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TO THE READER

Welcome to the world of international recruitment. We are glad that you are interested in this topic and perhaps consider recruiting an international expert. This guide is intended especially for employers who are potentially facing their first international recruitment. The guide contains essential information that should be considered in international recruitment processes. International recruitment refers to hiring persons from abroad or hiring an international expert already residing in Finland.

This guide covers the different stages of the recruitment process from planning the recruitment to the point when the new employee starts work. The main titles of the guide are International experts and the labour market, Recruitment process, Hiring a foreign employee, Starting work in Finland, Settling in Finland and other services, Moving the family to Finland, and Working abroad. The topics are discussed, for example, through instructions, descriptions and questions addressed to the employer. The guide offers further information on the special features of international recruitments, important issues to consider, and different support services. The purpose of the guide is to help employers act correctly in the different stages of the recruitment process while taking the needs of the new international employee into consideration.

The International Recruitment Guide implements the national <u>Talent Boost</u> programme. In addition to this guide, there are many public and private support services available for the international recruitment process. These are discussed in more detail in the different sections of the guide.

Wishing you many successful international recruitment experiences, Course towards Finland/Kokka kohti Suomea project



GUIDE AND CONCEPTS

This guide has been written as part of the Kokka kohti Suomea project and the Talent Boost action plan. The aim of the Kokka kohti Suomea project is, among other things, to secure the growth of companies in growth centres by promoting the recruitment of international employees to the Finnish labour market. The commissioner of the guide is the Centre for Economic Development, Transport and the Environment of Southwest Finland. The work on the guide has been supported and supervised by a steering group consisting of Talent Boost operators. The authors of the guide are Kirsi Korhonen and Tanja Malo, International Fox Agency Oy, and the layout was implemented by Marja Hautala, Muuks Creative Ay.

This guide covers the different areas of recruitment processes from the perspective of international recruitments. It is advisable to read the guide in its entirety, especially if it is your organisation's first time hiring an employee arriving in Finland or a foreign national already residing in Finland. The different sections of the guide are written in a way that allows them to be read separately, as well. If a topic is discussed in more than one section, there is a separate mention of this in the text.

In this guide, international recruitment refers in particular to the recruitment of foreign nationals who arrive in Finland from abroad or are already living in Finland. In general, international recruitment covers both working in Finland and abroad. This guide focuses mainly on working in Finland, but it also includes a brief overview of dif-

ferent situations related to working abroad. The primary terms used in the guide are international expert, applicant and employee. An international expert, applicant or employee is a person with experience in living, working and/or studying abroad or in a multicultural community. For example, an international expert may be a Finnish or foreign national living either in Finland or abroad. It is up to the individuals themselves to determine whether they regard themselves as international experts.

In this guide, foreigner refers to a citizen of a country other than Finland. The employee's citizenship affects, for example, the process of obtaining a right to work. The citizens of EU/EEA countries, Nordic countries and so-called third countries are often subject to different rules and requirements, both in official processes and in the availability of services. Moreover, the person's place of permanent residence – in Finland or abroad – is an important factor in many situations. These differences are discussed in the guide in more detail in the context of relevant topics. A more extensive list of the concepts related to internationalisation and the integration of foreigners can be found on the website of the Centre of Expertise in Immigrant Integration.

The guide was written in the spring of 2021 and all the information contained therein corresponds to the current situation. Current information is always available on the websites of the parties mentioned in the guide.



1. INTERNATIONAL EXPERTS AND THE LABOUR MARKET

In order to make the guide as useful as possible, the first section discusses the international labour market and its potential. It is important for employers to find skilled workforce suitable for the tasks and their organisation. The increasing competition, digitalisation, global challenges and changes in working life all affect the business sector and recruitments, also in Finland. Finding skilled workforce is one of the greatest challenges in terms of the growth and internationalisation of companies and other organisations. At present, the best employees are not necessarily found through the employers' immediate networks, which is why it is worthwhile to look beyond the local market. The most potential applicant may well be a foreign national or a person living abroad at the beginning of the recruitment process. When employers consider the option of international recruitment, they significantly increase their chances of finding the best employee candidates.

The availability of skilled workforce has become an increasingly common problem in Finland in almost all sectors and geographic areas, and particularly in growth centres. At present, Finland's labour needs cannot be met with the country's own population alone. The Finnish Government's Migration Policy Programme states that Finland must strengthen labour migration, help international experts get settled in Finland, and aim to channel their expertise to support the growth and internationalisation of companies. This guide supports the achievement of the above-mentioned objectives by offering a compilation of essential issues that employers must take into consideration when recruiting international experts.

