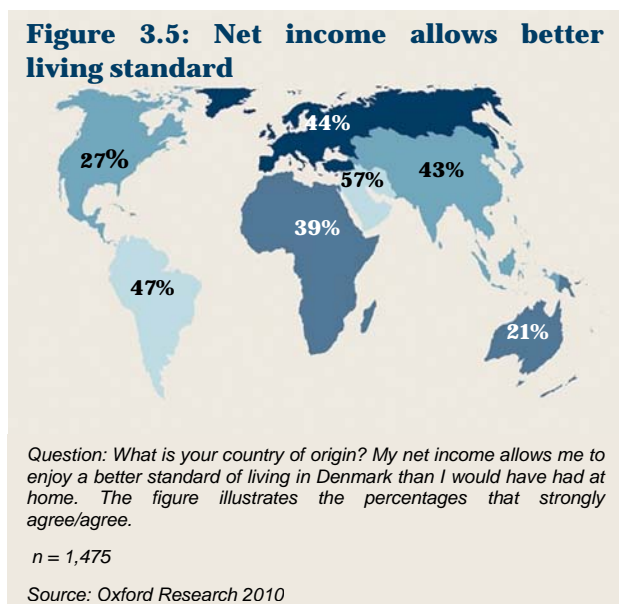
Source: Oxford Research 2010

This may be due in part to the fact that Denmark has high entry-level salaries, which gives young expats a relatively high income compared to other European countries. Furthermore, Denmark's progressive tax system means that older and more experienced expats with higher salaries are less likely to benefit economically compared to countries that have a flat tax rate.

Net income is directly affected by the taxation level. As will be shown later in this chapter, expats are subject to a number of different tax schemes that influence their taxation level. However, whether there is a direct link between which tax schemes expats are subjects to and whether net income allows a better standard of living in Denmark than in their home country is more questionable. It is rather surprising that expats qualifying for the

reduced tax scheme are less likely than expats subject to the Danish tax regime to agree that their net income allows them a higher standard of living than back home.

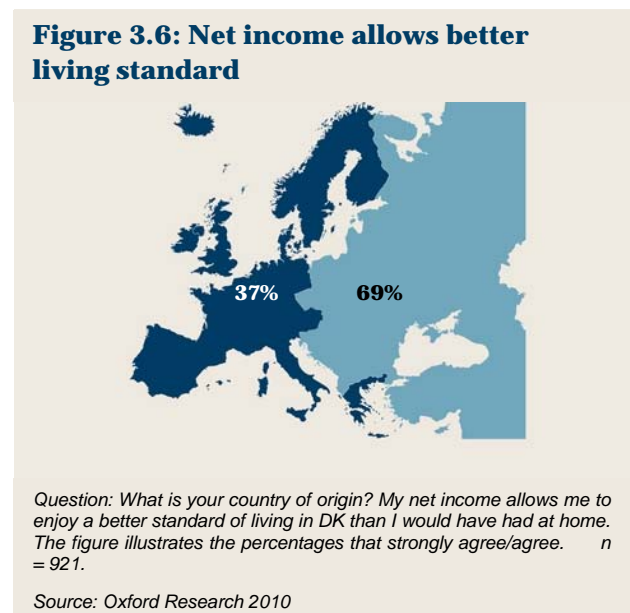
Differences related to the origin of expats can be seen from figure 3.5, which shows the geographical distribution of expats that agree or strongly agree that their net income in Denmark allows them to have a higher standard of living than in their native country. Expats from the Middle East are most likely to view their net income as a guarantee for a higher standard of living, with 57% agreeing or strongly agreeing. Second on the list are expats from South America. Europe is in third place with 44% flowed closely by Asia and Africa. Expats from North America and Oceania are the least likely to indicate that their Danish net income allows them a better standard of living than in their native countries.



When taking a closer look at Europe, it is evident from figure 3.6 that there are significant differences between Western Europe and Eastern Europe.¹⁸

¹⁸ Western Europe includes answers from Austria, Belgium, Finland, France, Germany, Greece, Iceland, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and United Kingdom. Eastern Europe includes answers from Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Lithuania, Hungary, Malta, Moldova, Poland, Rumania, Russia, Slovakia, Slovenia, Turkey, and Ukraine.

Expats hailing from eastern Europe regard their net income more positive, with 69% agreeing or strongly agreeing that their net income allows them to have a better standard of living than expats from western Europe, where only 37% strongly agree or agree. Moreover, only 15 percent of eastern European expats disagree or strongly disagree that their net income allows them a better standards of living, while this is true for 38% of western European expats. This result is not surprising given the differences in income between east and west.

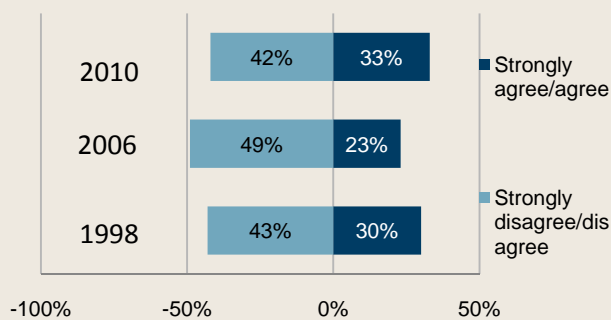


While in Denmark, approximately a third of expats are able to put money aside, while 42% say that they are not able put money aside. Figure 3.7 shows the development since 1998. It appears from the figure that a larger percentage of expats in 2010 are able to put money aside than in 2006¹⁹; however, compared to 1998²⁰, it is nearly status quo. Hence, expats ability to put money aside has only changed at the margins, and generally a larger percentage of expats are not able to put money aside while in Denmark.

¹⁹ Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

²⁰ Oxford Research 1998: The Expat-Study '98

Figure 3.7: Ability to put money aside



Question: Being an expatriate in Denmark allows me to save up money. The neutral category has been excluded from the figure. n 2010 = 1,505, 2006 = 391

Source: Oxford Research 1998, 2006, and 2010

There is no evidence to support any hypotheses that expats view the economic factors of figure 3.1 in a more positive or negative light because they have been living in Denmark for a shorter or longer period of time.

Denmark is a dual income country

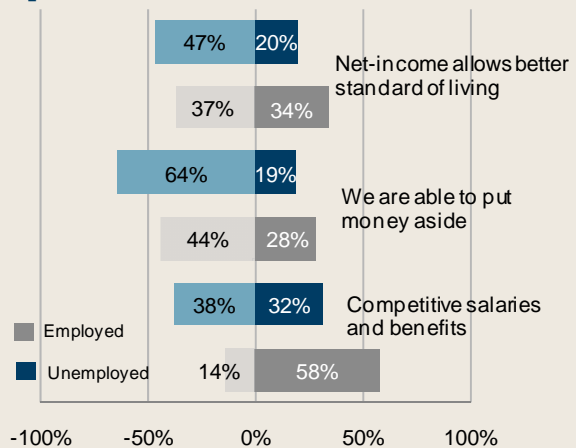
Most Danish families rely on dual incomes in order to pay for necessities, such as housing, food and beverages etc. This is in part due to the percentage of women on the labour market. However, this also means that Danish families that rely on a single income, such as single mothers, have a number of opportunities to get aid from Danish public authorities in order to maintain a standard of living based on one salary. In other words, Danish salaries are less likely to match the economic requirements related to life in Denmark for families relying on a single income than other countries that have a single income structure.

Chapter 4 shows that 16% of expats define their family situation as based on a single income prior to arrival in Denmark. However, after arrival in Denmark, 30% of families rely on a single income. This means that a relatively large group of expat families rely on a single income while in Denmark than in their country of origin. Hence, these families are faced with a challenge when coming to Denmark, as they likely will lose the income of the

spouse and only a few companies reimburse spouses for loss of income. Some 39% of the expats from single income families regard it as a problem that their spouse does not have a job; 70% of these think it is a problem due to the negative impact it has on their standard of living.

It can be seen from figure 3.8 that there are significant differences between employed spouses and unemployed spouses. The figure illustrates the percentage of unemployed spouses (the blue bars) and employed (the grey bars) that agree/strongly agree (positive values) and disagree/strongly disagree (the negative values) with the statements. It is not surprising that unemployed spouses are less likely than employed spouses to agree or strongly agree with three of the statements.

Figure 3.8: Employed and unemployed spouses



Question: Please tick the reply which best represents your personal opinion: My net-income allows me to enjoy a better standard of living in DK than I would have at home; Being an expatriate in Denmark allows me to save up money; The salaries and benefits offered in Denmark are competitive with those offered in other EU countries. Do you work? Neutral answers have been excluded.

The positive number indicate that the spouses strongly agree/agrees. The negative numbers indicate that the spouses strongly disagree/disagree. n = 159-190

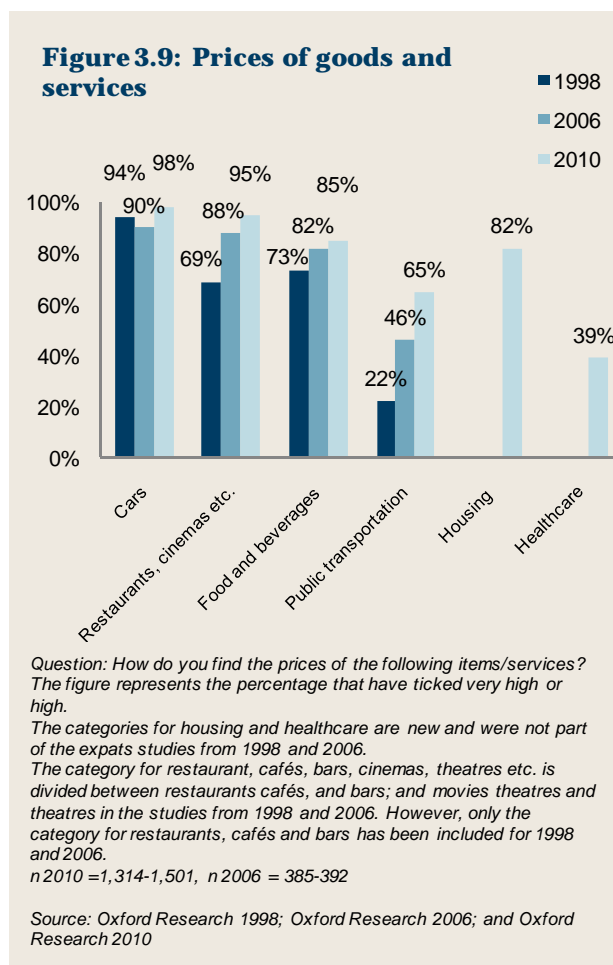
Source: Oxford Research 2010

When examining figure 3.8, it appears that 34% of employed spouses agree or strongly agree that their net income allows them to enjoy a better standard of living in Denmark than back home, while this is only true for 20% of the unemployed spouses. Furthermore, 64% of the unemployed spouses

disagree or strongly disagree that they are able to put money aside while in Denmark. This is valid for 44% of the employed spouses. Finally, it is evident that unemployed spouses are less likely to view the salaries and benefits offered in Denmark as competitive compared to other EU countries than their employed counterparts. Some 32% of the unemployed think the salaries and benefits offered in Denmark are competitive compared to other EU countries, while this applies to 58% of the employed spouses. It can be concluded from the above, that employed spouses view the economic factors more positively than their unemployed counterparts. Hence, spouses' assessments of Denmark are influenced by the economic situation they are in, whether they are employed or not. In other words, whether they are part of a dual or single income family. These results are not too surprising since employed spouses, all things being equal, will have larger economic latitude than unemployed spouses and regard their personal economic situation more positively.

Prices on items and services

Prices of goods and services in Denmark are regarded as being expensive by expats across the board. Figure 3.9 shows the percentage of expats that regard a list of staple goods and services as having a high or very high price. It is evident from the figure that all of the goods and services listed are perceived as being expensive by a majority of expats, with the exception of health care, which is free.²¹



It appears that the percentage of expats that regard goods and services as having a high or very high price has increased during the 1998-2010 period.²² This clearly supports the picture illustrated earlier in figure 3.1, that the general costs of living in Denmark are regarded as high by expats. When looking more in detail at the numbers behind figure 3.9, it is evident that cars are regarded as having higher prices than the figure suggests at first. Some 79% of expats regard the prices for cars as being very high. This means that cars, in the minds of expats, have a significantly higher price than other goods and services, such as restaurants, cafés, bars, cinemas, theatres (66%) and food and beverages (34%). Housing costs in Denmark, in the minds of expats, are also relatively high. Furthermore, since 30% of expats rely on a single income, these 30% are more inclined to regard housing costs in

²¹ There are some exceptions to this such as dental service.

²² Oxford Research 1998: The Expat-Study '98.

Denmark as having a high or very high price compared to expats from dual income families.

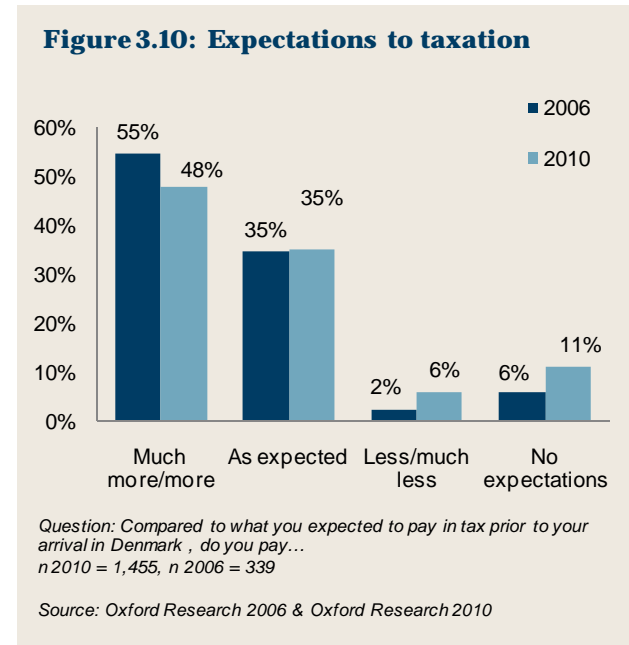
Danish personal income tax has not significantly changed expats perceptions of the tax level in Denmark.

Taxation

Taxation is closely related to the cost of living. The cost of living is a central aspect when expats decide where to live and work. Denmark is a highly taxed country and has traditionally been perceived as having higher taxes than most countries. Since expats are only staying in a country for a relatively short period of time, it may be regarded as a disadvantage if healthcare, education and other social services are financed by high tax rates, as they are likely to get a limited return. However, when comparing tax burdens, it is important to note that other countries with lower tax rates might require payments for services that are financed through taxes in Denmark. Hence, how expensive a country is perceived to be may not be directly linked to its tax rate. Nevertheless, a high tax level may be a decisive factor for expats deciding where to work and live and discourage them from going to countries that have a high tax level.

Expectations to taxation

The Danish personal income tax for the typical expat in 2010 is 44.9%, which constitutes a drop from 49.7% in 2009.²³ This means that the Danish income tax level is below EU-15 average. However, it is important to assess how expats regard the tax level. When asked whether or not the tax level in Denmark was higher than they expected, 51% of expats in 2006 stated that they did not expect the Danish tax level to be so high.²⁴ Figure 3.10 illustrates that the picture remains only marginally changed, as 48% of expats today regard the Danish tax level as higher or much higher they expected. Some 35% indicate that it was as expected, while only 6% think it is lower or much lower than they expected. A final 11% had no expectations about the Danish tax level. Thus, so far the lowering of the



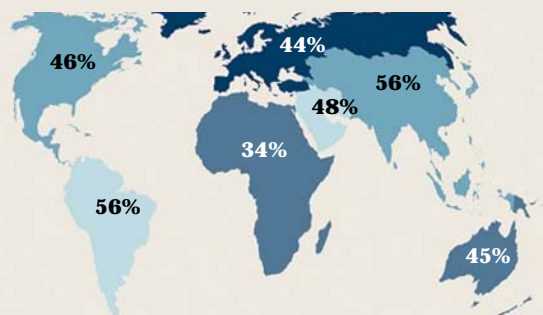
When examining the numbers behind figure 3.10 closely, it is evident that there are only marginal differences between the expectations of expats employed in the public sector and the private sector. There is no statistical connection between expats' age or their family status and how they view taxation in Denmark.

It is evident from figure 3.11 that the perception of taxation in Denmark differs depending on what part of the world expats come from.. It appears that expats originating from Asia and South America were the groups with the largest discrepancy in the expected and actual tax rates. North America, Europe, Oceania, and the Middle East all regard the Danish tax level largely the same. Expats from Africa were the most positive about the tax level in Denmark.

²³ This is for a single individual with no children earning 167 percent of the average production worker wage. Source: the Danish Tax and Customs Administration.

²⁴ Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006.

Figure 3.11: How is taxation in Denmark regarded, according to the origin of expats

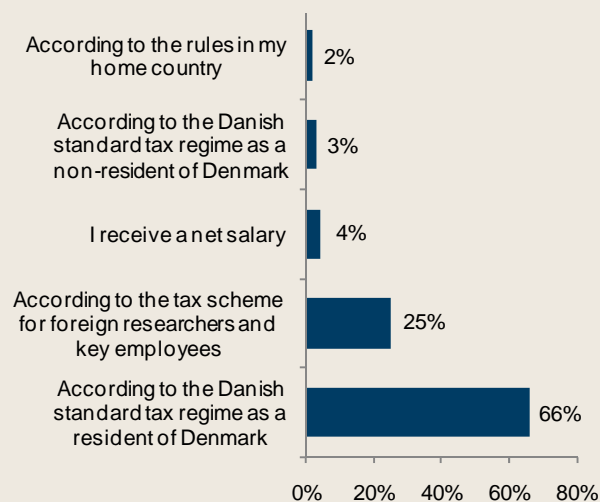


Question: What is your country of origin? Compared to what you expected to pay prior to your arrival in Denmark, do you pay...? The figure illustrates the percentages that have stated much more/more.

n = 1,503

Source: Oxford Research 2010

Figure 3.12: Taxation of expats in Denmark



Question: How are you taxed in Denmark?
n = 1,379

Source: Oxford Research 2010

Expats in Denmark pay tax according to five different schemes. Figure 3.12 shows that two thirds of expats in Denmark are taxed according to the Danish standard tax regime as a resident of Denmark, while 25% pay tax according to the tax scheme for foreign researchers and key employees. Only a minor portion of the expats is taxed differently: 4% receive a net-salary, 3% are taxed according to the Danish tax regime as a non-resident of Denmark, and 2% are taxed according to the rules in their home country.

If expats meet certain requirements, they can qualify for a special tax programme. The tax scheme for foreign researchers and key employees can reduce their tax level to either 25% for three years or 33% for five years (see box 3.13). However, as of 1 January 2011 the present tax scheme will be replaced with a new scheme. The new tax scheme is applicable for five years and has a tax level of 26%.²⁵

²⁵ Forslag til lov om ændring af kildeskatteordningen (ændring af skatteordningen for udenlandske forskere og nøglemedarbejdere)

Box 3.13: Tax reduction scheme for expats

Researchers and key employees from abroad who are in high demand in Denmark can qualify for a special tax programme that reduces income tax rates to 25% for up to three years, or 33% for up to 5 years (not including ATP contributions and the 8% labour market contributions).

To qualify for the tax rate:

- The employer must be Danish (or a Danish branch of a foreign company)
- Key employees must earn at least 63,800 DKK (EUR 8,571) per month before tax but after ATP, labour market contributions or any obligatory foreign tax contributions
- The employee must not have paid tax in Denmark for a period of three years prior to being employed in the new position
- The employee must not have worked for another company within the same group for a period of three years prior to, and one year after, no longer being subject to Danish taxes.

If you are a researcher at an institution covered by the Danish Government's Research Institution Act, it is up to the management of the institution to decide whether you qualify as a researcher. Researchers at other institutions are approved by a state research council. The OECD definition of research and development is used when evaluating whether a position qualifies (There are no minimum salary requirements for approved researchers).

The Danish government plans to amend its expatriate tax regime. A bill was tabled in Parliament on 17 November 2010. According to the current regime, qualifying foreign employees in Denmark, under certain conditions, are entitled to elect to be taxed at a 25% rate for three years or a 32% rate five years. Under the terms of the bill, such employees would be taxed under one system: a 26% rate over five year period starting in income year 2011.

Read more in 'Tax scheme for foreign researchers and key employees (25% or 33% taxation)' at www.skat.dk

As shown in figure 3.12, 25% of expats in Denmark pay tax according to this special tax programme. This is up from 19% in 2006.²⁶ There are differences in the tax schemes expats in the public and private sectors are subject to. Some 31% of the expats in public sector jobs are paying tax according to the reduced tax scheme, while this only applies to 19% of private-sector employees. This is not too

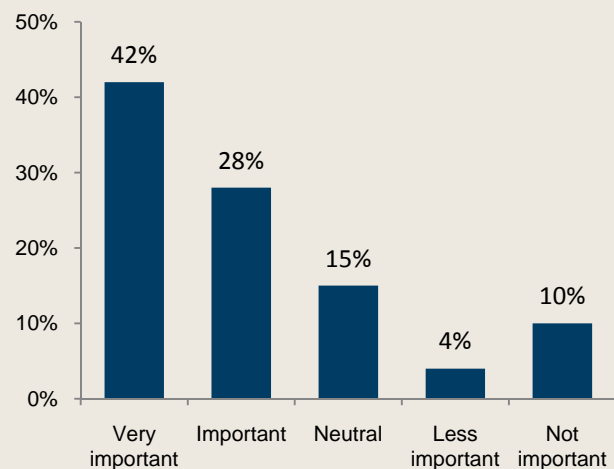
²⁶ Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

surprising, as the tax scheme is directed, to some degree, at researchers who are often employed in the public sector.

Effect of reduced tax scheme

Figure 3.14 illustrates the importance that the reduced tax scheme has for the expats qualifying for it: 28% indicate it is important and 42% indicate it is very important. Thus, in total 70% of expats qualifying for the reduced tax scheme indicate that it was important to them when accepting their current job in Denmark, while 14% say it was less important or not important. This means that the reduced tax scheme has become increasingly important since 2006, when 63% stated that applicability of the reduced tax scheme was a condition for coming to Denmark.²⁷

Figure 3.14: The importance of reduced taxation



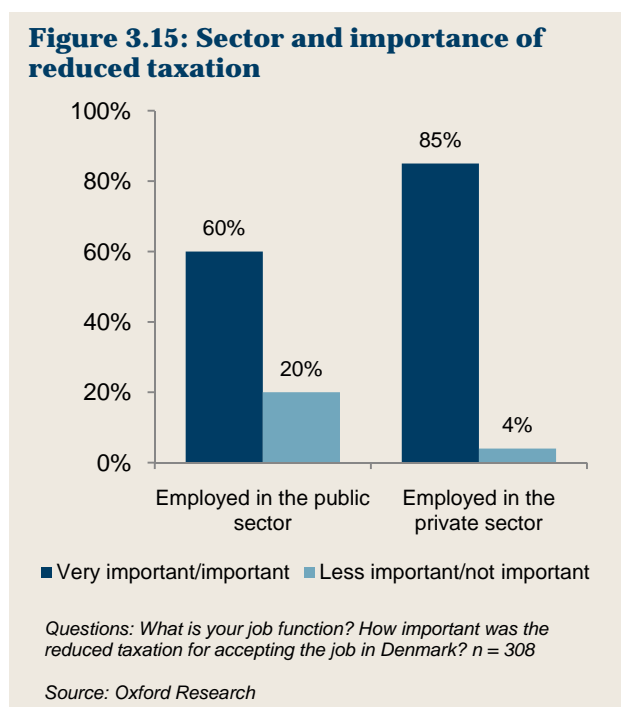
Question: How important was the reduced taxation for accepting the job in Denmark?
n = 335

Source: Oxford Research 2010

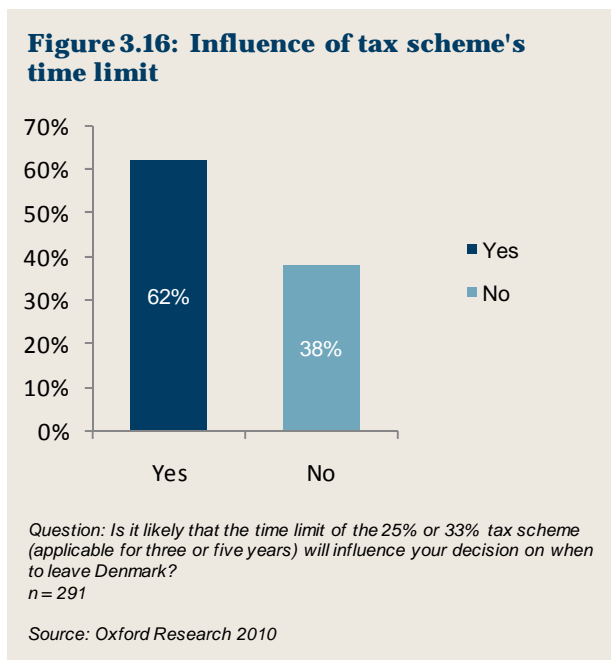
There are some noteworthy differences between expats employed in the private sector and in the public sector. As shown in figure 3.15, 85% of the expats employed in the private sector state that it was an important or very important reason for

²⁷ Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

accepting their current assignment, while 60% of the expats employed in the public sector indicate it as a central aspect for accepting their current job. Only 20% in the public sector and 4% in the private sector indicate that it is less important or not important.



The reduced tax scheme is not only important when attracting expats, it is also central for retaining expats. In 2006, 50% of expats indicated that the length of time they qualified for the reduced tax scheme would influence their decision to leave Denmark.²⁸ Figure 3.16 shows that this number has increased, as 62% state that the inherent time limit of the tax scheme influences their decision on when to leave Denmark. However, 38% say it will not influence their decision to leave.



Differences can be seen in the opinions of expats employed in the private and public sectors. Private-sector employees are more likely to let the time limit influence their decision to leave Denmark (69%), while only 42% of expats in the public sector state it will influence their decision.

In the Expat Study 2006 a number of companies voiced concern that high tax rates discouraged many potential employees from working in Denmark; thus, reducing their recruitment base.²⁹ However, the tax scheme for foreign researchers and key employees does, to some degree, help to attract expats to Denmark. It is a problem, though, that the scheme does not apply for longer than three or five years, as many expats are attached to research programmes spanning ten to fifteen years. To conclude, the reduced tax scheme remains a central tool for attracting expats, but the inherent time limit influences Denmark's ability to retain expats.

²⁸ Ibid.

²⁹ Ibid.

FAMILY LIFE

Going abroad entails many considerations, including practical issues such as where to live, working conditions, and career opportunities but also how to involve and integrate one's family into a new country and culture. The choice of whether or not to bring your closest family is a corner stone in the general considerations about being an expat. It is crucial to look at the expats' family as they often hold the key to a successful stay in Denmark. One of the primary reasons for expats to leave Denmark is due to family reasons. If the family has difficulties integrating then the expat will most likely not be integrated either. Hence, this chapter will examine central issues relating to the life of spouses in Denmark.

Nearly all expats in a relationship are accompanied by their spouse when coming to Denmark or will be shortly after their arrival in Denmark. For expats that do not bring their spouse it is often because the spouse has a career in the home country. There has been a positive development for spouses finding employment in Denmark since the expat study of 2006, but unemployment is still a concern and consideration for many spouses when going abroad.³⁰

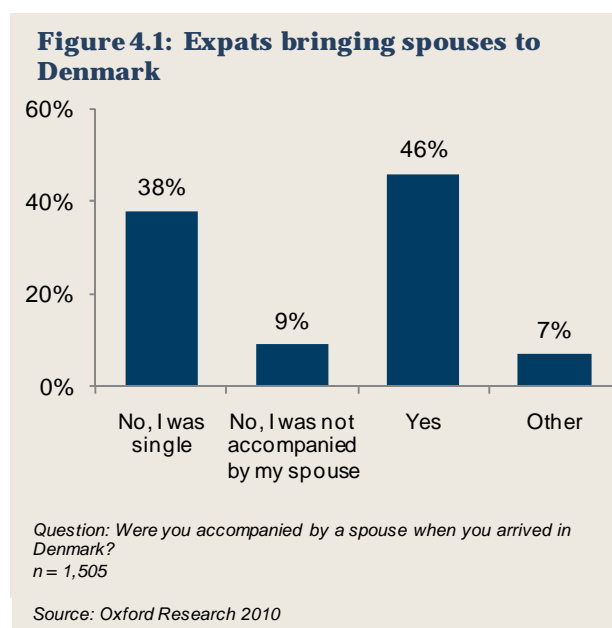
Expats that have small or young children will most likely bring them to Denmark. It is central for expats bringing children to Denmark that there are sufficient educational possibilities for them. Most expats have a high level of satisfaction with the educational opportunities for their children as well as the school they are actually attending. Three out of four expats are satisfied with their children's school no matter if it is an international school or a Danish school. On the other hand 16% of expats that do not have their children enrolled in an international school would prefer that their child attended one.

This chapter provides suggestions on how to attract and retain families in Denmark. These issues focus on the work-life of the expat and spouse. Another importance issue is developing a good social life

while in Denmark; which many expats feel is a difficult task.

Bringing your spouse or partner

It can be seen from figure 4.1 that 46% of expats have brought their spouse with them to Denmark, while 9% did not bring their spouse, and 38% are single. Hence, the vast majority of expats in a relationship bring their spouse. Compared to the expat study of 2006 there has been a drop in the percentage of expats in a relationship that does not bring their spouse from 17% in 2006 to 9% in 2010.³¹



There are 7% of the answers that have been given as "other". Several are situations in which the spouse is already in Denmark when the expat arrives or the spouse arrives in Denmark at a later point in time. Reasons for this can be that the spouse had to finish something before leaving or because the expat went

³⁰ Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

³¹ Ibid.

alone to test the job and country before bringing his or her family.

The majority of spouses are women (79%) and as shown in figure 4.2, nearly half of all spouses are in their thirties.

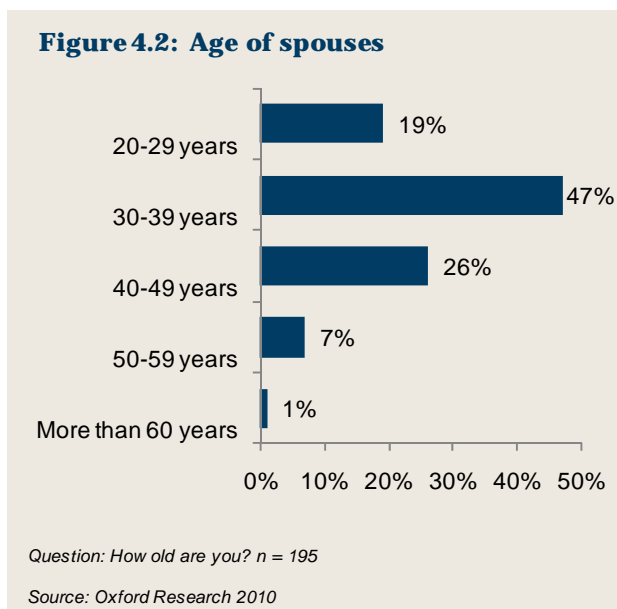
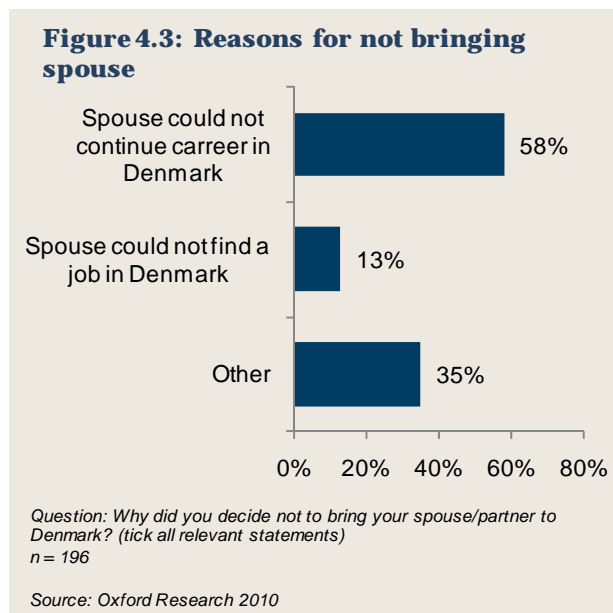


Figure 4.3 illustrates that the primary reason, indicated by 58% of expats, for not bringing their spouses is the lack of opportunity for the spouse to continue his or her career in Denmark, while 13% state that their partner could not find a job in Denmark.



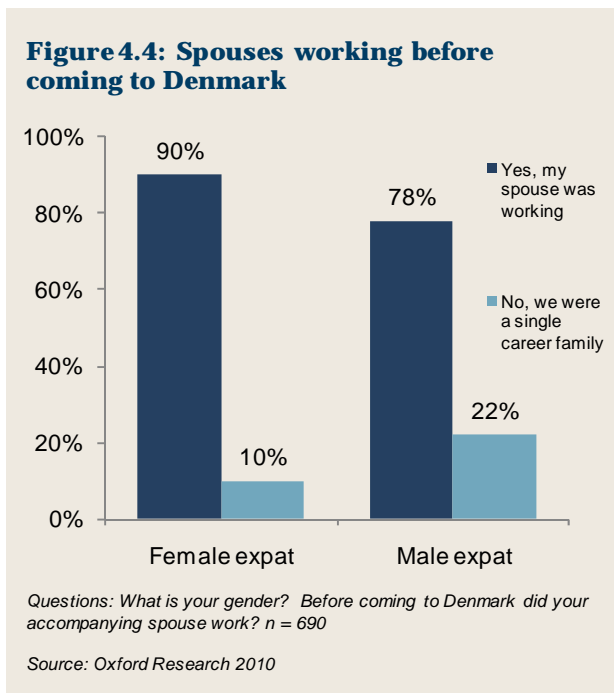
This clearly indicates that the employment of spouses matters and that single-income families are not a common arrangement. On the contrary, it is important for most families in Denmark that both partners have a career. This has to be taken into account by companies and countries trying to become attractive for expats. Furthermore, 35% percent indicate that there are other reasons for not bringing their spouse to Denmark. Whether or not one chooses to bring a spouse could depend on the proximity of the expat's country of origin. For example, coming from a country close to Denmark gives expats the opportunity to travel back and forth more frequently. However, when breaking down the data on nationality, there is no clear pattern that supports a dependency on country of origin.

Life as a spouse

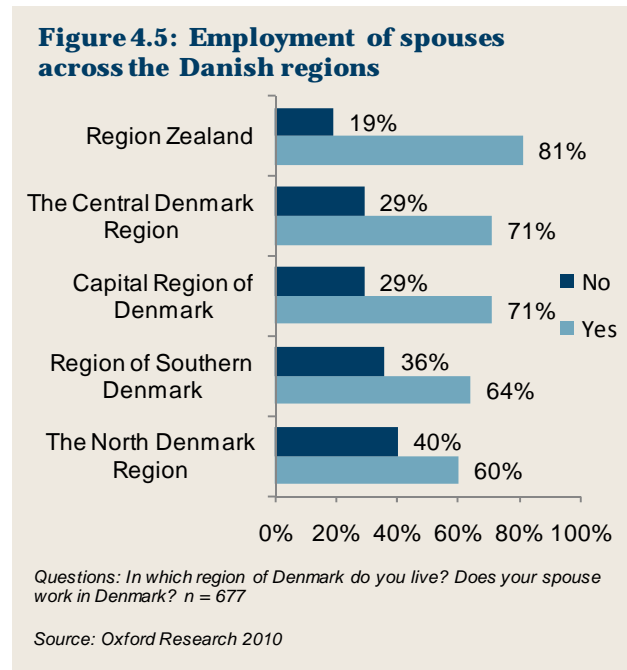
Having pointed out employment as a central issue in expats' decision for not bringing their spouse, it is of interest that 16% categorise themselves as single-income families before coming to Denmark, while this is the case for 30% of expat families in Denmark. Furthermore, 84% of spouses were employed prior to arriving in Denmark, while this is only the case for 70% of the spouses in Denmark. Hence, it appears from these numbers that a larger

percentage of expats rely on a single income and have unemployed spouses after coming to Denmark.

There are some genders differences with regards to employment in the home country of the spouses, and it appears from figure 4.4 that the majority of the unemployed spouses are women. Hence, as seen from the figure 10% of the female expats relied on a single income in their home country, while this was the case for 22% of male expats.



As already stated 30% of expat families are single-career families while in Denmark. However, there are some regional differences. As can be seen from figure 4.5, the highest employment rate among spouses is found in Region Zealand in which 81% of spouses are employed. The largest share of single-income families is found in The North Denmark Region in which 40% of the spouses are out of work.

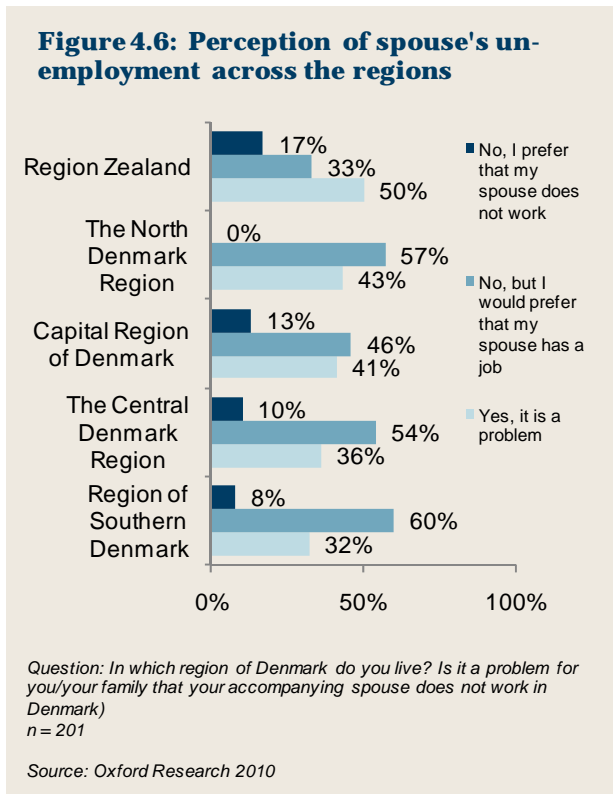


None of these findings tell us whether or not being a single-income family is a voluntary choice or not. As shown previously, 16% of expat families relied on a single income before coming to Denmark. This may give the impression that unemployment is a voluntary choice for 16% of spouses. However, since 30% of spouses are unemployed in Denmark there is some indication that, at least for the group that were employed in their home country, unemployment is not a voluntary choice.

However, it might be that going to another country makes some families change their priorities. Maybe it is a choice to be a single-income family in order to get the unique experiences associated with living in another country or to obtain special career opportunities. Hence, it could be that the difference between employment status before coming to Denmark and while in Denmark reflects a choice and not a problem for the expats involved.

When asking expats with unemployed spouses, 49% say that it is not a problem that their spouse is unemployed, but they would prefer if their spouse had a job. However, 39% of the expats with unemployed spouses explicitly define it as a problem. Combining the two percentages means that 88% of expats with unemployed spouses would want their spouses' job situation to be different.

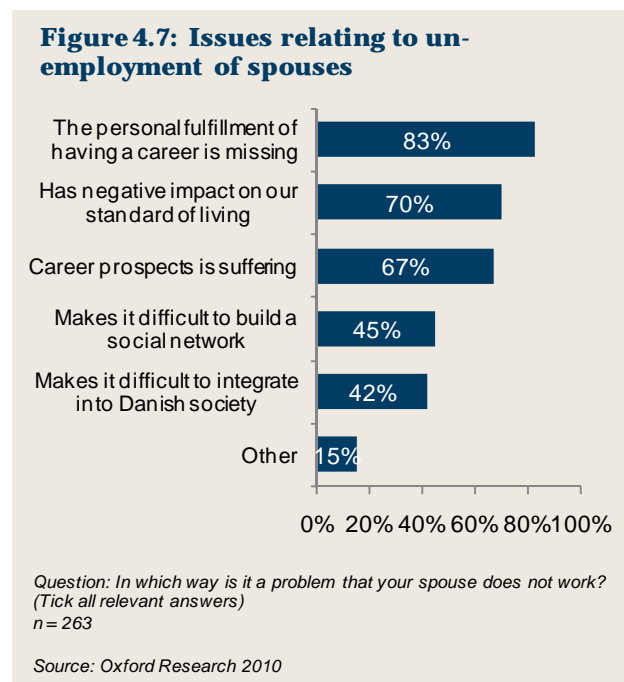
Figure 4.6 shows the regional distribution across Denmark.



The regional differences in the perception of whether unemployment of spouses is a problem or not is illustrated in figure 4.6. The figure may indicate that there are differences in expectations to the expat life across the regions. In Region Zealand, 33% do not consider it a problem and as illustrated in figure 4.5 “only” 19% of the spouses in Region Zealand are unemployed. It is also interesting to find that no expats in the Northern Region of Denmark prefer their spouse not to work, bearing in mind that the region has the highest unemployment rate among spouses. The findings may not be surprising since employment rates at regional level among spouses are linked with expectations to getting a job.

When digging further into why unemployment among spouses is considered a problem by expats, it appears from figure 4.7 that the vast majority of expats point to the lack of personal fulfilment of having a career and that the career prospects of

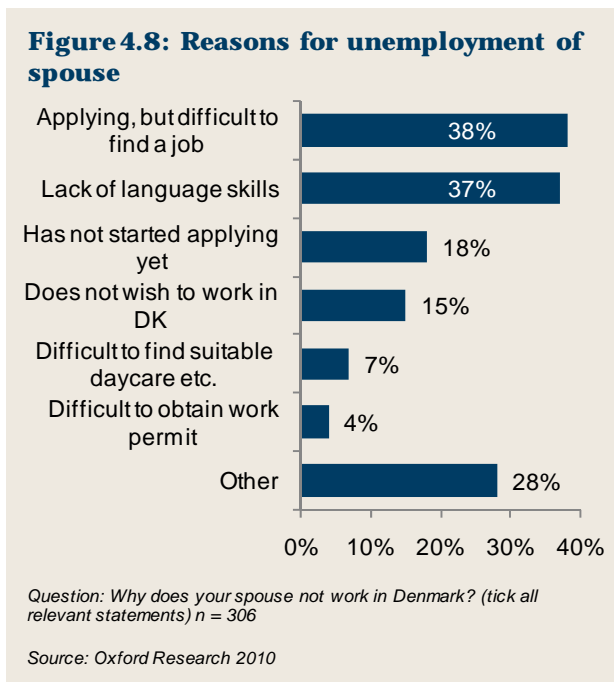
their spouses are suffering. These issues rank considerably higher than those associated with having a social life while in Denmark; which is represented by social network and integration in to Danish society with 45% and 42% respectively. Knowing that the majority of the expat families are used to having two incomes, it may not be surprising that the unemployment has a negative impact on the standard of living.



Male expats are more likely to consider it a problem that their spouses are unemployed compared to female expats. Half of the male expats consider unemployment a problem for their spouses’ opportunity to integrate in the Danish society, while this is only true for 21% of the female expats with an unemployed spouse. Likewise 53% of the male expats consider unemployment of their spouse a problem in relation to building social networks in Denmark, while only 23% of the female expats consider this a consequence of their spouses’ working status.

Having defined unemployment as a problem or at least a challenge, the next question is why expats think their spouses are not working. As illustrated in figure 4.8, 15% state that their spouses does not wish to work in Denmark, and 18% have not yet

started applying for work. Hence, there is a group comprising of approximately a third of expats that does not believe that their spouses have aspirations of joining the labour market in Denmark. However, it is interesting to examine those spouses that are trying to get a job but are having difficulties obtaining work (38%) and those citing a lack of language skills as a reason for remaining unemployed (37%).



A rather large share (28%) has answered “other”, which primarily covers expats who cited maternity leave, children with special needs, or that their spouse attend school.

“Most jobs seem to be filled with candidates from existing networks, which by definition are native” 40-year-old expat woman with previous expat experience and whose spouse is unemployed

When looking at the differences between genders and the current work situation, the findings confirm an expected gender specific problem, such as

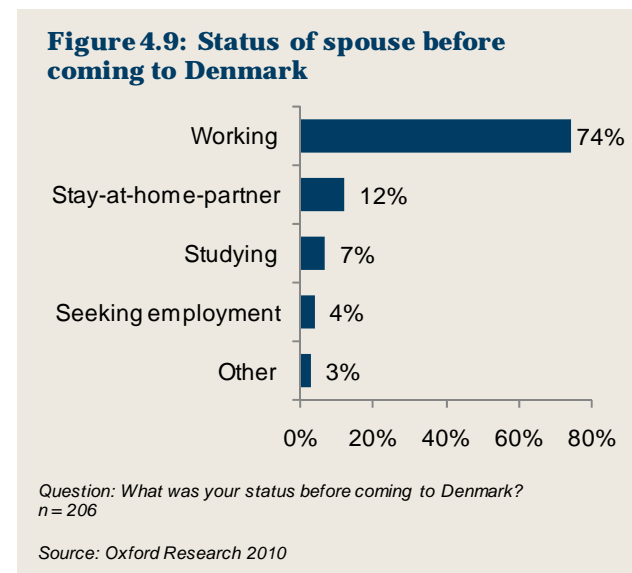
difficulty finding suitable daycare for children, but may also go against conventional expectations by showing a low difference in gender on whether or not the spouse wishes to work when in Denmark.

Still it has to be kept in mind that the answers above are the view of expats, which may differ from the assessments made by the spouse themselves.

Expatriate family life according to spouses and partners

The previous subchapter examined expats’ perspectives on the lives of their spouses. We now turn to the spouses and their perspectives on life in Denmark.

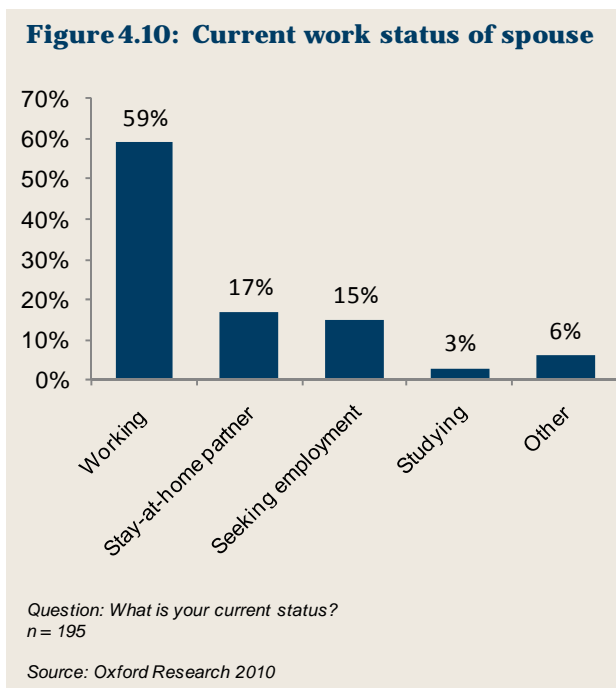
Earlier it was found that 16% of expat families relied on a single income before coming to Denmark. A more detailed picture is obtained when asking the spouses themselves of their employment status prior to arriving in Denmark. It is shown in figure 4.9 that 74% of spouses define themselves as working before coming to Denmark, 12% were stay-at-home-partners, 7% were studying, and 4% were seeking work.