According to a recent study, the number of people working in Finland has only increased in the 21st century as a result of the employment of people with a foreign background. The number of the working-age population has declined since 2010. According to Statistics Finland's population projection, Finland's working-age population (aged 15-64) will decrease by 111,000 persons by the year 2040. It is not possible to meet the current labour needs with Finnish workers alone; instead, foreign nationals who are currently living in Finland or willing to move here, returnees and other similar groups must be taken into consideration when recruiting new employees. Employers must increase their capacity to recruit people who are not Finnish nationals or who do speak Finnish or Swedish fluently. Public and private services support the employers in rising to this challenge.

DIVERSITY OF THE WORK COMMUNITY AS A MEANS OF GROWTH

By internationalising recruitment practices, organisations can ensure that skilled workforce is found and promote the growth of their business. <u>Studies</u> show that diverse work communities are more innovative and productive than work communities that consist of like-minded people with similar personalities. Moreover, diversity of the work community also attracts a more diverse customer base to use the organisation's services and products.

According to <u>a publication</u> in the Journal of Economics and Management Strategy, even a more even split along



gender lines at the workplace can increase revenue by roughly 41 per cent. According to a study conducted by the consulting company McKinsey & Company, companies that enforce equality between genders are 15 per cent more likely to increase their revenue compared to other organisations in the same sector. Racial and ethnic diversity raises the chances up to 35 per cent. In economic terms, a diverse work community can, therefore, be quite profitable.

The diversity of the work community also increases the organisation's social capital and knowledge resources. When the employees represent a vast spectrum of fields and backgrounds, they have a more extensive skill and experience base to use for the good of the organisation's operations. In other words, employers can do themselves a favour by employing a diverse range of different employees in their work community. The increasing diversity of the work community is also discussed in the section Starting work in Finland and, for example, in the Finnish Institute of Occupational Health's <u>publication</u> "How to promote diversity in recruitment".

PUBLIC SERVICES TO SUPPORT INTERNATIONAL RECRUITMENT

Recruiting a new employee always requires time, money and human resources from the employer. It is advisable to carry out the recruitment process in a systematic manner and consider in advance how the key issues will be handled. There are a few more issues to take care of and consider in international recruitment processes than in the recruitment of a Finnish person who speaks Finnish or Swedish fluently. This guide was written with the aim of supporting any and all organisations considering international recruitments. In addition to this guide, there are also many public services available to support companies and organisations with international recruitments. The following chapter includes examples of public bodies that provide organisations with assistance in matters related to internationalisation and international recruitment. The different forms of support are discussed later in the guide in more detail.

The Ministry of Economic Affairs and Employment steers the national Talent Boost programme, in which several different parties take various measures, such as implement events, services and reports, to support the internationalisation of organisations. One of the objectives of the Talent Boost programme is to strengthen the capacity of organisations to recruit international experts and to boost the internationalisation and renewal of Finnish organisations. Regional Talent Hubs and, for example, International House Helsinki provide services for both international experts and employers. The Talent Boost CookBook provides examples of projects and other activities that implement the Talent Boost principles. Organisations and companies can use the Talent Boost Index to determine their readiness for international recruitment and managing a multicultural work community. Business Finland offers financial support and networks to support internationalisation and growth.

TE Services, the TE-live recruitment channel and the EURES network provide employers and jobseekers a wide range of practical support services. The TE Services provide assistance with finding employees from the foreign labour market and support the orientation and relocation of the foreign employees. The European job network EURES is a great platform for learning more about the labour markets in different countries and finding partners, and it also provides foreign employees arriving in Finland with advice. EURES maintains a website where employers can advertise job vacancies and browse the jobseekers' CVs. Moreover, EURES supports participation in international job fairs and organises international online recruitment events.

More information on the available public services can be obtained, for example, by contacting the local Employment and Economic Development Office (TE Office), Centre for Economic Development, <u>Transport and the Environment (ELY Centre)</u>, or Business Finland office.



2. RECRUITMENT PROCESS

PLANNING THE RECRUITMENT PROCESS

As with all organisational activities, it is advisable to consider and plan the recruitment process in advance. Planning the recruitment process will help you prepare for the different stages and tasks. Especially in international recruitments, certain issues should be taken into consideration to ensure that a suitable employee is found.

Pay attention to the following issues when planning a recruitment process:

- · ideal applicant
- job description
- pay and benefits
- applicant communication
- schedule
- · publication channels of the job advertisement

The next section describes the above-mentioned features and other elements of the recruitment process in more detail. The instructions highlight the special features of international recruitment. The implementation method and necessity of some elements may vary between recruitment processes. Sometimes it is a good idea to come up with a permanent operating model for the use of a recruitment system or implementation of applicant communications, for example. Moreover, the order and importance of the elements in the recruitment process may also vary.