Compared to the current situation of spouses in Denmark it can be concluded from figure 4.10 that 59% are employed, 17% are stay-at-home-partners,

15% are seeking employment and 3% are studying. Thus, spouses that are employed in Denmark have dropped by 15 percentage points, spouses that are seeking employment after coming to Denmark have risen by 11 percentage points. In other words, approximately 80% of those spouses that were employed before coming to Denmark are also employed while in Denmark. This is a positive development since the findings of the expat study of 2006 in which only two thirds of the spouses who had been employed before leaving for Denmark found employment while in Denmark.³²

Figure 4.10: Current work status of spouse



Working status specified by gender shows that 73% of male and 55% of female spouses are employed. This is partly due to a larger part of stay-at-home-wives than husbands, since there are only minor differences between the genders wishing to have a job. The explanation may be due to the fact that it was found that more women than men were unemployed but had not yet started seeking employment.³³ These women may designate their

status as stay-at-home wives and not seeking employment.

When examining the connection between working status and the time spent in Denmark it is clear that the longer spouses have stayed in Denmark the higher their employment rate is: 79% of Spouses that have been more than 3 years in Denmark are employed, while this is the case for 51% that have been in Denmark between 6 months and three years. Only 24% of spouse that have been in Denmark less than 6 months are employed.

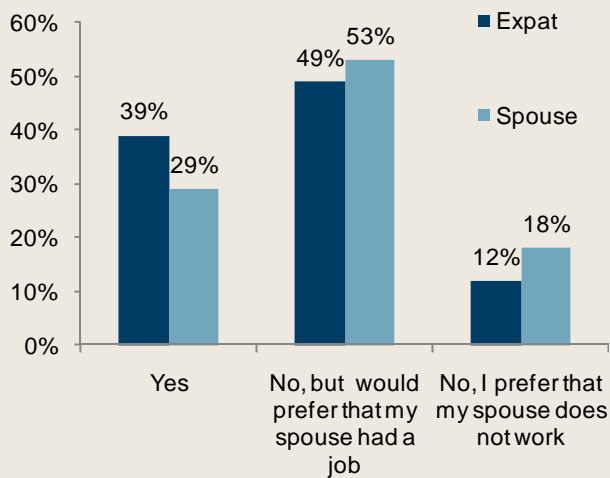
When asking the unemployed spouses whether unemployment is a problem, it is found from figure 4.11 that 29% define it as a problem; which is 10% less than expats who perceive it as a problem that their spouses does not work. 53% of spouses indicate that being unemployed is not a problem, but that they would prefer to have a job. Actually, it seems that the expats are more concerned about their spouses' work situation than the spouses themselves. This is clearly presented in the fact that a larger percentage of spouses state that they prefer not to work compared to the percentage of expats that prefer their spouse not working.

³² Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

³³ It is acknowledged that male expats may have male spouses but in the effort to ease the readability spouses of male expats are

considered to be mainly female and denoted as such and vice versa.

Figure 4.11: Perception of unemployment of spouse

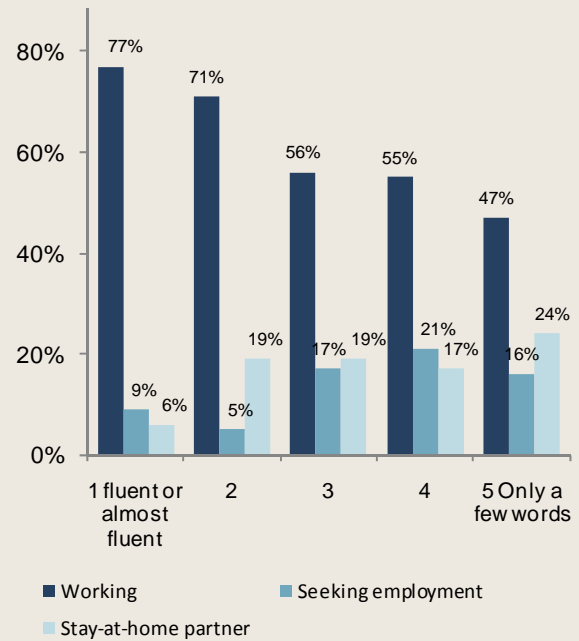


Questions: Is it a problem for you that you do not work in Denmark? Is it a problem for you that your accompanying spouse does not work in Denmark?
n = 45-208

Source: Oxford Research 2010

When examining the unemployed spouses it is evident that a majority have a desire to get employment. One barrier in that respect is related to Danish language difficulties. The lack of Danish language skills makes it difficult for spouses to get a job. Looking at the connection in figure 4.12 between Danish language skills and current work status there is a correlation between being employed and good language skills in Danish.

Figure 4.12: Link between language skills and working status



Questions: How would you rate your spoken Danish language skills? What is your current status?
Studying and other have been excluded.
n = 195

Source: Oxford Research 2010

On the other hand, figure 4.12 may also express that employment in Denmark can improve your Danish skills. However, the connection between language skills and employment is clear and may influence each other.

Bringing children

The majority of spouses in Denmark are in their thirties (see figure 4.2) and it is therefore likely that they have small or young children. Hence, expats also have to consider bringing their children when going abroad: 47% of expats with children state that they were accompanied by their children when they arrived in Denmark, while 37% have chosen not to bring their children.

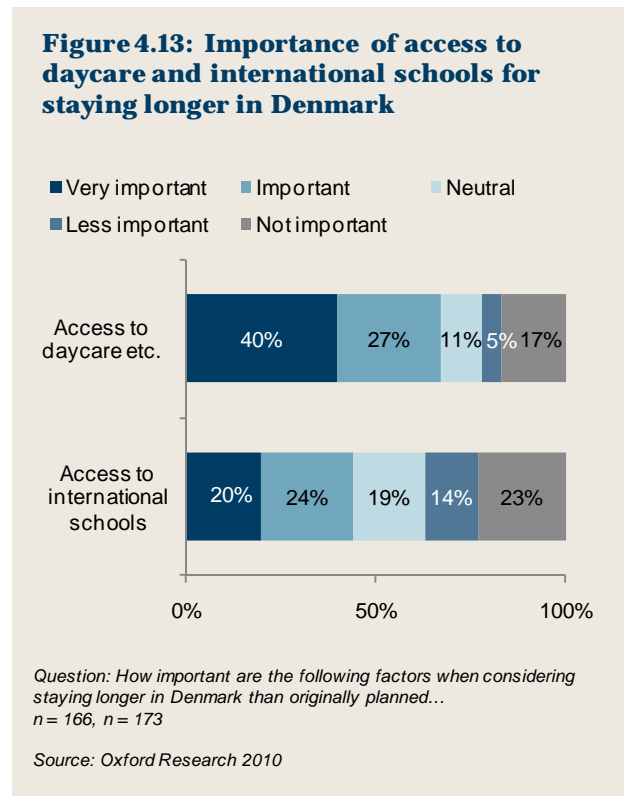
Going through the reasons of the 37% of expats that did not bring their children, three major categories have been identified. First, expats indicate that they have adult children or young adult children

attending college or university. Secondly, expats refer to their children living with their ex-partner. Finally, a large group of expats indicate that considerations regarding their children's education are the reason for not bringing them to Denmark.

This shows that expats assess education in Denmark and the opportunities that their children have while in Denmark. Hence, it is important to look at how expats view education and other elements that are important for bringing children to Denmark. Firstly the priority and assessment of access to daycare and international schools will be explored. Secondly the attendance at school or daycare and the satisfaction with the service provided will be examined.

Availability of daycare and international schools

Expats have been asked about the importance of access to daycare and international schools in their decision to stay longer than planned in Denmark. It can be seen from figure 4.13 that 67% of expats find access to daycare important or very important for staying longer than planned. This is only the case in 44% of the answers concerning international schools.



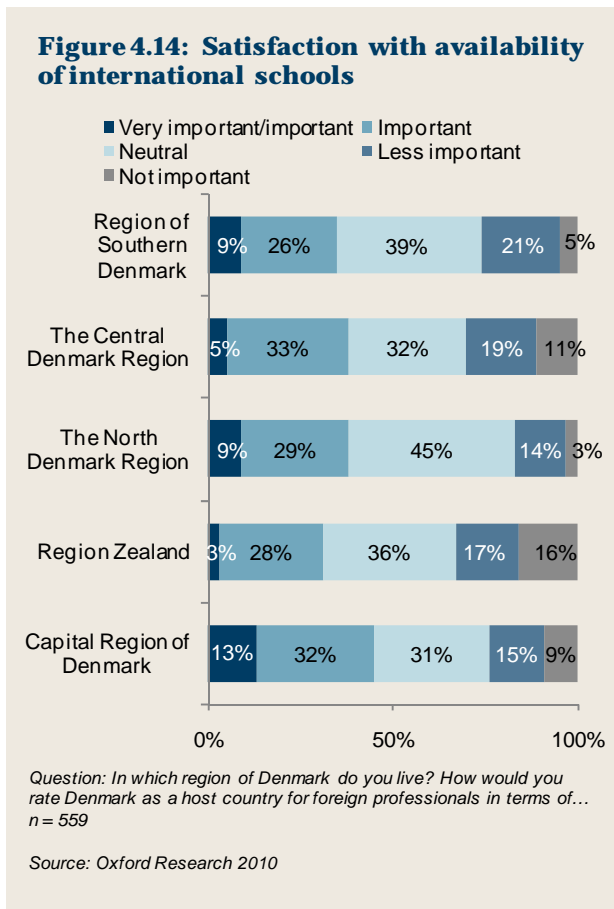
The importance of daycare may be gender specific, recalling that the lack of daycare for children being stated as a reason for spouses was unemployed. When looking at the assessment of daycare there is a gender specific difference since 30% of male respondents find daycare less important, while this is only the case for 19% of the female respondents.

The gender specific differences when assessing the importance of access to daycare may not be surprising recalling the above mentioned link to the employment status of female spouses, but when looking at the assessment on international schools it is rather surprising, that 56% of the male respondents finds access to international schools less important compared to 33% of the female respondents. There is no obvious reason for this difference between the two sexes, but it shows that the female respondents in general give higher priority to the access to daycare and international schools than the male respondents.

However, in general access to daycare and international schools are important to the expat families. Looking at satisfaction with availability of international schools, 42% find the availability good

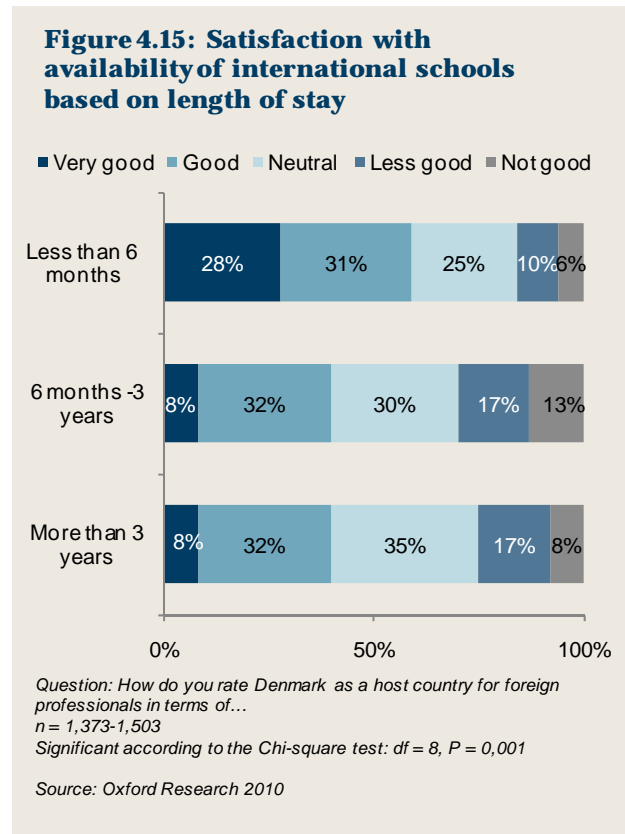
or very good, while 26% have stated they find the availability less or not good, and 32% are neutral.

The satisfaction with availability of international schools differs across the regions. Satisfaction is highest in the Capital Region of Denmark and lowest in the Region Zealand (see figure 4.14). There are rather big differences in the level of satisfaction in these regions.



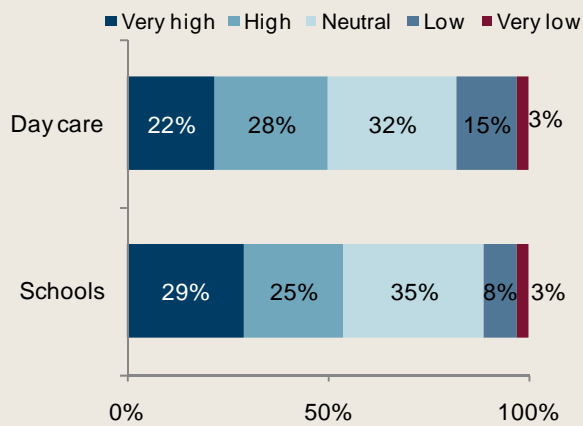
Satisfaction with access to international schools is influenced by the time expats have spent in Denmark. Some 59% of expats that have been in Denmark less than 6 months find the availability of international schools good or very good. However, as illustrated in figure 4.15, after 6 months in Denmark the satisfaction drops to 40%. There is no obvious explanation as to why the assessment changes over time. One would have thought that longer time in Denmark would give the opportunity

to get to know more options and thereby rate the availability as higher, but this is not the case.



An important aspect in relation to availability of daycare and international schools are the costs. The cost level of daycare and international schools may be a negative factor to the assessed availability. Expats indicate that they regard expenses for daycare and schools as high; hence, as shown in figure 4.16, 50% declare prices of daycare to be high or very high, while 54% declare the same for schools.

Figure 4.16: Prices on daycare and schools



Question: How do you find the prices of the following items/services in Denmark? n = 476-678

Source: Oxford Research 2010

How expats regard the price level of daycare and schools to some extent depend on their country of origin. It is found, that respondents from the Middle East have the largest share who find the prices very high, and no expats from the Middle East find the prices low or very low. On the contrary, respondents from North America have the largest share who finds the prices low, very low or are neutral to the question.

To sum up, expats assess access to daycare and schools as relatively good, but it covers rather big differences between the regions. Surprisingly, the perceived availability of international schools decreases with time spent in Denmark. And lastly the cost of day-care and international schools is considered to be high.

Choice and satisfaction

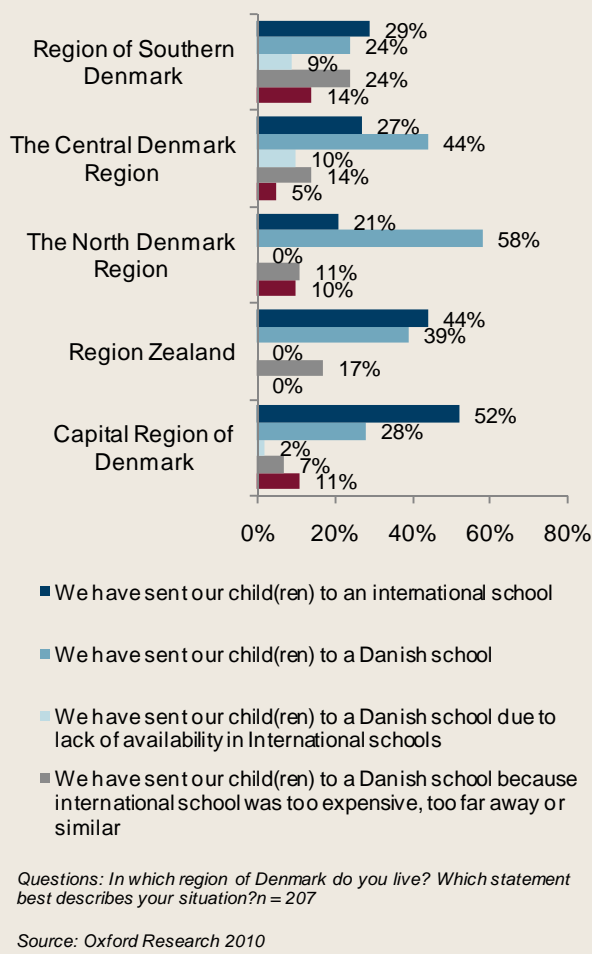
The importance of and access to daycare and international schools were investigated in the previous subchapters. However, the choices made by expat families and the satisfaction with the choices made are examined in the following subchapter.

The reason for access to daycare being considered more important than access to international schools (see figure 4.13), may be found in the fact that many children of expats are attending Danish schools. In

fact, 41% of expats state that their children attend international schools, while 34% attend Danish schools, and an additional 16% attend Danish schools due to lack of availability of an international school or because to the international schools are considered too expensive, too far away or similar. Recalling the large percentage of expats in figure 4.16 who find the prices of schools as high, it is probable that price levels are a likely explanation.

Geography might also play a part in availability and thereby the actual choice of schools. As shown in figure 4.17 the types of schools used differ across the regions. The highest percentage of expats whose children attend international schools are found in the Capital Region of Denmark (52%), which is approximately double the percentage found in the Region of Southern Denmark, the Central Denmark Region, and the North Denmark Region. It is clear that the choice of a Danish school due to high cost of international schools or distance to international schools is more common outside the Capital Region, especially in the Region of Southern Denmark (33%) and the Central Denmark Region (24%). This indicates that distance might explain why no one in the North Denmark Region has referred to lack of availability.

Figure 4.17: Type of school used by expats



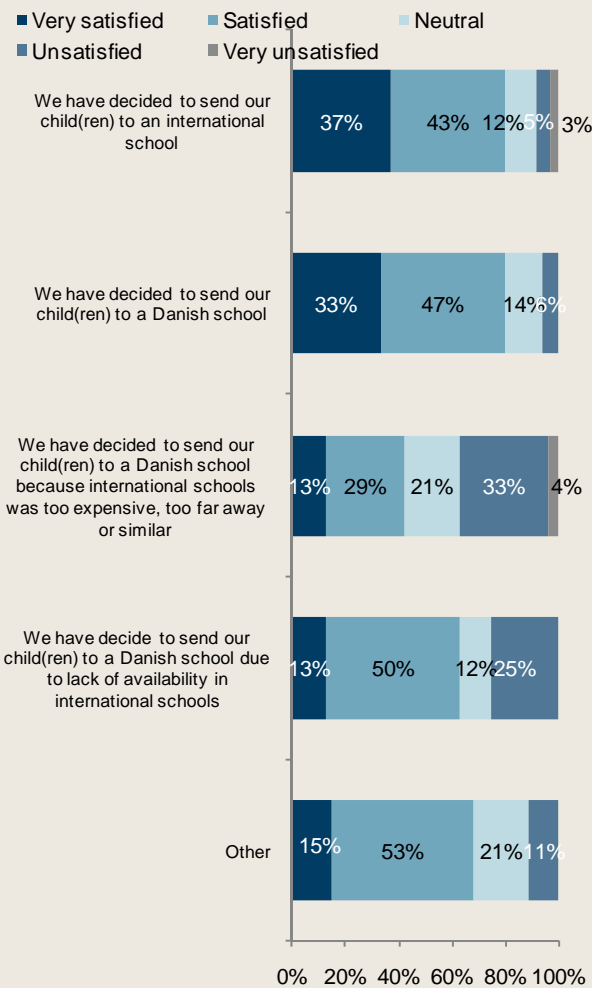
school system makes a larger percentage of expats send their children to Danish schools.

The expenses connected with having a child attending an international school becomes a greater issue over time. Thus, 15% of expat families that have been in Denmark more than three years state the expenses or the placement of the international schools as reasons that have made them send their children to a Danish school. Costs over time do add up, but should not claim a larger share of the family income over time. It may be more likely that time used for transportation, or families that move during their stay in Denmark change the perception of whether or not an international school is placed too far away from the family home.

When examining satisfaction with the school in Denmark it is clear from figure 4.18 that expat families that have made restricted choices on schools are less satisfied. Expats that have chosen an international school or a Danish school are equally satisfied. But the expats whose children attend a Danish school due to the lack of availability, the cost or the distance to an international school are less likely to be satisfied with the school.

The actual attendance in international and Danish schools differs according to how long the expat's family has been in Denmark. There is a connection between how long expats have stayed in Denmark and whether their children are attending Danish schools. Thus, 46% of the respondents who have been in Denmark in more than three years have children attending Danish schools, whereas 34% describe their status as such when looking at expat families in general. Furthermore, 63% of expat families that have been in Denmark less than 6 months have children attending international schools; this is the case for 29% that have been in Denmark more than three years. Hence, there seems to be a connection between how a long time expat families have been in Denmark and whether they use international or Danish schools. This might indicate that getting acquainted with the Danish

Figure 4.18: School option and satisfaction with school in Denmark



Question: Which statement best describe your situation (only one answer)? How satisfied are you with the quality of your child(ren)'s school.
n = 209

Source: Oxford Research 2010

It may be surprising to some that the satisfaction of attending a Danish school and an international school are the same. Furthermore, time in Denmark does not influence how satisfied expats are with their children's schools.

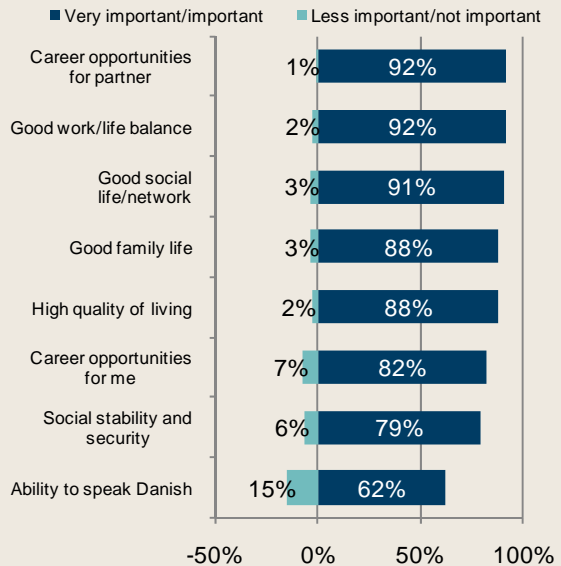
To sum up, satisfaction with one's children's school does not depend on whether it is an international school, but on whether the choice has been restricted directly by the lack of international schools, by high costs, or by distance to the school.

The choice is also influenced by the region in which the expats are living. Furthermore, the longer expats have stayed in Denmark the more likely they are to have children that attend Danish schools.

Improvement of expat family life in Denmark

To finalise the exploration of family life for expats in Denmark the respondents have been asked for suggestions for improvement and figure 4.19 illustrates the main issues which expats consider important for staying in Denmark longer than planned. It can be seen from the figure that all of the issues listed are considered important by almost all spouses. The only exception is the importance of ability to speak Danish, which 15% have indicated is less or not important for staying longer than planned.

Figure 4.19: Relative importance of factors when considering staying in Denmark



Question: How important are the following factors when considering staying longer than planned in Denmark?
Respondents answering 'neutral' are not included.
n = 199-204

Source: Oxford Research 2010

Keeping in mind the earlier findings of employment as a central factor when deciding to bring spouses to Denmark, it may not be surprising that 82% of spouses point to personal career opportunities as an important factor for considering whether or not to stay in Denmark. But, it is somewhat surprising that it is 10% lower than the importance of the career opportunities for the partner (i.e. the expat). This might illustrate that many families are in Denmark due to the career opportunities of the expat and that the career of the spouse comes in second.

Also surprising is that 15% of spouses find the ability to speak Danish of less importance or even unimportant which makes “ability to speak Danish” the lowest rated issue of importance for staying longer in Denmark than planned. This is in contrast to the earlier findings, which have shown that language skills are closely related to employment and are also a recurring issue when going through the open answers in the survey. However, in figure 4.19 it is assessed as the issue with the lowest importance. Even though, Danish language skills are identified as being of less importance than, for example, career opportunities, it was seen from figure 4.12 that good Danish language skills are connected with spouses’ level of employment.

Digging further into the answers some gender specific differences are found as females are more likely to emphasise the importance of a good work-life balance. Gender specific differences are also clear with regard to the importance of Danish language skills for staying longer than planned: 66% of female spouses find the ability to speak Danish very important when considering staying in Denmark, while this is the case for 49% of male spouses.

The spouses have also been asked to describe suggestions for improvements of their conditions while in Denmark. There are many suggestions, and the following are a few of the recurring themes.

Language

Many spouses have requested an improvement in Danish courses both with regards to content and in the flexibility of the course. Flexibility is mentioned in relation to the opportunity to plan evening and/or day courses as well as in the composition of the classes. Moreover, difficulties with bureaucracy

are stated as a reason for some spouses not attending Danish classes. It is pointed out that learning Danish is so difficult for some spouses, that the investment needed is assessed as being too high by respondents knowing they are only staying in Denmark for a few years.

“I have been here for almost 6 months and I am still waiting to take a Danish class. First I was waiting for my CPR number, then for the letter from the Jobcenter with language offered and then for any information from the language school” 25-year-old Polish female spouse, and stay-at-home-wife

Employment

Many suggest that the companies or organisations that have hired the expats could provide more help to ensure that spouses get employed. This has also been addressed when asking the expats to identify important issues determining the success of their expatriation. 59% of expats find that it important that their spouse is given assistance in finding employment, 30% find it less important, and 11% state that it is not important (see chapter 2). Both the region where the expats lives in Denmark, and the country of origin correlate with the expats’ personal assessment of the importance of their workplace assisting with finding a job for his or her partner. Expats living in the Capital Region of Denmark and Region Zealand are less likely to find it important that their spouses get assistance in finding employment compared to expats in the remaining three Danish regions. Globally, expats originating in the Middle East (75%), Asia (68%) and South America (67%) are more likely to find assistance important than expats from Africa, Australia and Europe.

“Denmark should follow other models around the world where the

organisation attracting one spouse makes a commitment to find employment or to co-finance opportunities for the other spouse”

45-year-old Australian female spouse seeking job

Many of those spouses that point out the lack of assistance in finding jobs stress that the assistance could be offered by different providers and in many ways. For example, networks between expats are mentioned as a way of achieving this. The possibility of having a “native buddy” is regarded as a gateway to Danish society.

In addition to assisting the spouses in finding employment, it is also mentioned that the employers should be more open to hiring non-Danish-speaking employees.

“Employers should be clearer about the fact that learning Danish is almost an essential precondition to living in Denmark”

34-year-old Italian female spouse in job but not feeling integrated

SOCIAL LIFE AND INTEGRATION

A well functioning social life in a new home country is an important aspect of feeling settled and integrated. Although career and professional incentives are likely to be the main reason for international professionals coming to Denmark, it is worth looking at the opportunities for establishing a good social life and the possibilities for integration, especially if the expats are accompanied by spouse and family.

The following chapter will look at the extent to which expats and their families have integrated into Danish society and their overall satisfaction with living in Denmark. In order to do so, the chapter will explore significant factors that have led to successful integration and general satisfaction with life in Denmark.

The results from the Expat 2010 survey conclude that expats in Denmark enjoy a high quality of life. Expats also enjoy the highly rated personal safety and the clean environment. These factors support the perception of Denmark as a child and family friendly country. Additionally, expats express satisfaction with the sports and recreational opportunities countrywide as well as for cultural attractions and activities.

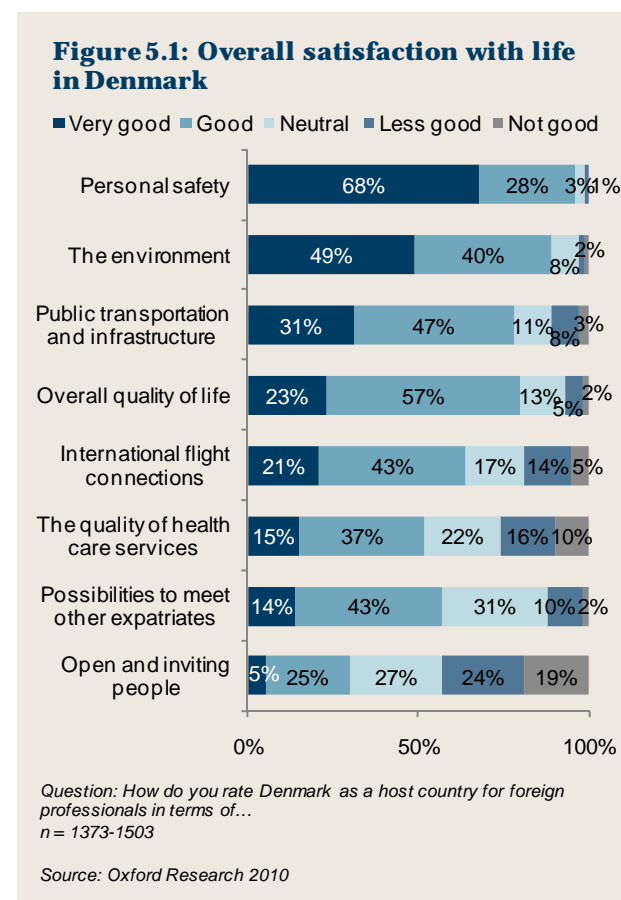
The expats viewed certain aspects of life in Denmark more negatively. The Danes themselves are regarded as closed off and difficult to form friendships with, though the attitude of the Danes towards foreigners were generally regarded as positive. The Danish healthcare service was also disappointing to a rather larger number of expats in Denmark. The aspects of social life in Denmark less favourable to expats were also highlighted in the Expat surveys in 2006 and 1998.³⁴

Finally, this chapter looks at integration into Danish society. Integration is imperative in order to settle into a new culture, and this survey has identified five significant factors that affect the level of integration felt by the expats in Danish society. These factors include the time spent in Denmark, as

well as the actual reasons for living here. Expats that have come here for family reasons and love feel more integrated than those that have come here for career opportunities. Moreover, expats that have brought their children to Denmark also feel more integrated – this only emphasises Denmark’s reputation as a child friendly country. Lastly, improving Danish language skills is advantageous for expats in order to integrate well in Denmark.

Quality of life

The participants of the Expat 2010 survey were asked to rate their overall satisfaction with life in Denmark. The overall results of this are seen in figure 5.1.



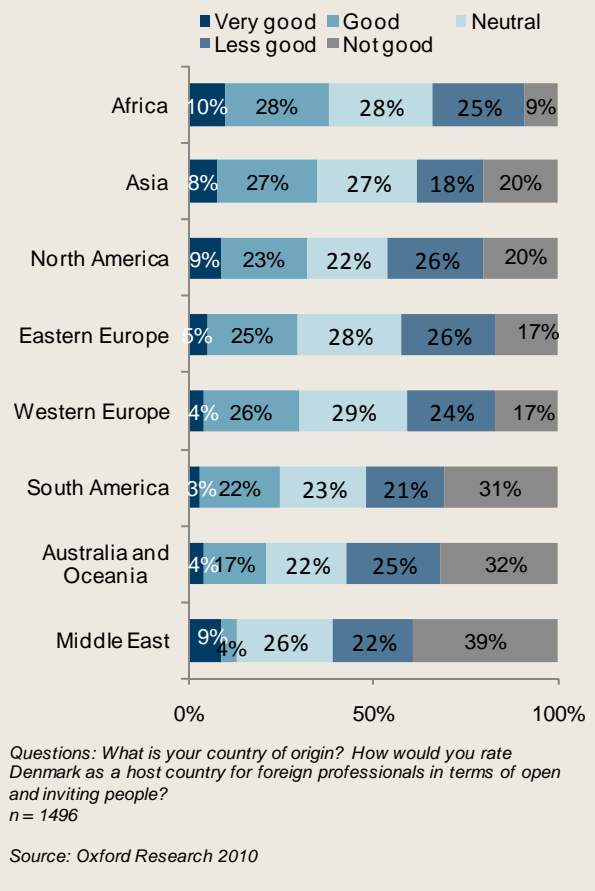
³⁴ Oxford Research 1998: The Expat Study '98 & Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

Figure 5.1 exhibits clear evidence that expats feel they have a high quality of life in Denmark, with 80% of the participants rating the quality of life as good or very good and only 6% rating it as less or not good. Also, with 96%, personal safety receives the highest rating from expats in Denmark (1% says it is less or not good) along with the environment, where 89% rates it as very good or good (3% saying it is less or not good). The rating for quality of life, personal safety and the environment have shown a positive trend over the past decade as seen by the similar results in the Expat reports from 2006 and 1998.³⁵

The expats are less positive about the Danish healthcare service, with only 51% rating it as very good or good (27% rating it as less or not good). The lowest rating is given to the Danes themselves. Only 30% of expats rate Danes as open and inviting people, while a relatively large percentage (43%) finds that Danes are not very open or inviting. It is fair however, to say that this could be due to the expat in question. Cultural differences as well as language skills can make it challenging for an expat and family to meet and socialise with Danes.

Figure 5.2 takes a closer look at the openness of Danes. The data from the survey tells us that Africans, Asians and North Americans find Danes the most open and that the expats from the Middle East as well as South America, Australia and Oceania find Danes the least open. Various factors could cause these opinions, including the expectations of the individual coming to Denmark, the portrayal of Danes in the media in the country of origin before arriving in Denmark, and the size of the cultural gap between Denmark and the expat's home country.

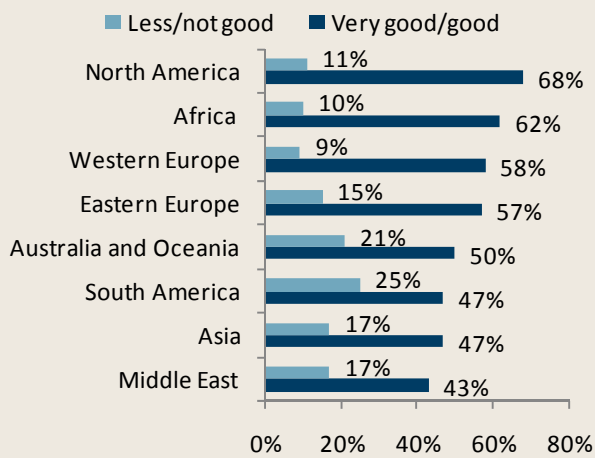
Figure 5.2: The openness of Danes



It is important to establish a social network to settle in a new country. Although making friends with Danes benefits the integration process, it is common for expats to make friends with other expats and a good international network is imperative for that reason. In figure 5.3 different nationalities have rated the possibilities for meeting other expats. Again, Africans and North Americans find it easier to meet other expats. The Middle Eastern along with the Asians and South American find it more challenging.

³⁵ Ibid.

Figure 5.3: Possibilities for meeting other expats



Question: How would you rate Denmark as a host country for foreign professionals in terms of possibilities to meet other expatriates? The neutral category is excluded, n=1,392

Source: Oxford Research 2010

Figure 5.4: International flight connections



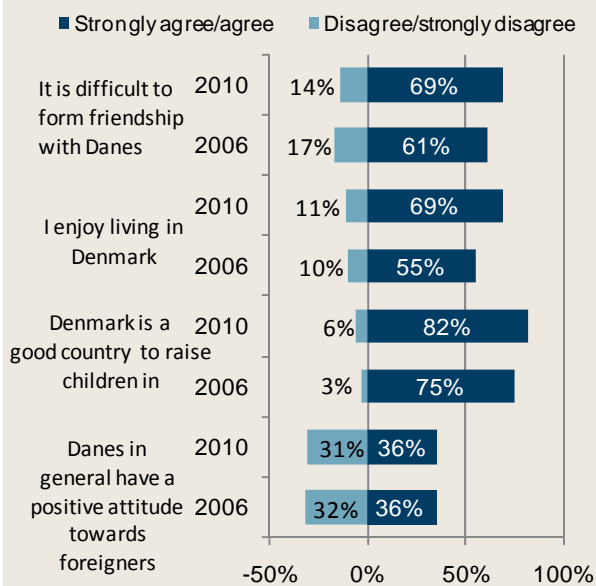
Question: How would you rate Denmark as a host country for foreign professionals in terms of international flight connections The neutral category is excluded, n = 1,240

Source: Oxford Research 2010

Although expats establish a social network, it is still important to be able to visit family and friends whilst working abroad. Therefore the survey also looks at how expats rate the international flight connections in Denmark. Figure 5.4 show the Eastern Europeans along with Northern Americans and Africans are the most satisfied with the international flight connections from Denmark. As expats often travel to see their friends and family in their home countries, one can conclude from these figures, that it is the flight connections to the expat's home country and/or town that are rated as good. The Middle Eastern are the most dissatisfied with the international flight connections in Denmark, along with the expats from South America, Australia and Oceania.

Many expats will agree to the fact that the quality of life in Denmark is good and families thrive in the clean, green and safe environment. In contrast to this, the Danes themselves do not receive high ratings from a third of the expats, who find it challenging to integrate. As figure 5.5 shows, Denmark receives high scores regarding family and life qualities, but Danes themselves are regarded as closed and difficult to make friends with. Despite the relatively closed nature of Danes, 69% of the participants enjoy living in Denmark. This statistic is up from 55% in 2006 and Denmark as a good place to raise children is also up from 75% to 82%. Altogether, figure 5.5 shows that there have been positive developments in the way expats perceive living in Denmark.

Figure 5.5: Living in Denmark

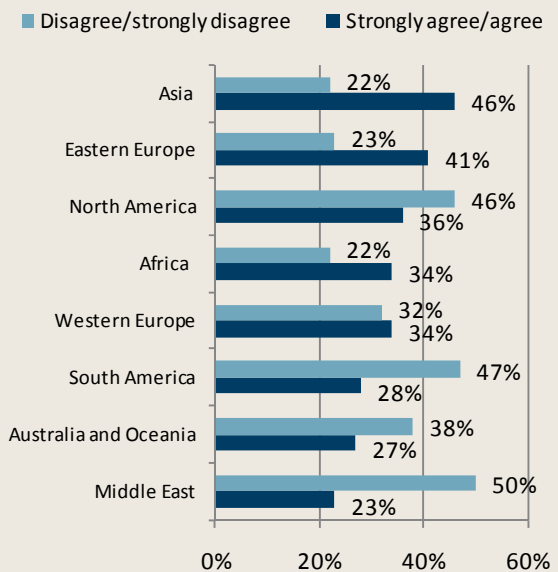


Question: Please tick the reply which best represents your personal opinion. It is difficult to form friendships with Danes/ I enjoy living in Denmark. Denmark is a good country to raise children in. Danes in general have a positive attitude towards foreigners. The neutral category is excluded n = 393-1,502

Oxford Research 2010

It is imperative to distinguish between the openness of the Danes as well as the forming friendships with Danes. For instance, the attitude of Danes towards foreigners is regarded as positive by 36% of the participants. This is a slight decrease from the survey in 1998, where 42% were of the same opinion.³⁶ Figure 5.6 exhibits that more Asians, Eastern Europeans and North American find that Danes have a positive attitude towards foreigners than any other nationality. The expats from the Middle East, Australia and Oceania and South America find the attitude towards foreigners the least positive.

Figure 5.6: Danes in general have a positive attitude towards foreigners



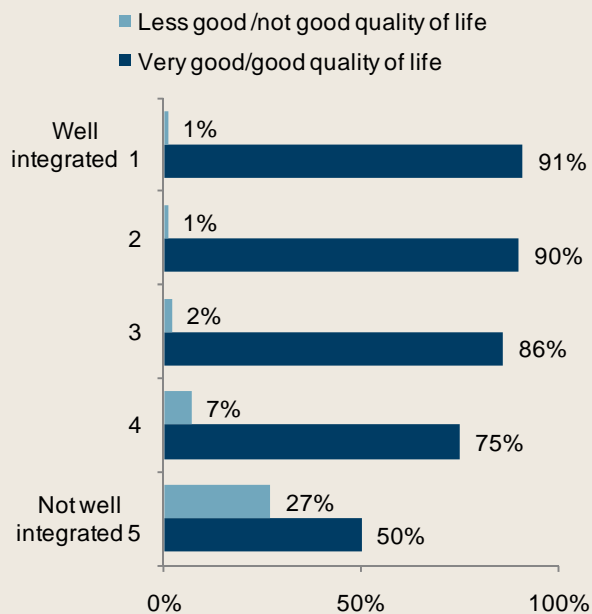
Question: Danes in general have a positive attitude towards foreigners. The neutral category is excluded, n = 1488

Source: Oxford Research 2010

Interestingly, the survey also shows a strong correlation between the level of integration and the opinion of the quality of life in Denmark. The more integrated expats feel, the higher they rate the quality of life in Denmark as indicated in figure 5.7. Some 91% of the participants that state they feel well integrated also say the quality of life is very good or good. Among the expats that do not feel well integrated in Danish society, only 50% think the quality of life is very good or good whereas 27% are of the opposite opinion.

³⁶ Oxford Research 1998: The Expat Study '98

Figure 5.7: Integration and overall quality of life



Questions: How well integrated in Denmark do you feel on a scale from 1-5? How would you rate Denmark as a host country for foreign professionals in terms of Overall quality of life?
n= 1501

Source: Oxford Research 2010

Figure 5.8: Relationship between life quality and integration



Note: Both variables are scaled so that high values indicate well integrated/ high life quality and low values indicate not well integrated/ low life quality. The effects of the variable are controlled for all relevant background variables. The background variables are held at their mean or mode values.

Source: Oxford Research 2010

Emphasising how strong the correlation is between the feeling of integration and the quality of life in Denmark, figure 5.8 clearly shows the positive correlation between the improvement of quality of life of an expat and the improvement in their integration.

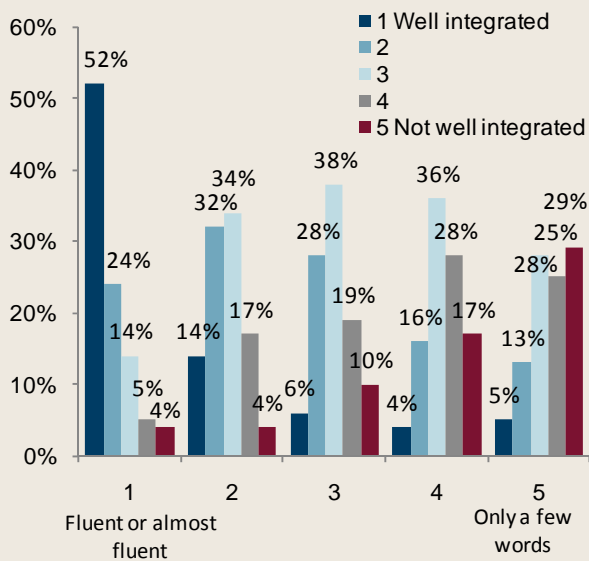
“The quality of life here makes it all worth it,” Manager, South Africa

Based on the results in figure 5.8 it is fair to say that integration is an important factor in order for an expat to enjoy living in Denmark. It is therefore necessary to explore the factors that enhance the feeling of integration.

Language is the key to integration

Several expats expressed in interviews with Oxford Research that Denmark became an option for relocation because Danes are renowned for their excellent language skills. Many Danes speak English, and often a second foreign language, well. In spite of this, expats agreed, that learning the Danish language is key to integration. It is possible to carry on conversations in English, but at work it is hard to be included in the conversations at lunch, and amongst Danish friends and family, conversation will sometimes turn to Danish. This is not only the case at work, but also at social events, with more than a couple people present, the language will almost entirely be in Danish, which makes it even more difficult to manage by only speaking English.

Figure 5.9: Language skills and integration status



Questions: How would you rate your spoken Danish language skills on a scale from 1 to 5? How well integrated do you feel on a scale from 1-5?
n = 1449

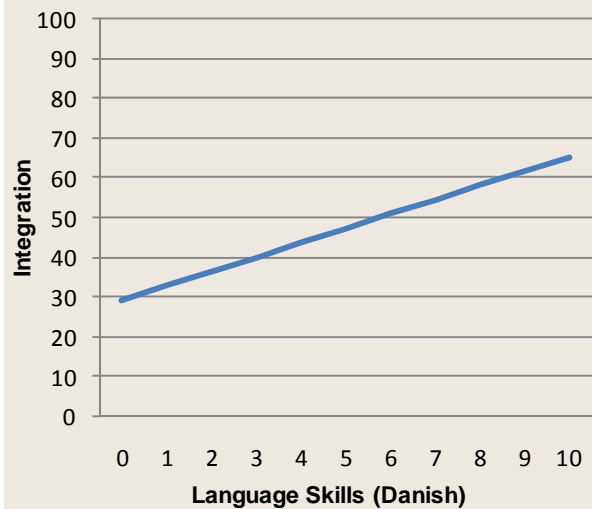
Source: Oxford Research 2010

Figure 5.9 shows that the group of participating expats that describe themselves as fluent or almost fluent in Danish, is also the largest group of expats that feel well integrated. There is a considerable drop in the level of integration, from 52% to 14%, when the expat rates their language skills at level 2 rather than 1. There is a continuous decline as language competency fall.

To clearly demonstrate the relationship between language skills and integration, figure 5.10 demonstrates a clear positive correlation between the level of integration and the level of language skills. The higher level of Danish the expat masters the more integrated they feel. This survey has not benchmarked the language level of the participants, therefore, it is an estimate made by the individual participant. Danes agree that language is important for being integrated. In a study among Danes good Danish language skills is considered the most important factor for integration of foreigners into Danish society.³⁷

³⁷ Dansk Center for Integration og Analyse (2009): Danskerne vil gerne dele hverdagen med nydanskerne

Figure 5.10: Relationship between Danish language skills and integration



Note: Both variables are scaled so that high values indicate well integrated/ good danish language skills and low values indicate not well integrated/ poor danish language skills. The effects of the variable are controlled for all relevant background variables. The background variables are held at their mean or mode values.

Source: Oxford Research 2010

In regard to integration, it is clear from the survey that expats benefit greatly from learning the language. Although some expats have revealed that if Danes detect an accent or a lack of vocabulary they will switch to English, learning the local language is advantageous to expats in Denmark. The survey proves that learning Danish will improve and ease integration.

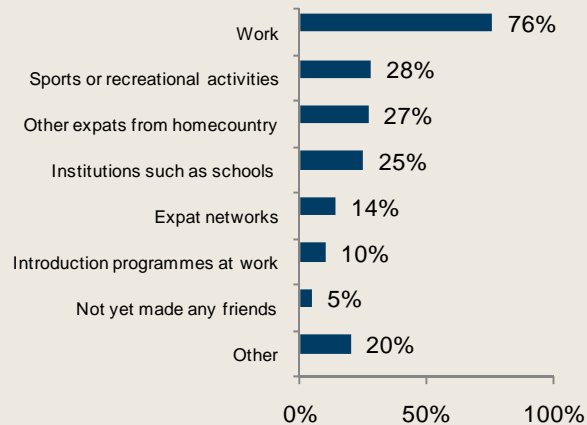
"I recommend learning the language in order to integrate better in Denmark," Software engineer, India

Breaking the ice in Denmark

Settling and integrating into a new country and culture often demands a good social circle and network. Figure 5.11 sheds light on where expats make friends and become acquainted with Danes when living in Denmark. The survey reveals that the vast majority of expats meets their friends at work as well as through social and recreational activities

such as sports clubs, schools and not least through the expat community.