For example, the Employ with Competence (<u>Työllistä</u> <u>taidolla</u>) service offered by the TE Services is useful for organisations that are new to hiring employees. The ser-

vice includes a survey of the organisation's situation, individual guidance for each employer, and concrete advice on recruitments, different ways of finding a job and acting as an employer. The free service is provided by the TE Office in cooperation with private service providers.

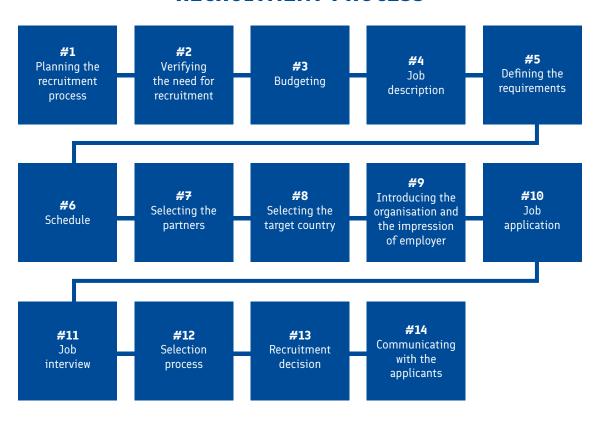
VERIFYING THE NEED FOR RECRUITMENT

The need for recruitment may arise in different ways. It is often related to the growth needs of the organisation, such as the development, sales or production of a product or service. It is important to reflect on why the employer wants to recruit an employee right now. What are the advantages of recruiting a new employee, could the work be carried out by a subcontractor, or is there pre-existing competence within the house that the organisation could utilise in this area?

It is also important to give some thought to what kind of person the organisation wants to recruit. What is the task/ role like that awaits the new employee, does the employer have a clear image of the skills and strengths required to successfully carry out the task, and is it possible to find a person who meets the expectations?

The organisation should also consider the effects of recruitment. A new employee increases the organisation's resources and, for example, allows the organisation to meet increased demand or expand its activities to new markets. Each new employee contributes to the work community in many ways. Furthermore, in the case of the organisation's first paid employee or the first foreign employee, the organisation faces new obligations as an employer. In this guide, we will focus on the latter situation.

RECRUITMENT PROCESS



BUDGETING

Each recruitment is always an economic investment for the employer. When recruiting international experts, employers should examine the overall recruitment budget, especially in situations where the employee arrives in Finland from abroad. Careful budgeting ensures that the recruitment process does not cost more than expected. In addition, careful planning ensures that the new employee gets the best possible recruitment experience, even when the pay and benefits are negotiated as a part of recruitment process. Budgeting is worthwhile even if there is no room for negotiating, as in the long run budgeting helps determine the total costs of recruitment processes.

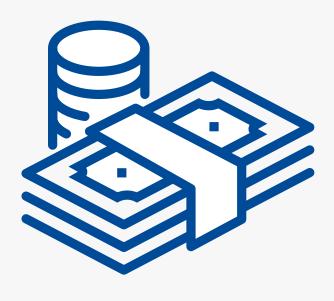
The employee's pay is often the highest expense for the employer, but it is not the only real cost. Therefore, in addition to payroll costs, the employer should calculate a total budget for the recruitment. The budget should include

all the actual costs incurred by the employer as well as the costs the employer is prepared to pay as benefits to the new employee. Budget calculations allow organisations to establish general policies related to the compensation of costs in international recruitments. Alternatively, organisations can calculate the budget on a one-off basis. If the employer plans to recruit international workforce from abroad on a regular basis, it is advisable to systematically collect information on the actual recruitment costs since the very beginning. The collected information can be used to assess, among other things, whether it is worth it to carry out the recruitment process within the organisation or if it is more economically advantageous to outsource the process or parts of it to a recruitment company operating in the area. Organisations can receive financial support for international recruitments from, for example, the TE Services and the local ELY Centre. More information on these can be found in the section Pay subsidies and alternative ways of working.

BUDGETING

	AVERAGE OF THE COSTS	ESTIMATED COSTS	ACTUAL COSTS
Travel and moving costs	5000	5000	4500
Living costs during the first month	1500	1500	1700
Costs related to the employee's residence permit	350	350	350
Costs related to the residence permits of the family	420	420	420
Day-care and school fees	0	0	850
		ESTIMATED BUDGET FOR THE INSTALLATION PROCESS 7 270 €	ACTUAL COSTS OF THE INSTALLATION PROCESS 7820€

Below, there is a list of examples of things to consider when planning the budget. The key is to consider what the employer is prepared to compensate for in addition to the statutory costs.