Figure 5.11: Where do expats make friends?



Question: Where did you meet your friends or acquaintances in Denmark?
n = 1505

Source: Oxford Research 2010

Figure 5.11 also reveals a rather large ‘other’ category, where participants were given the opportunity to add more places to the list. The most common answers were: church, going out, through Danish spouse’s friends and family as well as neighbours.

Participants in this survey expressed that there are some challenges in forming friendships with Danes. Some 69% of the participating expats either agree or strongly agree with the statement that it is difficult to form friendships with Danes, whereas 14% strongly disagree or disagree. This trend is reinforced by the Expat reports from 2006 and 1998, where 33% and 48% respectively, viewed Denmark less favourable as a host country due to Danes being closed off and hard to make friends with.³⁸

When international professionals decide to expatriate, be it alone or with their families, the attitude towards integration will vary depending on the person as well as the destination in question.

The attitude and openness towards meeting people when moving abroad, is crucial for one’s own integration. A third of the participants that find integration important for their stay in Denmark strongly agree with the fact that it is difficult to make friends with Danes. On the other hand most expats that do not count integration into Danish society as important also strongly agree that it is difficult to make friends with Danes:

- Only 34% of expats who believe integration is important, find it difficult to make Danish friends
- 86% of expats, who strongly *disagree* that integration is important, find it difficult to make Danish friends.

This result indicates that the attitude of the expat plays an important role in making friends and acquaintances in Denmark.

“Once you break the ice, everyone is open,” Engineer, France

³⁸ Oxford Research 1998: The Expat Study '98 & Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

Box 5.12: Expats in Sweden

In 2009, Oxford Research completed a similar study of Expats in Sweden. The results of the survey are remarkably similar to those found in this 2010 Expat Study in Denmark. Expats are positively surprised by the language skills, infrastructure, environment, quality of life and personal safety in both Sweden and Denmark – these aspects could be generalised as Scandinavian characteristics. Expats in Sweden and Denmark also agree on the less positive aspects of expat life such as the cost of living, tax levels, disappointing healthcare, cultural barriers and the lack of openness in the local population. In the 2009 survey expats in Sweden expressed that despite efforts to integrate, they felt it was difficult to make Swedish friends.

- 62% of the expats in Sweden said it was hard to make Swedish friends, 17% were of the opposite opinion.
- 68% of expats in Denmark say it is difficult to make Danish friends, 14% were of the opposite opinion.
- The degree of openness of Swedes and Danes towards foreigners differs slightly more. Some 22% of expats in Sweden regard the local population as being negative towards foreigners whereas 31% of expats are of this opinion in Denmark

Sweden and Denmark, two Scandinavian countries, are often regarded as similar and to some extent that is a fair assumption to make. Expats agree on positive and negative aspects of life in both countries and both are regarded as relatively challenging to make friends in. Despite the fact that English language skills in both countries are very good, the language can be a barrier for integration. Moreover, the populations of neither Sweden nor Denmark are particularly large and therefore society can come across as closed and hard to integrate into.

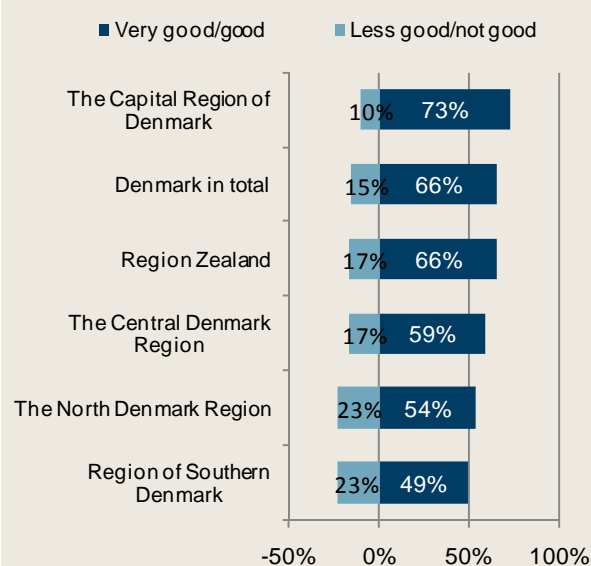
Source: Oxford Research 2009

Countrywide cultural opportunities

Not only does a happy social life depend on family and friends but also on cultural attractions and recreational activities. The Expat 2010 survey explores the opportunities for these activities and

whether or not they dependent on region. In regards to cultural attractions, Copenhagen and the capital region are rated higher than the other Danish regions. As seen in figure 5.13, 73% of the participants are of the opinion that the cultural attractions are good or very good. In general the survey revealed that expats are to some extent more satisfied with cultural attraction in Zealand than in Jutland. In the capital as well as Region Zealand 66% of the expats thought the cultural attractions were either very good or good, in Central Denmark this was 59%, in North Denmark 54% and just 49% in Southern Denmark.

Figure 5.13: Opinion of cultural attractions

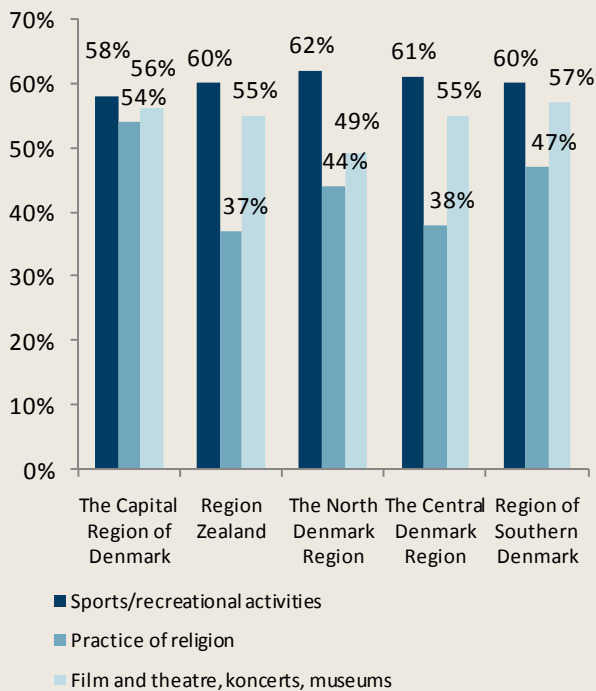


Questions: In which region of Denmark do you live? What do you think of the cultural attractions?

Oxford Research 2010

Access to recreational and sports activities are more or less rated the same in all regions. Expats and their families are generally satisfied with the access to the sports and recreational facilities as well as to cinemas, theatres, concerts and museums. On a general level, the regions are rated similarly: more than 50% of the participants are satisfied with the choice of activities available in their region.

Figure 5.14: Satisfaction with the opportunities for culture



Questions: How do you rate the ...?
n=556-1299

Oxford Research 2010

It is worth mentioning that the survey also asks whether expats are able to practice their religion in Denmark. It should be made clear that the actual religion is not addressed, so there is no specification of the number of churches, mosques or synagogues etc. However, expats in the capital region were marginally more satisfied with their possibilities for practicing religion than in other parts of the country.

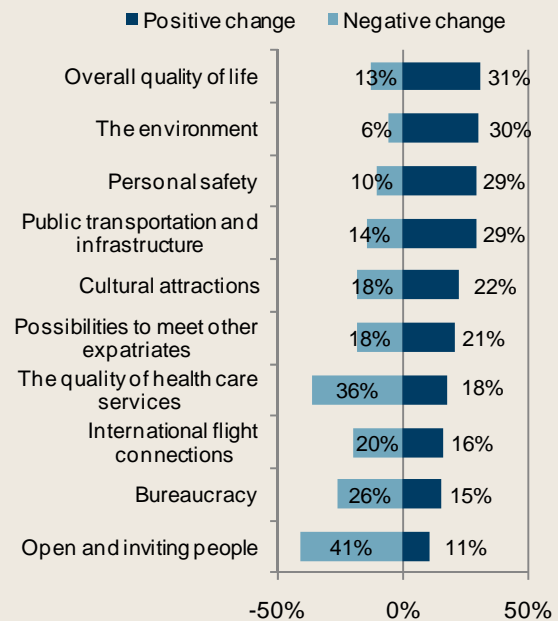
“Copenhagen is more open than the rest of the country,” PhD student at Aarhus University, UK

Safety and quality of life

Before arriving in a new country and starting a new job, it is common to read up on and inform yourself about your new adventure. By doing so, you automatically create expectations of this new job

and country. This survey asks about these expectations and explores the differences of opinions before and after arrival.

Figure 5.15: Change of opinions on different issues



Question: Has your opinion of the following things changed positively or negatively during your stay in relation to your prior expectations?
n= 1505

Source: Oxford Research 2010

Figure 5.15 exhibits the positive and negative changes in opinions of expats living in Denmark – from their expectations before arrival to their actual opinions now that they live and work in Denmark. There were three areas where expats’ opinions have improved significantly:

- The quality of life was viewed more positively than was expected before arrival by 31% of the expats participating in the survey where as only 13% were of the opposite opinion.
- The infrastructure and public transport system was also better than expected for 29% of the participants.
- Finally, 29% of the participants felt that their personal safety in Denmark was better than expected.

Three areas were regarded more negatively than previously expected by the expats after arriving in Denmark:

- Danes are regarded as less open and inviting. 41% of the respondents are more negative about the openness of the Danes after living in Denmark than they were before arriving. Only 11% have changed their opinion to a more positive impression of the Danes.
- 26% of the respondents are more negative about the bureaucracy in Denmark, whereas 15% were more positive about the Danish bureaucracy.
- 36% of the participants thought the healthcare system was worse than expected whereas 18% were positively surprised.

PUBLIC SERVICES AND REGULATION

Bureaucracy and public services are important factors for expats because contact with the Danish authorities is an essential part of the official reception that Denmark gives its guests. A number of different issues can arise when procuring a work-permit, social security number and dealing with the Danish immigration authorities. In fact, the 1998 Expat Study found that the most important element of expats' entry into Denmark is the smoothness of the entry process.³⁹ There is a connection between expats' experiences with Danish authorities and their overall assessment of Denmark as a host country in terms of the quality of public services and the level of bureaucracy. If the public authorities are difficult to deal with or the public service is perceived as poor, it is likely that it will reflect negatively on the expats' view of Denmark. Expats, who find it easy to get the basic things sorted rate the general quality of life better than expats, who find it difficult to deal with the public authorities.

This chapter deals with how expats view public service and regulation in Denmark. It can be concluded that the quality of public service is regarded as good, the level of public bureaucracy is regarded as being relatively good, and public authorities are fairly easy to deal with. However, there are issues that expats find problematic; it is difficult to get an overview of the relevant rules and regulations in Denmark. This is linked to the lack of available public material in English and according to 77% of expats, a written English guide to explain the public bureaucracy is needed. At the same time, there are a number of expat initiatives and agencies that might be able to provide the needed information, but only a limited percentage of expats have heard of and used these.

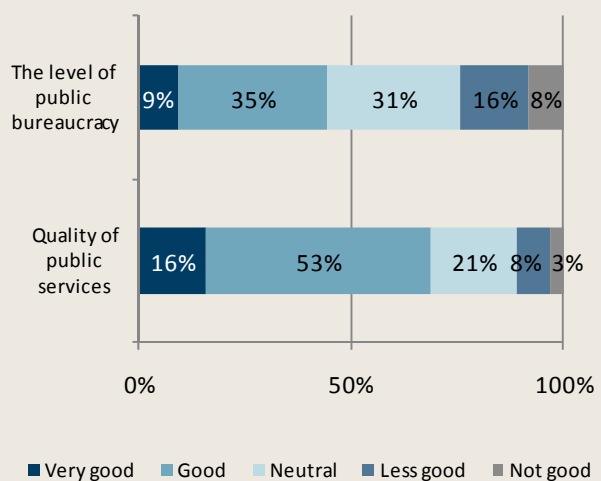
Quality of public service

According to the Expat Study 2006, expats put a lot of emphasis on orderly conditions and efficient public authorities when choosing to move to

³⁹ Oxford Research 1998: The Expat-Study '98

Denmark.⁴⁰ This highlights the importance of public authorities in influencing the expats' assessments of Denmark. It is evident from figure 6.1 that the general assessment of the quality of public services in 2010 is good; 69% of expats indicate that the quality of public services in Denmark is good or very good, while only 11% assess it as less good or not good. When looking at the level of public bureaucracy it is evident that 44% of expats find it good or very good, while 24% indicate that they find it less good or not good.

Figure 6.1: Quality and level of public bureaucracy



Question: How would you rate Denmark as a host country for foreign professionals in terms of...?
n = 1,429-1,487

Source: Oxford Research 2010

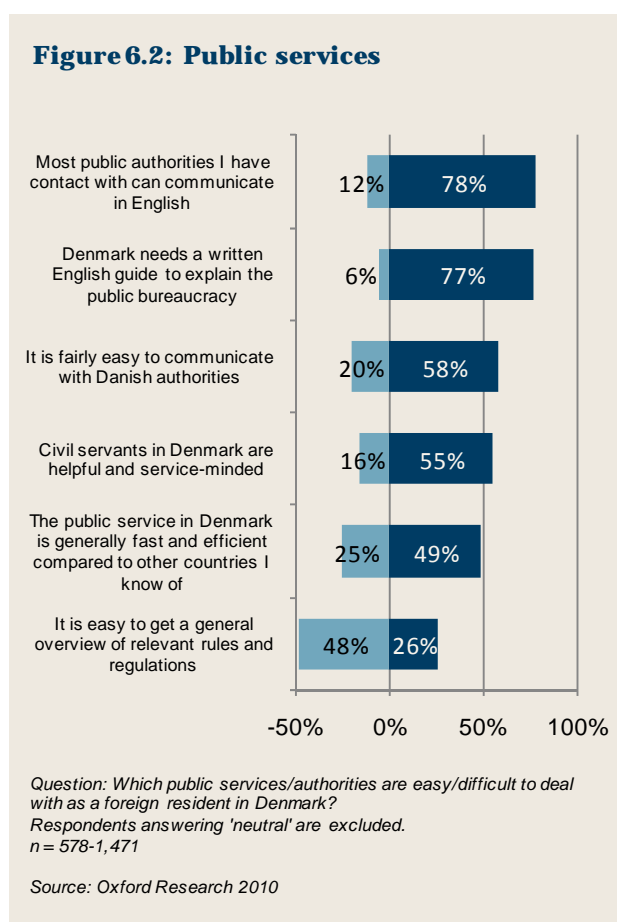
Compared to the earlier expat studies from 1998 and 2006 there have only been marginal changes. In 1998 73% indicated that the quality of public services were good⁴¹, while this was the case for 70% in 2006.⁴² So the overall satisfaction has declined a bit, but not enough to distort the overall

⁴⁰ Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

⁴¹ Oxford Research 1998: The Expat-Study '98

⁴² Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

picture that expats regard the quality of public services positively. With regards to the level of public bureaucracy there has been a change in the percentage of expats that view it as being less good or not good, from 18% in 2006 to 24% in 2010. The percentage that regards it as very good or good is unchanged.⁴³ Figure 6.2 shows that public services and authorities are relatively easy to deal with for expats in Denmark.



Some 78% of expats indicate that most public authorities are able to communicate in English and are fairly easy to communicate with. But at the same time 77% state that Denmark needs a written English guide to explain the public bureaucracy. However, since civil servants' ability to speak English is already present in Danish bureaucracy, the challenge of increasing satisfaction with communications between the expats and the Danish authorities might be mitigated by translating public

guidelines into English or increasing the knowledge of existing expat initiatives and agencies (see figure 6.6). Approximately, 55% of expats find that civil servants in Denmark are helpful and service-minded. This constitutes a rise from the expats studies of 1998 and 2006, in which civil servants only scored 40% and 44% on their helpfulness and service-mindedness. When looking at the efficiency of the Danish public service, 49% indicate that it is fast and efficient compared to other countries they know of, while 25% do not agree with this.⁴⁴

When comparing the specific public services and bureaucracy performed by the Danish authorities, it is evident that there has been a slight improvement in the assessment of nearly all of the public service issues compared to earlier studies from 1998 and 2006.⁴⁵ The only major exception is the need to get a written English guide to explain Danish bureaucracy; which has increased from 59% in 2006 to 77% in 2010.⁴⁶ This is directly linked to whether it is easy for expats to get a general overview of the Danish rules and regulations, which 48% indicate it is not. Clearly, there is an issue relating to bureaucracy that needs to be addressed.

It is interesting to see whether there are regional differences in the assessment of public service and bureaucracy. However, when examining the data in more detail it appears that there are only minor regional differences. The North Denmark Region distinguishes itself slightly by getting the best score in four of the six categories listed in figure 6.2. As can be seen from figure 6.3, this is especially true with regards to the helpfulness and service-mindedness of civil servants.

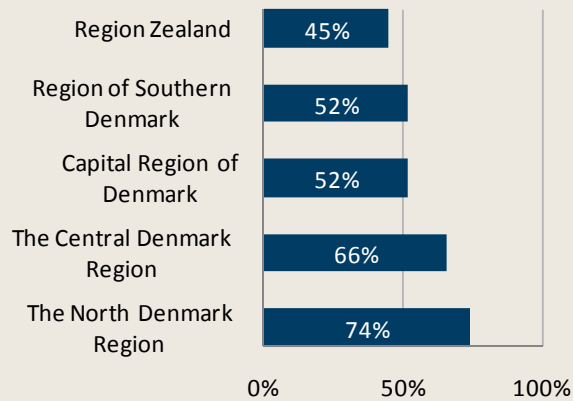
⁴³ Ibid.

⁴⁴ Oxford Research 1998: The Expat-Study '98; and Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

⁴⁵ Ibid.

⁴⁶ Oxford Research in cooperation with The Copenhagen Post 2006: The Expat Study 2006

Figure 6.3: Helpfulness and service-mindedness across the Danish regions



Question: In which region of Denmark do you live? Civil servants in DK are helpful and service-minded? Please tick the reply which best represents your personal opinion.
n=1,505

Source: Oxford Research 2010

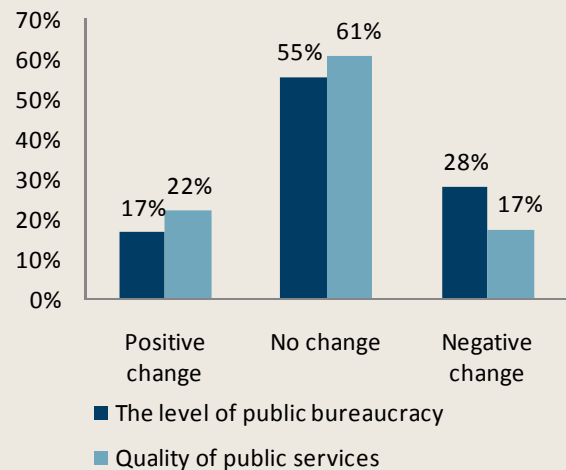
The national average is 55%, but there are relatively large differences between Region Zealand (45%) and the North Denmark Region in which 74% of expats agree or strongly agree. The reasons for the regional differences have not been further explored, but regional best practice examples may be transferrable to the other regions.

Expats' perception of public services over time

There is a slight connection between how long expats have been living in Denmark and how they assess public service and bureaucracy. The expats that have been in Denmark less than six months tend to assess the quality of public services and the level of bureaucracy as better than expats that have stayed longer in Denmark. In fact, the longer expats stay in Denmark the more negative their assessment of certain public services and bureaucracy become. This is true with regards to the assessment of the Danish civil servants and whether the public authorities are assessed as being able to communicate in English. Hence, it is necessary to target public services for all expats not only those that have stayed in Denmark less than six months.

Figure 6.4 illustrates whether the level of public bureaucracy and the quality of public services have changed positively or negatively during expats' stay in Denmark.

Figure 6.4: Change in opinion



Question: Has your opinion on the following things changed positively or negatively during your stay in relation to your expectations? Do not know category excluded from figure.
n = 1,400-1,454

Source: Oxford Research 2010

The level of public bureaucracy is viewed more negatively in relation to their expectations by 28% of expats during their stay, while 17% indicate that their view has been changed positively, 55% argue that there has been no change. The quality of public services is viewed in a little more positive light with 22% of expats indicating that their view of public quality has been changed positively, while 17% state that the public services quality have changed negatively during their stay. 61% argue that there has not been any change either positively or negatively.

Dealing with public authorities

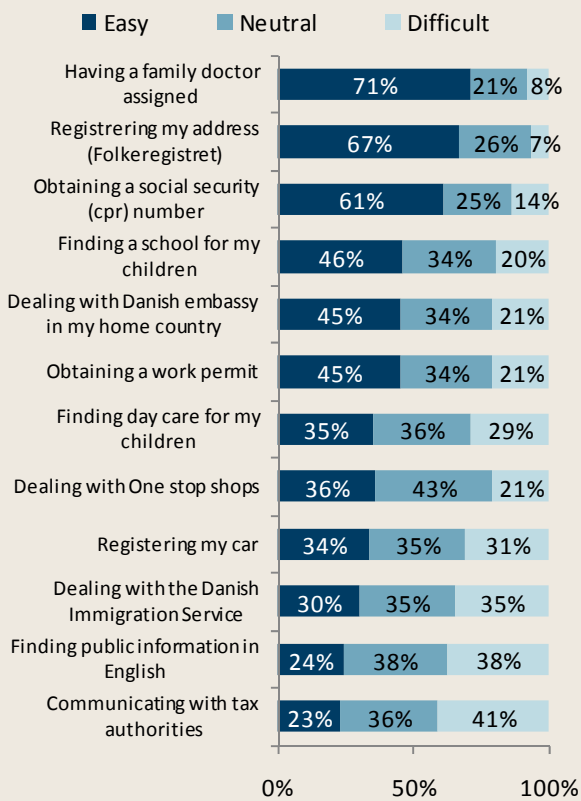
One of the first experiences that expats have with Danish authorities is prior to their departure when they are looking for public information on Danish rules and regulation in English. Figure 6.5 shows that 38% of expats think it is difficult to find public information in English. The fact that Danish people

in general, are known to have good English skills is not reflected in the availability of public information in English. Furthermore, prior to arrival, expats will have to deal with the public authorities in order to, *inter alia*, get through immigration and obtain a work-permit. It is seen that after settling in Denmark basic needs such as getting a family doctor assigned, registering a new address and obtaining a social security number stands out as being relatively easy.

obtaining a work permit, the picture in 2010 illustrates that these are still among the most difficult tasks when dealing with Danish authorities.

With regard to interactions with Danish authorities, dealing with the tax authorities in Denmark is the biggest obstacle for expats. When examining the issue closer, it is evident that there is no connection between which tax scheme expats are subjected to and their experience with the Danish tax authorities. Thus, it can be concluded that it is equally difficult to deal with the tax authorities for expats that are paying the Danish standard tax and expats paying tax according to the tax scheme for foreign researchers and key employees.

Figure 6.5: Dealing with public authorities



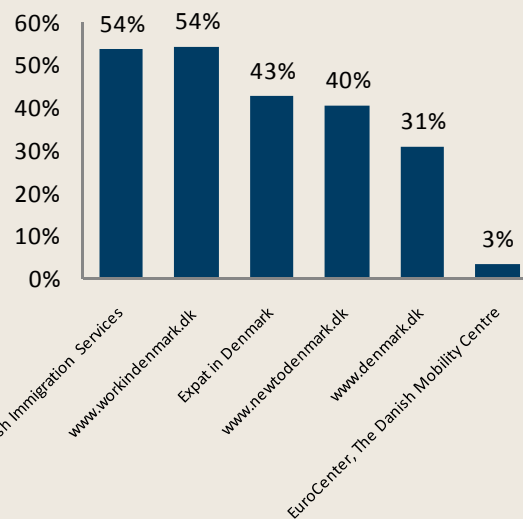
Question: Which public services/authorities are easy/difficult to deal with as a foreign resident in Denmark?
 People answering 'handled by employer/relocation agency are not included.
 n = 420-1,350

Source: Oxford Research 2010

Expat initiatives and agencies

One of the major issues identified from figure 6.2 was the need for a written English guide to explain the public bureaucracy. As can be seen from figure 6.6 there are a number of expat initiatives and agencies, which can be utilised by expats in Denmark.

Figure 6.6: Usage of expat initiatives and agencies



Question: Which of the following initiative/agencies of relevance for expats have you heard of and/or used? The figure represents the percentage that have heard of and used. More than one tick possible.
 n = 960

Source: Oxford Research 2010

The Expat Study 2006 concluded that dealing with the tax authorities, Danish Immigration Service, registering a car, and obtaining a work-permit were the most difficult for expats.⁴⁷ With the exception of

⁴⁷ Ibid.

However, only relative small parts of expats have used these initiatives and agencies. Furthermore, it can be seen from the figure that there are significant differences in the levels of utilisation of the different expat initiatives/agencies. The most widely used are www.workindenmark.dk and the Danish Immigration Services which 54% of expats has heard of and used. Expat in Denmark has been used by 43%, www.newtodenmark.dk by 40%, and www.denmark.dk by 31%. The Danish Mobility Centre has only been used by 3% of expats.

The survey does not show how satisfied expats are with the expats initiatives/agencies, it solely states the percentage that have heard of and used them. There are differences between the services provided by the expat initiatives/agencies and how long they have existed which to some extent, can explain the differences in their usage.

IMPROVING INTEGRATION

The better integrated expats feel and the longer they stay in Denmark the better. As shown in chapter 5, which focused on social life and integration, there is a clear connection between how integrated expats feel and their quality of life. The better the quality of life expats have, the more likely it is that they will stay longer than planned in Denmark. Better integrated expats are more likely to contribute to Danish society and the longer they stay the more they will contribute.

Therefore, it is important to examine which factors make expats feel integrated in Denmark, and which factors it is that makes expats stay longer than planned.

Throughout the Expat Study 2010 many factors that influence expats' lives in Denmark have been identified. However, only a few factors show a statistical significance.

This chapter explores the statistical connection between relevant variables and two of the most central issues relating to expats in Denmark. Therefore, Oxford Research has constructed two models that identify the central factors that drive whether expats feel integrated in Denmark and whether they stay longer than planned.

Factors for making expats feeling integrated

Figure 7.1 illustrates the connection between how integrated expats feel and a number of variables identified by Oxford Research, based on statistical data from the survey amongst expats in Denmark. Among the numerous factors examined in the survey, only factors have been identified as showing significant statistical influence on how integrated expats feel.

Figure 7.1 shows these four factors that significantly influence how integrated expats in Denmark feel. The figure should be understood in the sense that:

- **Time in Denmark (more than three years):** expats feel more integrated if

they spend more than three years in Denmark.

- **Children born in Denmark:** expats feel more integrated if they have children that were born in Denmark
- **Danish language skills:** expats feel more integrated when they improve their Danish language skills.
- **Economic standing:** expats feel more integrated when they improve their economic standing.

When looking more closely at the factors identified in figure 7.1, it is evident that expats that have been in Denmark more than three years feel more integrated than expats that have been in Denmark less than three years. Reasons for this could be that expats have had more time to build their network, and get accustomed to the way of life; which makes them feel more integrated. Furthermore, time spent in Denmark is interconnected with two other factors in figure 7.1. These other are having had children in Denmark and Danish language skills. Hence, the longer expats have stayed in Denmark the more time they have had to have children and acquire good Danish language skills.

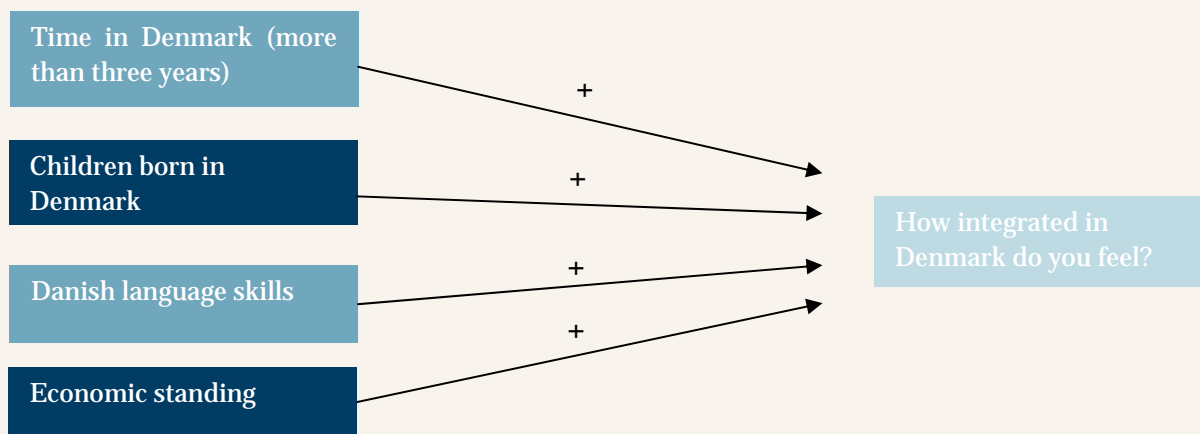
Expats that have children born in Denmark feel more integrated than expats that do not have children. Children are a very important way to build up one's social network. This is especially true in Denmark, where maternity leave, daycare and other elements related to having children are institutionalised in a way that calls for interaction with other children and their parents. Furthermore, when expats' children start to interact with other children in daycare or kindergarten, it is likely that this expands the parents' networks as well.

The most influential factor for expats to feel integrated in Denmark is good language skills. It can be seen from figure 7.1, that when expats improve their language skills, they are more likely to feel integrated. This is supported by the data examined in chapter 5 on social life and integration, which states that language skills are a very important for expats. The connection is

illustrated in figure 5.9. Danes usually have good English proficiency, but are not always inclined to use it. Hence, it is essential for expats to have

relatively good Danish skills in order to communicate and be integrated into everyday life.

Figure 7.1: Relationship between how integrated the expats feel and relevant variables.



Note: The depended variable, "How well integrated in Denmark do you feel?" is a scale from 0-100 in which 0 means not integrated and 100 means integrated. The independent variables: "Time in Denmark (more than three years)" illustrates the difference between how integrated expats that have been in Denmark more than three years feel compared to expats that have been in Denmark less thanthree3 years."Children born in Denmark" illustrates the differences between expats that have children that were born in Denmark and expats that "Do not have children". The independent variable "Danish language skills" is scaled from 0-10, where 0 indicates very poor language skills and 10 indicates fluency in Danish. The independent variable "Economic room to manoeuvre" is composed by five variables measuring the respondents' economic room to manoeuvre. The variable is scaled from 0-10 in which 0 represents no economic room to manoeuvre and 10 indicate a very large amount of economic room to manoeuvre. The effects of the variables are controlled for all relevant background variables. n=1431

Source: Oxford Research 2010

Economic standing is measured by five variables.⁴⁸ As illustrated in figure 7.1 there is a statistically significant connection between economic standing and how integrated expats feel. Every time expats improve their economic standing, they fell more integrated. Chapter 3, regarding standard of living showed that families relying on dual incomes regard their standard of living better than families relying on a single income. Meaning, dual income families are better integrated than single income families.

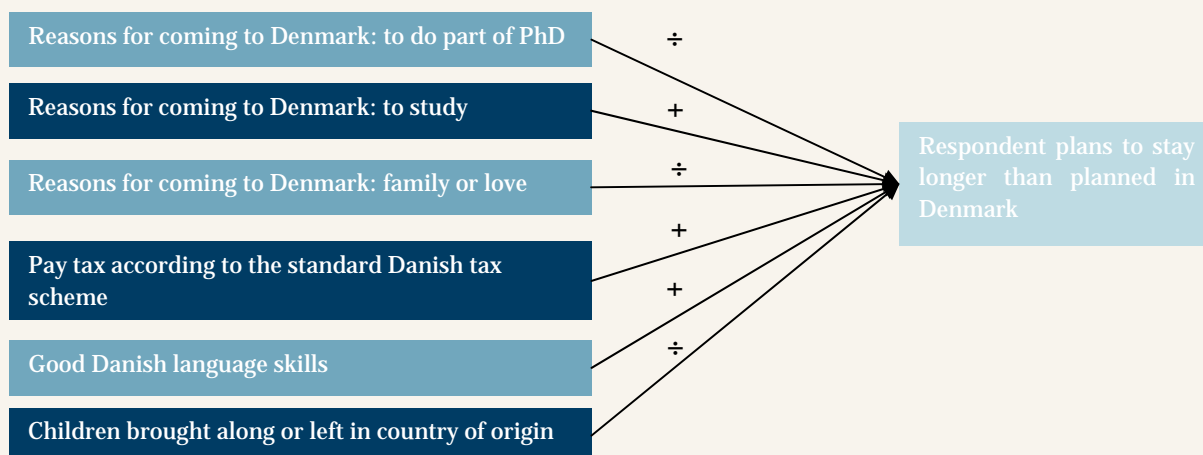
Factors that make expats stay longer in Denmark

Encouraging expats to stay in Denmark longer provides great benefits for both the Danish society and the expats. It is obvious that happy expats will stay longer, and the longer they stay the more they will contribute to society. Thus, it is necessary to examine which factors influence expats' decisions to stay longer than originally intended and whether there is any statistical significant relationship to be found from the survey.

Figure 7.2 shows that there are six factors that have a statistically significant effect on whether or not expats stay longer than planned.

⁴⁸ My net-income allows me to enjoy a better standard of living than I would have had at home; Being an expatriate allows me to save up money; The salaries and benefits offered in Denmark are competitive with those offered in other EU countries; The general costs of living in Denmark is very high; and Compared to what you expected to pay in tax prior to your arrival in Denmark do you pay...?

Figure 7.2: Relationship between how long time the respondent stays in Denmark and relevant variables.



Note: The depended variable, "Is your stay in Denmark currently planned to be as originally planned or longer than originally planned? The independent variable "Reasons for coming to Denmark: to do part of PhD, to study, family or love" indicates the difference between each of the three categories and coming to Denmark to work. The independent variable: "Pay tax according to the standard Danish tax scheme" indicate the difference between paying tax according to standard Danish tax scheme or not. The independent variable "Good Danish language skills" is scaled from 0-10, where 0 indicate poor language skills. "Children brought along or children left in country of origin" indicate the difference between bringing children or leaving them at the home country and not having children at all. The effects of the variables are controlled for all relevant background variables. n=985

Source: Oxford Research 2010

The six factors that have been identified as having a statistical influence are listed below. Figure 7.2 should be read as follows:

- **Reason for coming to Denmark – to complete part of PhD:** expats whose reason for coming to Denmark was to complete part of a PhD are less likely to stay longer than planned compared to expats going to Denmark for work.
- **Reasons for coming to Denmark – to study:** expats coming to Denmark to study are more likely to stay longer than planned compared to expats going to Denmark for work.
- **Reasons for coming to Denmark – for family and love:** expats coming to Denmark for family and love are less likely to stay longer than planned, compared to expats going to Denmark for work.
- **Pay tax according to the standard Danish tax scheme:** expats paying tax according to the standard Danish tax

scheme are more likely to stay longer than planned compared to expats paying tax according to any other tax scheme in Denmark.

- **Good language skills:** expats with good Danish language skills are more likely to stay longer than planned compared to expats with less language skills.
- **Children brought along or children left in country of origin:** expats that have either brought their children to Denmark or left their children back home are less likely to stay longer than planned in Denmark compared to those expats without children.

Figure 7.2 exhibits six factors that significantly influence whether expats stay longer than planned in Denmark. The top three factors relating to reasons for coming to Denmark should be seen as one single block with three distinct elements that are compared with coming to Denmark for work. It is evident from the figure that these three

factors influence whether expats stay longer than planned in different ways.

Expats that go to Denmark as part of their PhD are less likely to stay longer than planned compared to expats coming to Denmark for work. This may not be surprising since these expats are bound by a time limited contract, after which they go home. But, it indicates that Denmark is not good at retaining PhDs in comparison to expats that have been working in Denmark.

Expats that come to Denmark to study are more likely to stay longer than planned in Denmark compared to expats coming to Denmark for work. Students are relatively more flexible, to some extent, since they are at a different stage in their lives, with fewer obligations to work, family etc. than those expats that work. However, it is important that these expats that finish their studies in Denmark have an incentive to stay and work.

There are a lot of uncertainties related to love, which might help to explain why expats that are coming to Denmark for family or love are statistically less likely to stay longer than planned than those expats that come to Denmark for work.

When looking at the expats that pay tax according to the standard Danish tax scheme, it appears that they are more likely to stay in Denmark longer

than planned when compared to expats who are subject to another tax scheme. This is especially true with regard to the reduced tax rate, which has a limited time period in which expats are able to get reduced taxation. Staying longer implies that most will be taxed according to the standard Danish tax regime, which is a significantly higher tax rate.

As concluded earlier in this chapter, good Danish language skills are important in making expats feel integrated. It is evident from figure 7.2 that good language skills are equally important when determining whether expats are going to stay longer in Denmark than planned.

Expats that have brought their children to Denmark or left their children in their home country are less likely than expats without children to stay longer than planned. Expats with children back in their native country have a clear incentive to be united with their children, and if they are not united in Denmark it is rather unlikely that they will stay longer than planned. However, expats that have brought their children to Denmark are also less likely to stay longer than planned when compared to childless expats. Qualitative interviews indicate that a return to the school system in the home country is a main reason for this.

PART 2

THE BENCHMARK

STUDY

2010

BENCHMARK STUDY ON LIVING AND WORKING CONDITIONS OF EXPATS

Even though globalisation has harmonised many aspects of life for the cosmopolitan person, differences still exist between cultures and countries. This benchmark study highlights differences between various parameters assumed important in most people's assessment of living conditions. The aim is to measure the attractiveness of Denmark as a country to live and work in. The benchmark is a comparison based on primarily objective data and also on assessments through transnational surveys. This study is supplemented by a large survey conducted among expats and their spouses.

A benchmark study of Denmark as a country for expatriation has been done before, in 1998⁴⁹ and 2006.⁵⁰ In the current study the benchmarking approach has been changed from a hierarchical model of categorisation of elements to a circular model based on spheres of life. This is done in respect to individual perceptions of what parameters are most important to the individual and his or her family. The categories are thus presented on equal terms, since safety to some may be more important than wage and taxes and vice versa.

The circular approach is, as mentioned, modelled in a setting of different spheres of living conditions: economic represented by "living expenses", job represented by "career and working conditions" and social represented by "community life" (see figure 8.1).

Figure 8.1: Model for living conditions



Source: Oxford Research 2010

Many elements from earlier studies have been kept but adjustments have been made to qualify the comparison and to widen the focus from a single individual perspective to a family perspective. Data on general working conditions and careers, for example, are added in the belief that many expats are bringing spouses that might want to assess their career opportunities in Denmark as well. The goal is to present a tool to the potential expat families by giving a broad overview of the attractiveness of Denmark as an expat destination based on a multifactor approach.

Furthermore, the comparison of several countries is emphasised to lift the whole issue of expatriation into a wider context. Seven European countries have been chosen as well as Denmark in order to make a fair comparison within the region and with countries that in many ways are similar to Denmark. More variation in the comparison would have been obtained if the benchmarking was compared only with south European or eastern European countries, but instead both Sweden and

⁴⁹ Oxford Research (1998): "The Expat Study '98"

⁵⁰ Oxford Research in cooperation with The Copenhagen Post (January 2007): "The Expat Study 2006"

Germany, as the closest neighbours of Denmark, are among the seven countries of reference.

'Attractiveness' is as mentioned an individual perception, but in an effort to give a comprehensive picture, a distinction on different parts of living conditions are presented as shown in figure 8.1. The approach assumes that choosing to move to another country involves many different assessments, but that these assessments can be categorised by the level of living expenses in the particular country, career and working conditions, and assessments concerning the community life.

"Living expenses" accounts for levels of wage, taxes and social expenditures as well as other household expenses e.g. housing costs.

"Career and working conditions" contains two angles. One focuses on a general picture of the labour market, assumed relevant for a potential spouse to assess his or her situation when moving, but which also gives the expat a sense of the working conditions he or she will meet. The other angle focuses on the research and development environment, which is assumed relevant for the expat in assessing the conditions around the specific job in mind and the opportunities of career making.

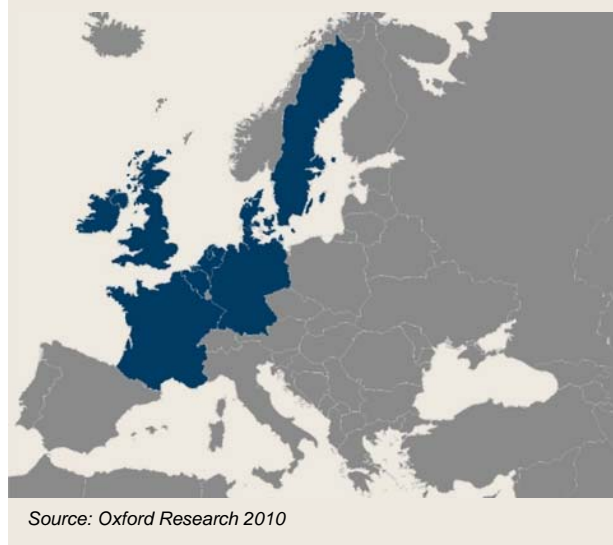
"Community life" is a broad illustration on different aspects within private life - from the ability to connect to an international environment to perceptions of safety and corruption.

This benchmark study takes an individual approach based on different spheres of life, which means that the elements compared will be presented singly and not in a meta-model ranking. As mentioned in the introduction, several elements referring to the different spheres of live are included. Thus each sphere of life is represented in different ways in the effort to provide a wide range of information to use for personal assessments.

It is a Danish benchmark study comparing Denmark's attractiveness. If the aim was solely to make Denmark look good the countries of reference should have been in a different region of the world. This would not have given a useable tool for the potential expat but only confirmed common knowledge of global differences. Instead seven European countries are chosen among Denmark's closest neighbours. All eight countries are "old"

members of the EU – that is, none of the countries of reference are new eastern European member states. The seven countries are: Sweden, Germany, the United Kingdom, Ireland, Belgium, the Netherlands and France (see the map in figure 8.2 below). The average of all 27 EU member states is presented as an additional point of reference when possible.

Figure 8.2: Countries part of the expat benchmark study



Source: Oxford Research 2010

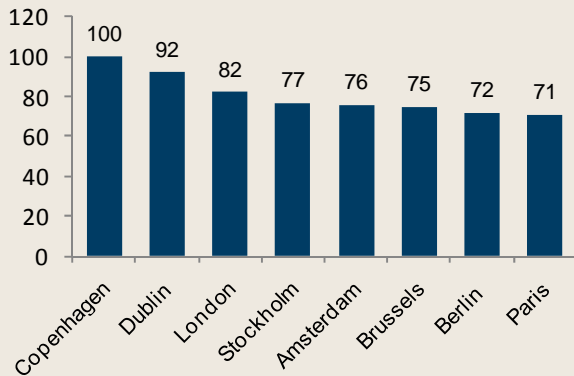
To make the study as comprehensive as possible, several sources are used to avoid the limitation of one source only. This also strengthens the benchmark when different sources are available on the same issue, but considered in different ways. However, "Eurostat" is used as a primary source throughout the study. Some sources focus on capital levels instead of country level. When these figures are used it has been assessed reasonable to do so. For example housing costs often differ significantly between capital city and the average of the country as a whole. Different international indexes are used and when possible and reasonable, the eight European countries are highlighted.

Living expenses

Wages are basic factor when choosing jobs in all cases. However, when considering moving to a new country to work, the wages have to be seen in the context of the general living expenses in the particular country. Most people in a situation where this assessment is relevant know the wages offered for the particular job in question. The wage level in general is included in order to incorporate a frame of reference.

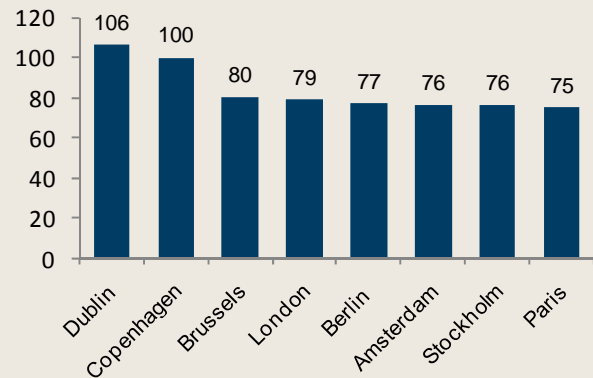
In the previous benchmarking studies, Copenhagen (Denmark) has been ranked as the country with the highest wages. However, Copenhagen has now been overtaken by Dublin (Ireland). There is a remarkable gap between the two leading cities and the city with the third highest, London (United Kingdom).

Figure 8.3: Net Wages 2005



Source: Oxford Research 2010 based on UBS: Prices and earnings

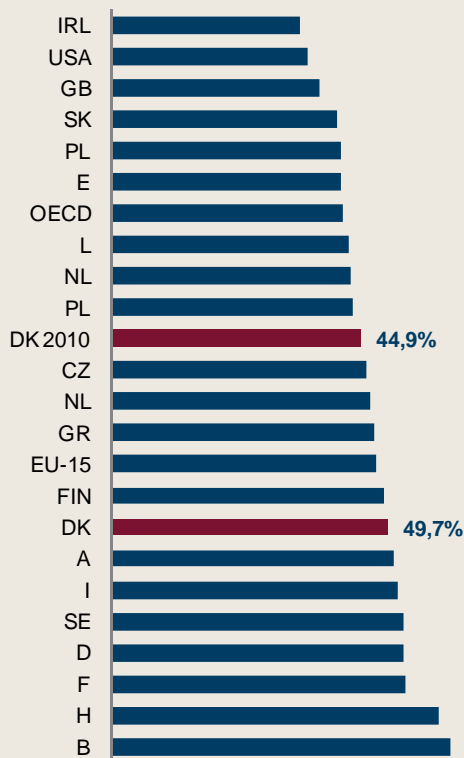
Figure 8.4: Net Wages 2009



Source: Oxford Research 2010 based on UBS: Prices and earnings

Even though figures 8.3 and 8.4 present net wage levels, taxation is of interest to most people and should not be disregarded, especially since Denmark has a reputation for having high taxes. Figure 8.5 presents levels of income taxes. In a comparison to the figures from 2009, it is true that Denmark is placed at the high end, but still surpassed by Sweden, Germany, France and Belgium. The Danish figures from 2010 are included to show a recent tax reduction, which places Denmark closer to the overall average of taxation levels and with a level of taxation lower than the average of the 15 old EU member states. In relation to the levels of net wages presented above Denmark is presumed to change its position with a higher net wages due to a lower income tax.

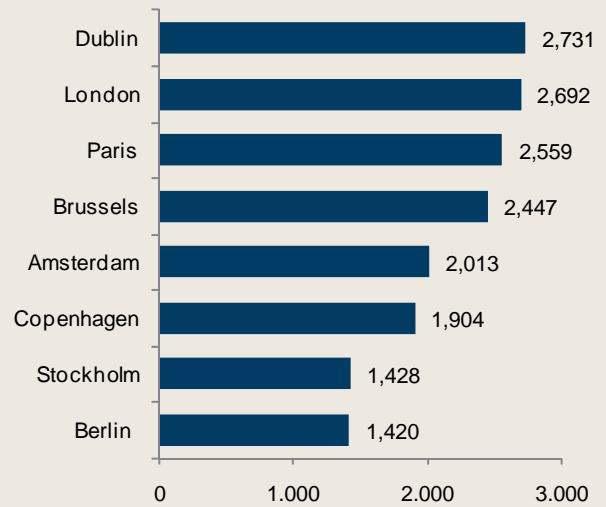
Figure 8.5: Personal income taxes



Source: Oxford Research 2010 based on OECD and the Danish Ministry of Taxation

A large part of living expenses often include housing expenses. In figure 8.6, the monthly rent for a furnished four-room apartment is shown in the capital cities of the eight countries. Copenhagen is placed as the third least expensive city in terms of rent.

Figure 8.6: Monthly rent in Euro for furnished four-room apartment, 2009

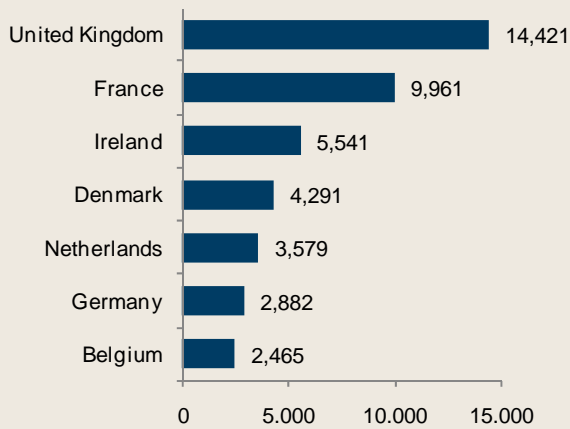


Source: Oxford Research 2010 based on USB: Price and Earnings 2009

Many prefer to rent an apartment or a house at least at the beginning, but buying an apartment or a house is also a possibility that appeals to many people eventually. Therefore the square metre prices are accounted in figure 8.7.⁵¹ When looking at square metre prices, figure 8.9 shows that Denmark is mid-table.

⁵¹ Average per square metre (sq. m.) prices in US\$/€ of 120-sq. m. apartments located in the centre of the most important city of each country, either the: Administrative capital; and/or Financial capital; and/or The centre of the rental market

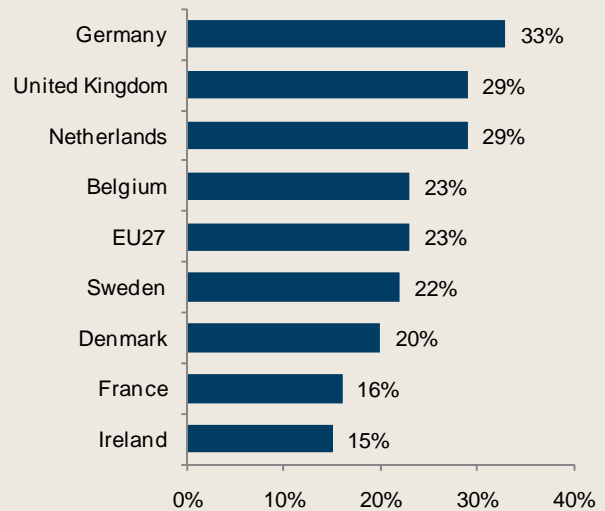
Figure 8.7: Square metre prices in Euro, premier city centre



Note: Figures for Sweden are not found

Source: Oxford Research 2010 based on Global Property Guide 2009.

Figure 8.8: Housing costs as a share of disposable household income



Source: Oxford Research 2010 based on Eurostat 2010

It is important to take into consideration the restrictions on property buying for internationals from outside the EU in Denmark. Currently, it is not possible to purchase property unless you have had permanent residence for at least five years. Otherwise, permission to purchase property must be granted by the Danish Ministry of Justice. Normally such a purchase will be granted provided the house will be lived in all year round – so not used as a holiday home – and the applicant holds a permanent residence. EU citizens do not have to seek permission for property purchases.⁵²

Costs in exact numbers leave out the assessment in relation to the level of income. In figure 8.8 housing costs are accounted as a share of the disposable income in a household. When looking at the share of housing expenses as a share of disposable income, Denmark is positioned as the third lowest.

Even though housing makes up for a relatively large share of the disposable income, there are other expenses that are relevant when evaluating total living expenses.

Wage level is not the sole determiner of the standard of living – purchasing power of wages is indeed imperative in order to measure actual prosperity. Figure 8.9 compares the purchasing power of the wages in the capital cities of reference. The figures compare the amount of products and services available at the individual wage levels.⁵³

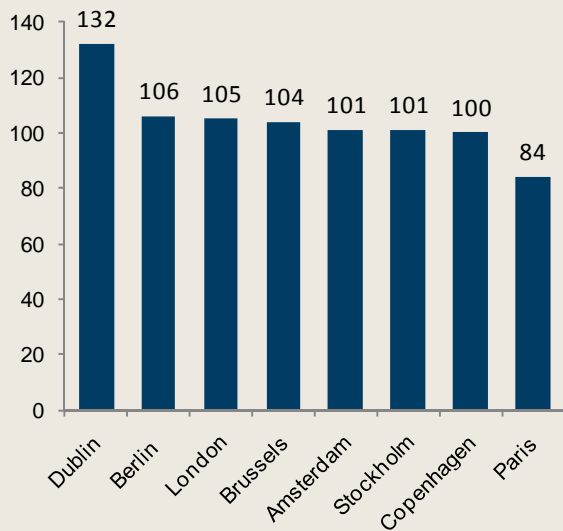
These contain everything from cars to food, and are to a large, extent dependent on culture and lifestyle choices. Thus to provide a picture useable to most people, purchasing power is chosen as the comparative variable.

When looking at an index of purchasing power in figure 8.9, Copenhagen (Denmark) is placed in the middle whereas Dublin (Ireland) has the highest purchasing power, with Paris (France) being the city with the lowest purchasing power.

⁵² www.housebuying.eu

⁵³ UBS Prices and Earnings 2009

Figure 8.9: Purchasing power 2009



Note: Index: Copenhagen = 100

Source: Oxford Research 2010 based on UBS Price and earnings 2009

To sum up: Denmark has high taxes but recent tax reductions bring Denmark very close to the OECD average. Denmark has also high net wages (only outperformed by Ireland). The cost of housing in Copenhagen is average to low when compared to other capitals in Europe. And in terms of purchasing power, Copenhagen is placed in the middle of the capitals of reference.

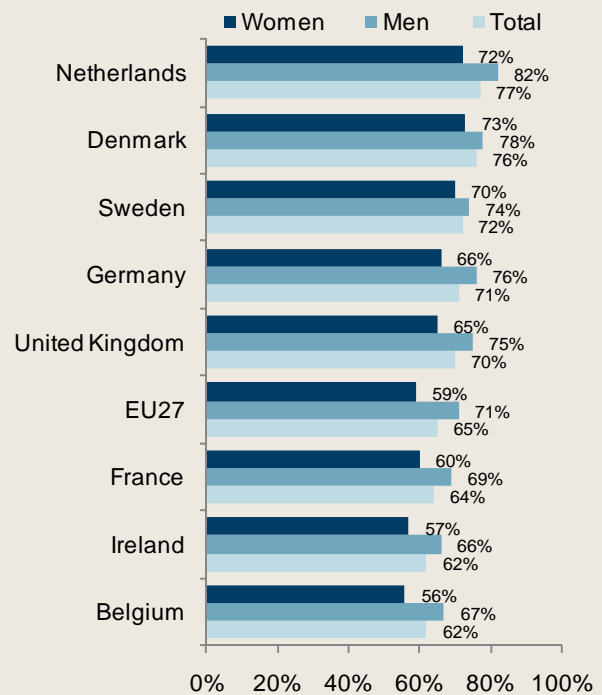
Career and working conditions

Working life takes up a relatively large part of highly-educated people’s time, awareness and identity. When considering moving to a foreign country because of a job, career aspects and working conditions must take up a large part of the assessment. This section is meant to give a general picture of the labour market situation, which may serve as a tool to assess the possible opportunities and conditions for expats as well as their spouses/partners.

In figure 8.10, the employment rates in total and broken down by gender show that Denmark has a high employment rate. Especially when looking at the deviation from other countries it is especially

noticeable with respect to women’s employment, even though Denmark, Sweden and the Netherlands have employment rates that are very similar.

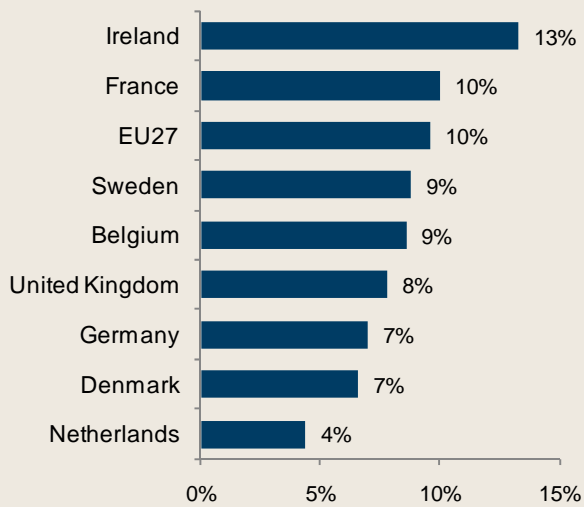
Figure 8.10: Employment rates age 15-64 years, 2009



Source: Oxford Research 2010 based on Eurostat "Population and Social Conditions" 35/2010

This is pointed out for several reasons: it indicates the opportunities for a potential female spouse in the work field, it shows that families in Denmark are based on a two income economy, it indicates that there isn’t a house-wife-culture to connect to and this also means that children are usually in day-care or school and do not play in the neighbourhood during the daytime. This may be important knowledge to families considering living in Denmark as a single-career-family and/or assessing the importance of daycare opportunities for children.

Figure 8.11: Unemployment rates 2010



Source: Oxford Research 2010 based on Eurostat, unemployment statistics June 2010

Denmark has the second lowest unemployment rate among the countries of reference (see figure 8.11). The unemployment rates vary from 13.3% in Ireland to 4.4% in the Netherlands. The Danish Economic Council predicted in June 2010 that even though there is an increase in production foreseen in 2010 and 2011, there will be a small increase in unemployment - still the increase as well as the level of unemployment is moderate compared to other countries.⁵⁴

Moreover, it may be useful to not only look at the labour market situation, but also the market situation in general and the competitiveness in relation to the international market. The World Economic Forum has developed an index on global competitiveness. The countries ranked in the top 10 are presented in table 8.12.

Table 8.12: Global Competitiveness Index – Top 10

1. Switzerland
2. Sweden
3. Singapore
4. USA
5. Germany
6. Japan
7. Finland
8. The Netherlands
9. Denmark
10. Canada

Source: Oxford Research 2010 Based on World Economic Forum "The Global Competitiveness Report 2010-2011".

As the rankings show, Denmark is ninth globally, which is four places lower than the year before. If looking at Forbes Magazine's "Best countries for Business ranking", Denmark was number one in 2009.

Table 8.13: Best countries for business, 2009

1. Denmark
2. Ireland
3. Finland
4. USA
5. United Kingdom
6. Sweden
7. Canada
8. Singapore
9. Hong Kong
10. Estonia

Source: Oxford Research 2010 based on Forbes Magazine "Best countries for Business ranking", 2009

Forbes' "Best Countries for Business" ranking, as seen in table 8.13, looks at business conditions in 127 economies and Denmark was the strongest in every respect, with a mix of low inflation and low unemployment, an emphasis on entrepreneurship, and lower taxes. These qualities, combined with high ratings for innovation and technological savvy, mean that Denmark retains its no. 1 position in Forbes' ranking.

Forbes' Ranking recognizes the importance of personal freedoms and includes means to quantify

⁵⁴ Danish Economic Council (2010): "Dansk økonomi forår 2010"

this, such as free and fair elections, legal protection for investors, levels of corruption, stock market performance, intellectual property rights, promotion of free trade, and levels of inflation and taxation on income and investment.

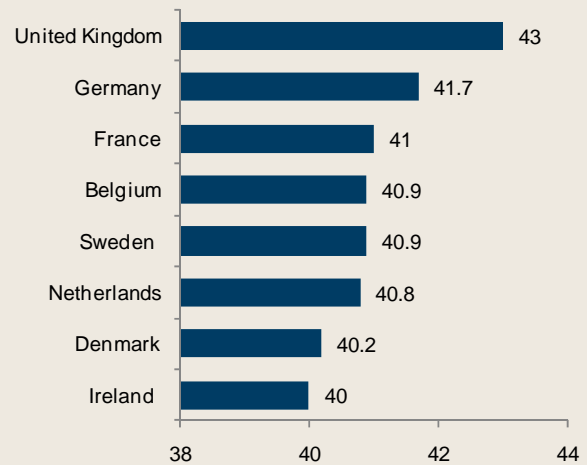
The Global Competitiveness report by the World Economic Forum is based on 12 pillars of competitiveness,⁵⁵ and the rank is calculated from both publicly available data and the Executive Opinion Survey, - a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes. To discuss the differences in the two rankings would be too comprehensive for the current use, but both support a picture of Denmark being in the top 10 countries when considering conditions for businesses.

Working conditions

Working conditions include many dimensions and do of course vary from organisation to organisation.

As mentioned earlier, work has a tendency to take up a large part of one's life in academic circles. To be able to assess the balance between working life and private life, the average work hours per week is relevant. Denmark has been found to be the country with the second fewest annual working hours.

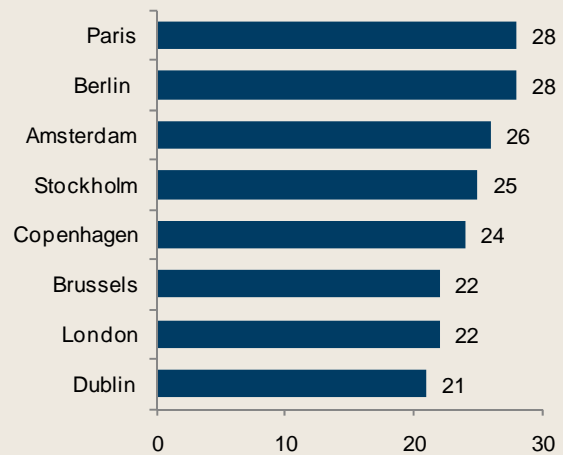
Figure 8.14: Average work hours per week (full-time employed)



Source: Oxford Research 2010 based on Eurostat, 2009

The average working hours per week in figure 8.14 is seen over a year, thus the number of vacation days during a year is of interest. In figure 8.15 vacation days are presented with a relatively high variation between the countries. The vacation days of an Irish employee amounts to two thirds of a Danes vacation days. Denmark shares the position of number two with Germany, and is exceeded by Sweden by three days.

Figure 8.15: Number of vacation days per year



Source: Oxford Research 2010 based on UBS Price and earnings 2009

⁵⁵ The pillars are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation

Employees in Denmark receive a relatively high number of vacation days a year compared to other northern European countries, as the table above shows. Figure 8.15 however does not include bank holidays, of which Denmark has an additional 12. It has not been possible to obtain the official number of bank holidays in the other countries used for benchmarking in this report; it is nevertheless fair to say, that employees in Denmark benefit from more vacation days than many other northern European countries.

Table 8.16: Public holidays in Denmark, 2011

New Year's Day: 1 January
Maundy Thursday: 21 April
Good Friday: 22 April
Easter Sunday: 24 April
Easter Monday: 25 April
General Prayer Day: 20 May
Ascension Day: 2 June
Constitution Day: 5 June
Whit Sunday: 12 June
Whit Monday: 13 June
Christmas Day: 25 December
Boxing Day: Second day of Christmas

Source: Oxford Research based on Officeholidays.com

The number of working days may not provide a full picture of how employees experience the balance between work and private life. Nevertheless, according to the fourth European Working Conditions Survey by the European Foundation from 2007, only employees in Austria and Norway are more satisfied with their work-life balance than Danish employees in the European Member States. The question asked in connection to the report was: 'In general, do your working hours fit in with your family or social commitments outside work?'⁵⁶

Workplace culture has a significant impact on one's working life, including the general attitude toward employees and what is expected of them.

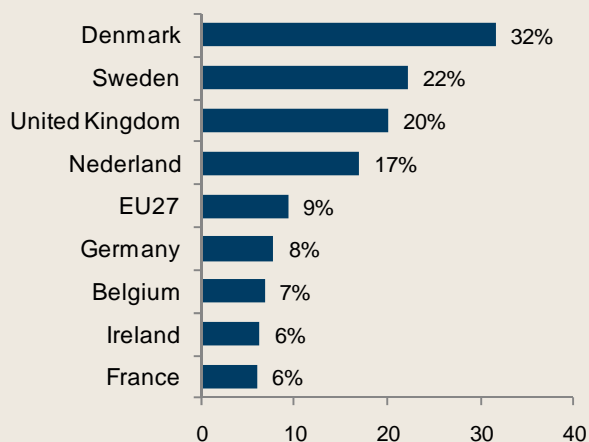
Workplace culture in Denmark is often seen as informal compared to other countries, and the structure is understood as being fairly flat and characterised by teamwork. The fourth European Working Conditions Survey shows that Danish employees experience a high degree of autonomy in the workplace, which means the Danish workforce has the most autonomy among the European countries.⁵⁷ Expats should prepare for the expectation of independent work together with co-workers.

Extensions of the expected autonomy in carrying out one's job are the investments employers make towards developing the human resources of the organisation. Therefore, another indicator of work life culture is the opportunity for education while on the job. A comparison of life-long learning presents a vision and a business development measure, and it pinpoints both differences in work life culture as well as personal opportunities and expectations in each country. Denmark clearly outperformed the other surveyed countries, with 31.6% of the workforce between 25-64 years of age receiving education or training (see figure 8.17). Sweden is number two with 22.2%.

⁵⁶ Fourth European Working Conditions Survey, 2007, p 72

⁵⁷ Fourth European Working Conditions Survey, 2007

Figure 8.17: Life-long learning in % of persons aged 25-64



Note: Life-long learning refers to persons aged 25 to 64 who stated that they received education or training in the four weeks preceding the survey (numerator). The denominator consists of the total population of the same age group, excluding those who did not answer to the question 'participation to education and training'. Both the numerator and the denominator come from the EU Labour Force Survey. The information collected relates to all education or training whether or not relevant to the respondent's current or possible future job

Source: Oxford Research 2010 based on Eurostat 2010

Danes are quite happy with their work and workplace. According to the earlier mentioned survey on European working conditions published by the European Foundation for the Improvement of Living and Working Conditions in 2007, employees in Denmark are the most satisfied in Europe⁵⁸. They are closely followed by Norway and the UK and are well above the EU27 average.

Moreover, Great Place to Work Institute® awards the 50 best work places in Europe every year. The companies are judged on a Trust Index, which incorporates credibility, respect and fairness at the workplace. On the list of the 50 best large companies in Europe, Denmark has eight entries, and three among the top ten. On the list of the 50 best small and medium size companies, Denmark has 11 entries of which five are among the top ten.

⁵⁸ Fourth European Working Conditions Survey, 2007

Research and development environment

To many expats, the environment of research and development in a country is decisive in assessing one's career opportunities in both the short and the long term. First and foremost, the research environment's position in the international research community is important. This varies, of course, depending on the field of research, for which a benchmark would be too comprehensive for the current study. Rankings of universities are therefore offered as a measure of the research environment. According to the Danish University and Property Agency the three most common international rankings of universities are Times Higher Education World Ranking (THES), Academic ranking World Universities (ARWU), and Leiden Ranking (LR). All of these can be criticised for having inexpediencies in the methods used.⁵⁹

Three universities are ranked among the top 200 universities in the world according to THES. Technical University of Denmark is placed at number 122, Aarhus University as number 167 and University of Copenhagen as 177.⁶⁰ The ARWU ranks University of Copenhagen at the top as number 40 in the world, while Aarhus University at number 98 is the only other university in the top 100.⁶¹ The LR places University of Copenhagen as number 38 globally and Aarhus University as number 93.⁶²

Not all expats are offered a position in these universities and even if, the general picture of engagement in research and development throughout society is an important piece of information.

Looking at research and development expenditure as a percentage of GDP, Denmark ranks as number two with 2.54% of GDP going towards research and development, closely followed by Germany, which spends 2.53% of GDP on research and development (see figure 8.18). Sweden surpasses all of the surveyed countries in terms of its share of GDP,

⁵⁹ Danish University and Property Agency

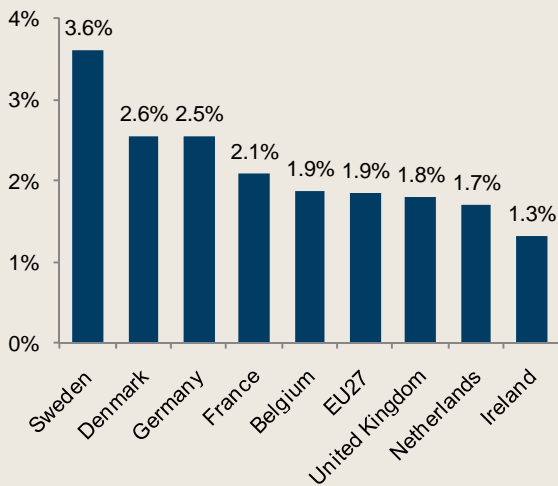
⁶⁰ Times Higher Education World Ranking 2010: www.timeshighereducation.co.uk

⁶¹ Academic ranking World Universities 2010: www.arwu.orh

⁶² Leiden Ranking 2010: www.socialsciences.leiden.edu. Note that it is the yellow ranking i.e. number of publications.

spending 3.64% on research and development. The research activity in Denmark is thus relatively high and supports a shift in the consciousness of society, away from seeing Denmark as an industrial or agricultural society towards seeing it as one built on knowledge and innovation.

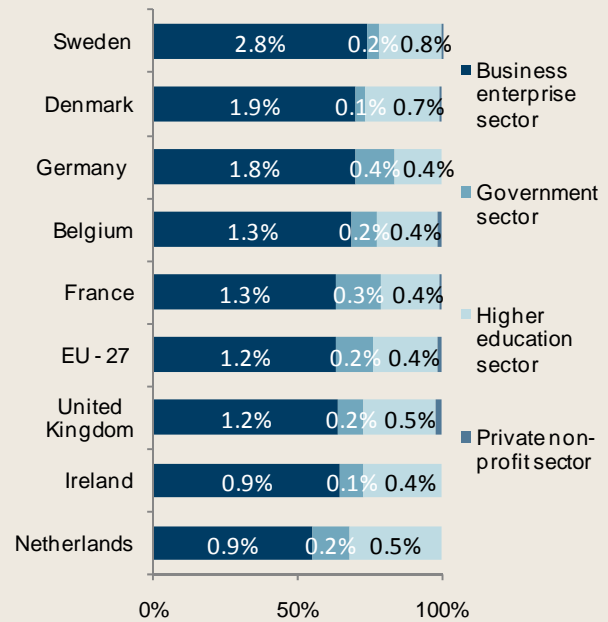
Figure 8.18: Percentage of GDP spent on R&D



Source: Oxford Research 2010 based on Eurostat "Science, technology and innovation in Europe 2010"

Looking further into how these expenditures are distributed, the expenditures are split into four different sectors in figure 8.19. This information may be of relevance when assessing the opportunities for a further career in Denmark – for example knowing where and how big investment is done in research and development.

Figure 8.19: Research & Development expenditure of GDP by sectors

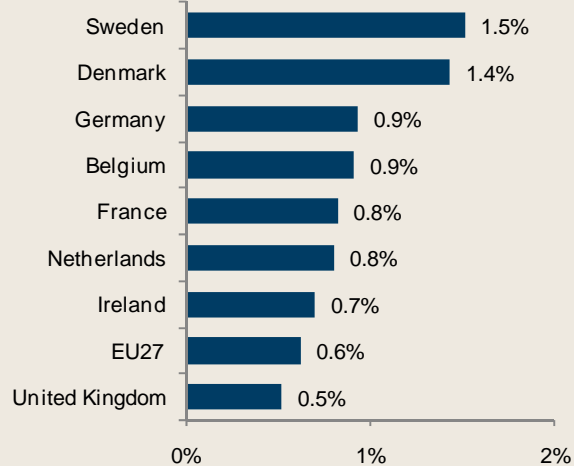


The percentage of GDP spent on R&D by sector.

Source: Oxford Research 2010 based on 2008 figures from Eurostat.

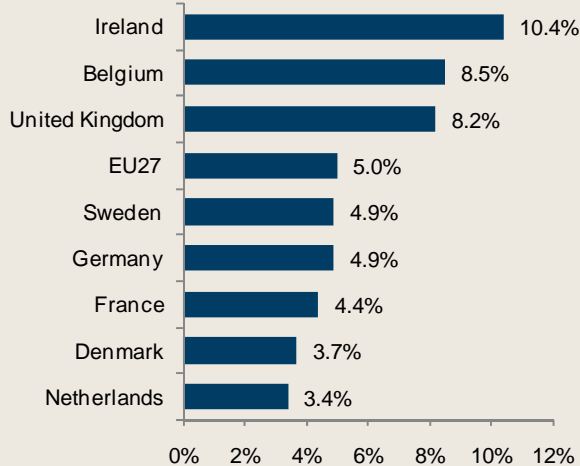
Expenditure is one way of measuring the extent of a research environment, but the distribution of these expenditures is not necessarily spent on human resources. The share of personnel in research and development is thus another element when assessing the research environment, which allows for an assessment of future career development. In figure 8.20, the number of research and development personnel is presented as a percentage of persons employed in the business enterprise sector. This sector is chosen to put focus on the largest non-governmental part of the research environment. On this measure Denmark ranks second after Sweden, with Germany at number three, while the other countries are placed slightly differently than they would be when solely looking at expenditures in general.

Figure 8.20: R&D personnel in business enterprise sector, as % of persons employed



Source: Oxford Research 2010 based on Eurostat "Science, technology and innovation in Europe", 2009

Figure 8.21: Share of non-national human resources in science and technology (aged 25-64 years)



Source: Oxford Research 2010 based on Eurostat "Science, technology and innovation in Europe", 2009

Furthermore, to expats the share of foreign personnel in the research environment may be an element of interest presented in figure 8.21. In this setting Denmark ranks with the second lowest share, yet only 1.2 percentage points below the average of all 27 EU member states. Ireland outperforms other countries with non-nationals comprising 10.5% of the workforce in science and technology.

To sum up, when compared to other European countries, working conditions in Denmark are characterised by a good work-life balance, high autonomy, further education and training as an integrated part of the job, and the most satisfied employees in Europe. Denmark has a high employment rate among both sexes and is ranked in the top ten on both the Global Competitiveness Index and Forbes Magazine's "Best Countries for Business" ranking, which it currently tops as number one. The research environment is characterised by high expenditures and a high share of research personnel in the private sector. However, the share of foreign personnel is relatively low.

Community life

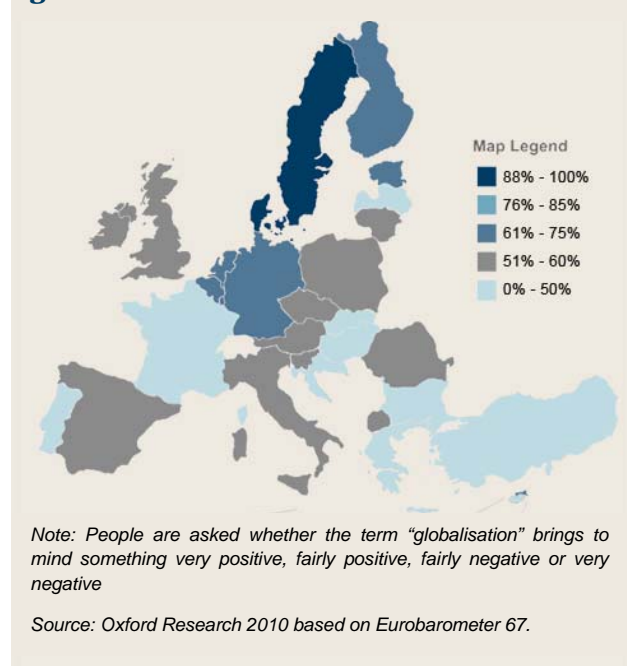
A general picture of the social sphere of life can be through an approach that only considers individual assessment. Community life is a multi-faceted and essential aspect of most people's lives. The section will examine different aspects of community life in order to give as wide an overview as possible within the framework of a benchmarking study.

International environment

To the expatriate family, it can be exciting and interesting to interact with a new culture and new surroundings. However, most foreigners would occasionally like to meet fellow countrymen, other expatriates and foreigners once in a while. The international perspective that Denmark offers may be a determining factor in making the decision of whether to move to Denmark. In other words, people considering the move will want to know whether they will encounter an open and welcoming community to which they can contribute.

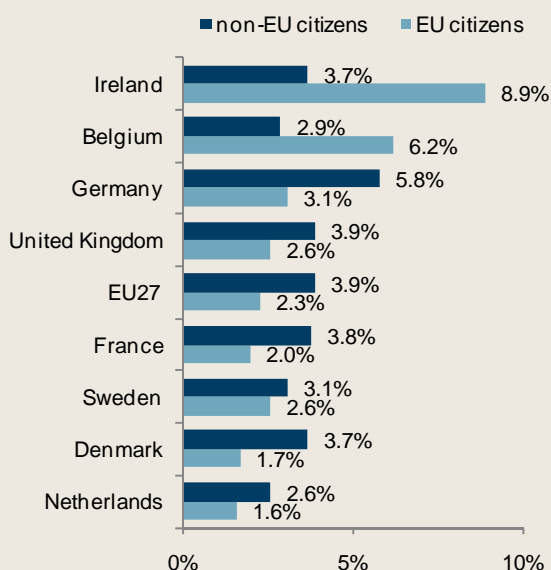
First and foremost, it is of interest whether the population in general is broadminded in their views of community as a concept. The general perception on globalisation in a country gives a picture of this and of whether there is an international perspective. The general view of globalisation also shows the attitude toward the consequences of globalisation - such as work migration. As illustrated in figure 8.22 82% of the population in Denmark has a positive perception of globalisation whereas the European average (EU27) is 46%. Danes are the most positive towards globalisation, followed by Sweden (72%) and with a relatively large leap down to number three, the Netherlands (57%).

Figure 8.22: Positive attitude towards globalisation



In illustrating an international environment, the percentage of foreign citizens is a natural indicator. Denmark has the second lowest proportion of EU-citizens (non-nationals) as a percentage of foreign population and holds a middle position at number four when looking at percentage of non-EU-citizens (see figure 8.23).

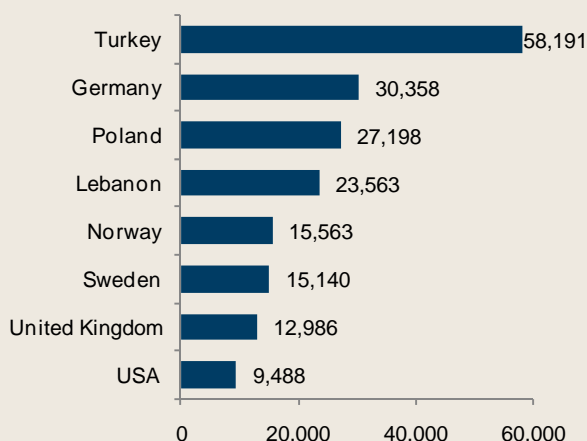
Figure 8.23: International citizens as a percentage of population



Source: Oxford Research 2010, based on Eurostat in "The Social Situation in the European Union 2009"

To elaborate on this figure 8.24 shows the actual number of foreign citizens of selected nationalities in Denmark.

Figure 8.24: The most represented international citizens in Denmark



Source: Oxford Research 2010, based on statistics from The Danish Ministry of Refugee, Immigration and Integration Affairs January 2009

The fastest growing group of international citizens are from Poland, which has increased steadily since the country's accession to the EU in 2004.

In 2009, 16% of all residence permits in Denmark were granted to international professionals for career purposes; 30% were for students and 43% were for EU/EEA citizens.⁶³ The reason behind the EU/EEA citizens' stay has not been formally studied but it seems reasonable to think that many of these are also based on employment or education. (For information on international schools see box 8.25 below.)

Box 8.25: International schools in Denmark

Despite the relatively low number of international citizens in Denmark compared to other European countries, Denmark has international schools at primary and secondary level.

There are 18 schools countrywide that offer teaching in English, French or German. Twelve of those are Danish schools with international departments. For students at secondary level, International Baccalaureate is offered at secondary level in 16 schools countrywide.

For further information and a specified list of the schools, see Danish Ministry of Education: www.uvm.dk and International Baccalaureate: www.ibo.org

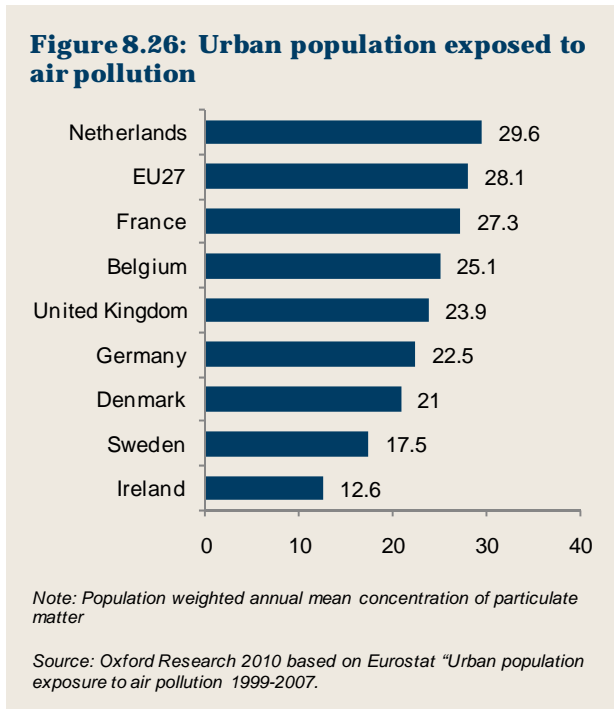
Threats to quality of life

Quality of life means different things to different people, but certain elements threaten the quality of life in all individual assessments. Feeling unsafe is a universal element that diminishes the quality of life. This is so, both with respect to insecurity due to crime in general and when bribery and corruption disturbs the quiet life of a citizen or businesspersons. And finally the threat of air pollution has become relevant in many cities as an unavoidable health threat.

To start off with the latter, while many health issues are related to the individual's lifestyle, air pollution is an inescapable and obvious factor in everyday life.

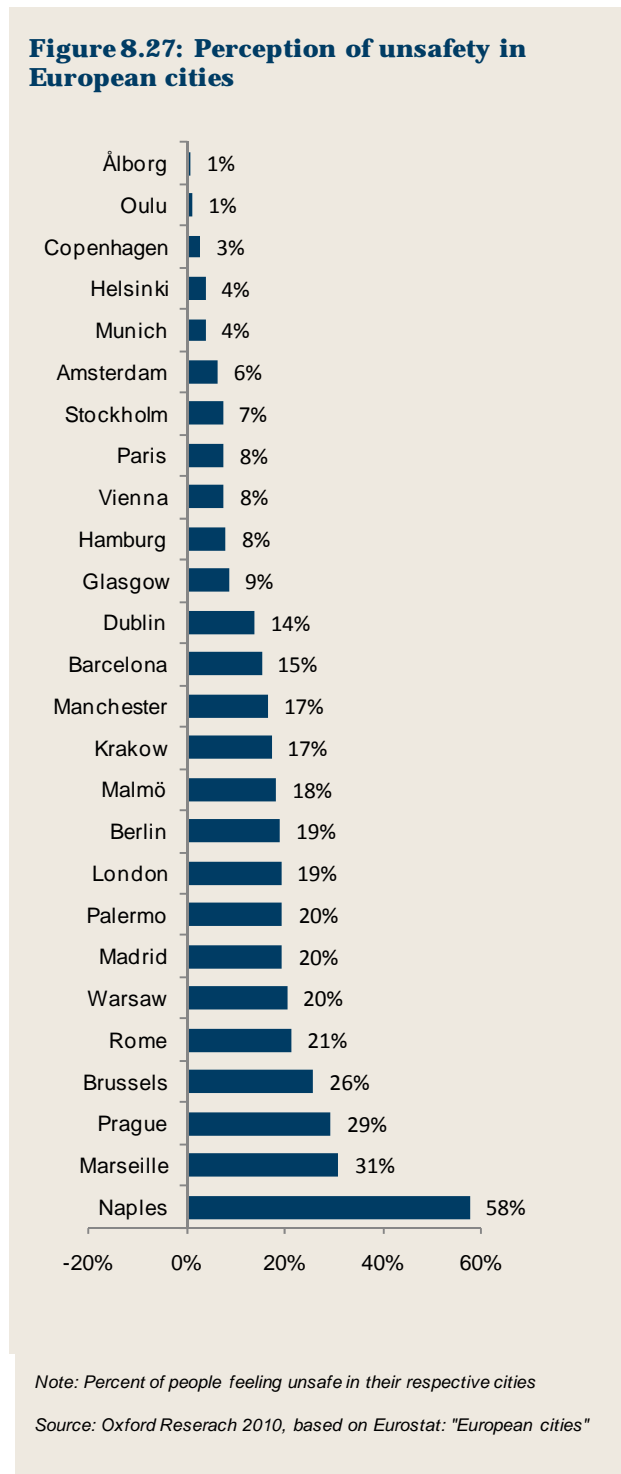
⁶³ Danish ministry of integration, "Tal og fakta"

In figure 8.26, particulate matter is compared among the eight reference countries. Denmark has the third lowest concentration.



Another essential element when it comes to living a high quality life is the question of whether there is a high threat of crime. Eurostat has asked citizens in European cities to rate their perception of safety in the city they live in and in their neighbourhood.

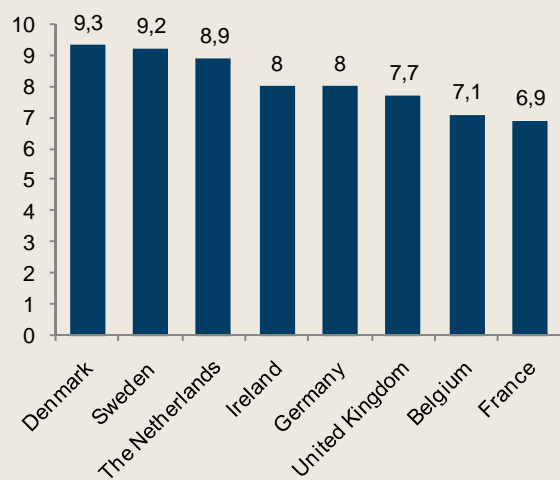
Figure 8.27 shows the percentage of citizens who feel unsafe. In Aalborg (DK), Oulu (FI), Stockholm (SE), Helsinki (FI) Copenhagen (DK), and Munich (DE) less than 5% of the respondents answered that they never or rarely feel unsafe in the city. Consequently, more than 95% of the respondents feel safe at all times or most of the time. That is, the two Danish cities in the benchmark survey are ranked in top five of citizens' perception of safety.



Another aspect of safety is in the rule of law and predictability in public as well as in business relations. Most people want to avoid being exposed to bribery. The Corruption Perceptions Index (CPI) is a scale from 0 (perceived to have high levels of corruption) to 10 (perceived to have low levels of

corruption) created by Transparency International. Denmark ranks as number two on the global list with a CPI of 9.3, just surpassed by New Zealand with a CPI of 9.4. In figure 8.27, Denmark is compared to the six other European countries used throughout the benchmark. Even in a regional perspective there is a variation from 9.3 (Denmark) to 7.1 (Belgium).

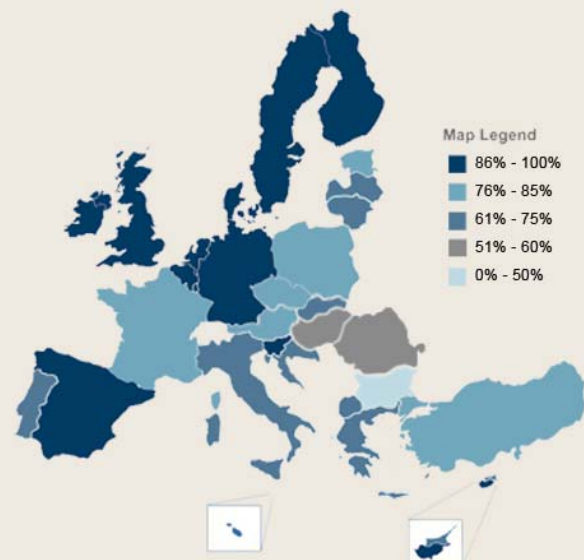
Figure 8.27: Corruption Perception Index



Note: The Corruption Perceptions Index (CPI) measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is a "survey of surveys", based on 13 different expert and business surveys.

Source: Oxford Research 2010 based on Corruption Perceptions Index (CPI) 2009, Transparency International

Figure 8.28: Satisfaction of life



Note: "On the whole, are you satisfied, fairly satisfied, not satisfied or not at all satisfied with the life you lead?"

Source: Oxford Research 2010 based on Eurobarometer 67.

To sum up, Danes have a positive attitude towards globalisation. Yet, the proportion of foreigners remains relatively low. Danes feel relatively safe in terms of crime and corruption, and enjoy a relatively low exposure to air pollution. Finally, they are highly satisfied with the lives they lead.

This suggests that Danes have little to fear in terms of basic threats to their quality of life, which may also be why Danes have been deemed the most satisfied people in the European Union. In figure 8.28, satisfaction of life is shown for the inhabitants of the member states of the European Union. The answers reflect a personal perception on a personal life and 97% of the Danes responded positively. The same position is held by Sweden and Holland. The EU27 average is relatively high with 80%. But in spite of this, the variation among EU countries is from a high of 97% to a low of 66%. All of the eight European countries used for comparison throughout the benchmark are positioned above the EU27 average.

METHODOLOGY OF THE STUDY

This chapter consists of the main methodological considerations of the Expat Study 2010. First, the population of expats and definition are investigated. Secondly, the data collection techniques utilised are described. Thirdly, the survey conducted among expats is explained. Finally, the methodological guidelines used when processing the data collected from the survey are clarified.

The population

As described in chapter 1, the population of expats has been defined through a combination of data collected from the National Labour Market Authority, the Danish Immigration Services, the Confederation of Danish Industry, and the Danish Agency for International Education.

It is also important to note the relatively broad definition of the target group for the survey. Expats in this context refers only people who have at least a Bachelor's degree from a university or school of higher education. As such, the definition of an expat used in this study is a person who has come to Denmark because of work or education. Included in this are spouses and students on the PhD-level. This definition seems broad, but in reality it was restricted through the data collection, which will be described in the next part.

The broad definition and the focused data collection have resulted in a large number of respondents; in total, 1,505 expats have taken part in the survey.⁶⁴ The profile of the respondents described in chapter 1 also reflects that the answers come from the intended target group, for instance, on factors such as educational background and length of time spent in Denmark.

Data collection

Data was collected between the 3 and 15 September 2010. The aim was to reach expats. More

specifically, the open link to the questionnaire was distributed to the target group through the channels listed in figure 11.1.

Table 9.1: Sources for data collection in the study

- The Copenhagen Post, who published the link in their newspaper
- Expat in Denmark, who sent out the link in their newsletter
- Consortium for Global Talent, who sent the link to 15 involved private-sector companies
- PriceWaterhouse HR-network, who sent the link to 20 involved private companies
- The Capital Region of Denmark, who distributed the link among hospitals in the region
- Ministry of Science, Technology and Innovation
- Technical University of Denmark (DTU)
- University of Copenhagen
- Aarhus University
- Roskilde University (RUC)
- University of Southern Denmark
- University of Aalborg
- Copenhagen Business School
- IT-university of Copenhagen
- International Community
- Employment region Northern Jutland

Different strategies were employed to reach the target group, including, sending the link directly to the target group or posting the link on web pages. The fact that a total of 606 of the respondents in the survey are scientists or researchers in the public sector reflects that the universities were an important channel in the collection of the data. An

⁶⁴ The Expat Study 2006 was based on answers from 400 expats.

estimated 5,000 links were sent out, and so the response rate of the study is approximately 30%.

The survey

The respondents answered via an open link on the survey that was developed in the web based program, Inquisite.

The survey builds on the Expat Study 1998 and 2006, and covers many aspects of being an expat, such as working life, income and cost of living, family, social life and integration and public regulation. However, the survey has been adjusted and appears more detailed than in previous years. The adjustments also reflect the points of interests of the partners behind the study. Compared to the previous studies, more weight is put on spouses and researchers coming to Denmark.

In order to minimise the time the respondents needed to spend on answering the survey, it was set up so that no apparent irrelevant questions were posed to any of respondents. For instance, no stay-at-home partner was asked how he or she experienced Danish working culture. It was possible for the respondents to save their answers if they wished to return to the survey at a later time to submit their answers. A pilot test of the survey was conducted by several “expat pilots”.

Reporting

In this report some general guidelines have been followed. All crosstabs have been chi-square tested, and the degrees of freedom and p-values are reported where statistically significant result were found. However, statistically insignificant results are in some cases shown and described as well.

References

Figure 9.2: List of sources used in the benchmark report

- Business.dk
- Corruption Perceptions Index (CPI) 2009
- Eurobarometer 67
- Eurostat
- European Foundation for the Improvement of Living and Working Conditions: “Fourth European Working Condition Survey” (2007)
- Forbes Magazine “Best countries for business ranking”, 2007
- Global Property Guide 2009
- OECD
- The Danish Ministry of Education
- The Danish Ministry for Refugee, Immigration and Integration Affairs
- The Danish Ministry of Taxation
- World Economic Forum “The Global Competitiveness Report 2010-2011”
- UBS: Pricing and earnings 2005 and 2009

Abbreviations

Table 9.3: Abbreviations

AT: Austria	IT: Italy
BE: Belgium	LT: Lithuania
BU: Bulgaria	LV: Latvia
CY: Cyprus	LU: Luxembourg
CZ: Czech Republic	MT: Malta
DK: Denmark	MK: Macedonia
DE: Germany	NL: The Netherlands
EE: Estonia	PL: Poland
EI: Ireland	PT: Portugal
EL: Greece	RO: Romania
ES: Spain	SE: Sweden
FI: Finland	SI: Slovenia
FR: France	SK: Slovakia
HR: Croatia	TR: Turkey
HU: Hungary	UK: United Kingdom

The Expat Study 2010

Oxford Research A/S and The Copenhagen Post present the third survey conducted of expats living and working in Denmark. The study reflects the growing awareness that research institutions, businesses, and countries are required to attract competence and knowledge globally if they are to gain or maintain competitive advantages.

The study examines the qualities of Denmark as a place for expats to live and work and identifies areas where Denmark can do better, especially in the way we target the challenge of globalising our corporate cultures and search for human resources internationally.