Employer investment:

- pay cost
- annual benefits (e.g. company-car benefit, telephone benefit, taxi benefit, travel card or bicycle)
- administrative costs and working hours allocated to recruitment

Employers may also, if they wish, pay compensation for the following:

- processing fees for a residence permit application or EU registration on behalf of the employee
- processing fee for the residence permit application or EU registration of an employee's family member
- moving expenses when the employee moves from abroad
- plane tickets to Finland for an employee and their family members
- language and cultural training for an employee and their family members
- relocation services
- support for international tax counselling services
- consulting services to support the employment of the employee's spouse
- day-care and school fees for the children of an employee with family
- reimbursement of the processing fee for an extended residence permit

The employer's benefit from the investment:

- potential results (financial and qualitative) of the employee's work input
- the employee's commitment and well-being at work
- improving the employer image

Under the law, the employer is not obligated to reimburse the moving costs or language and cultural training expenses incurred by an employee arriving from abroad. It is clear, however, that the employer can offer additional benefits to key experts. The employer can offer benefit packages to support the employee with the arrival in Finland and thus contribute to ensuring that the employee's experience of the relocation process – and of the employer – is a positive one. If the costs appear sizeable in the budget calculations, it is worthwhile to consider the actual costs incurred by the employer due to failed recruitments. The tax liability of the above-mentioned additional services is discussed in more detail in the section Pay and employment benefits.

JOB DESCRIPTION

The planning of the recruitment process often starts with defining the job description. It is advisable to reflect on what the new employee is expected to do in the organisation now and during the next three years, for example. Is the person expected to take on a specific role (such as building a physical product) or will they have a possibility to advance in their career in the future (such as by moving from physical construction to product development tasks)? The employer should also give some thought to what kind of applicant would be the best suited for the task, what skills should they possess and what kind of social skills are needed. Any organisation that is considering hiring a foreign employee is prepared to welcome into the work community a person who may bring with them different perspectives as well as new skills and know-how of another culture or market area, for example.

The employer should also consider what the organisation can offer to the employee. An employment relationship is a reciprocal arrangement; both the employee and the employer have rights, obligations, needs and wishes. It is a good idea to describe the company and work community to

the new employee, introduce them to the history and purpose of the organisation, and explain how the employee can expect the organisation and their own career to develop during the employment relationship. In addition, it is important to make the employer's expectations and wishes related to the position and the employee known, and present the different factors related to the position such as pay and its development, possible employment benefits, orientation and support from the work community.

When explaining these to a foreign jobseeker, it is advisable to remember that the person may not have any preconception or experience of the Finnish working life. In other words, the person does not necessarily know how the pay developments progress in the sector, what kind of employment benefits are usually offered in Finland (for example, dental care is part of employment benefits in some countries but not usually in Finland), or what the everyday work is like (is there a coffee service, how long is the lunch break or is it acceptable to address the supervisor by their first name). More information on this topic can be found on the InfoFinland website. Another option is to organise a training aimed at diverse work communities that is run by a trainer specialised in this theme.

SETTING REQUIREMENTS

The employer should always plan in advance how the new employee can start working full-time as quickly as possible. There will always be surprises, but as a rule, it is possible to prepare for many issues in the recruitment process in advance and thus spare the employer's resources. These preparations inherently include the defining of the basic skills needed to perform the task and the setting of requirements. The employer should have a clear picture of the basic skills and requirements already before the publication of the job advertisement, as some of the wishes can already be presented in the advertisement. Depending on the position, the employee may, for

example, be required to have a certain level of education or specific qualifications, which are demonstrated with official certificates. When recruiting from abroad, employers should keep in mind that it may take a while for the employee to obtain the necessary documents in their country of origin or in Finland, which in turn has an impact on when they can start working.

The employer usually sets a certain basic requirement level for the employee in the job advertisement, and the new employee must prove they meet the requirements in connection with the recruitment. In Finland, the basic requirement level is usually indicated as the lowest possible level of education with which the task can be performed and, at the same time, as a set of criteria for language skills and ICT competence. The more requirements the employer adds for the basic level, the more specific applications they may receive. In reality, the employer should not set the basic level so high that even good applicants skip the advertisement due to the excessive requirements. The recruiter must reflect on what skills can be learned at the job and what skills are needed from the very first day.

Requirements for a university degree

In many job advertisements, the minimum requirements for a jobseeker include a higher education degree. Commonly used terms include a suitable university degree, a Bachelor's degree and a Master's degree. If the job is open to persons who have completed their degree abroad, it is necessary to specify in the recruitment what is meant by the level of the university degree.

In Europe, efforts have been made to harmonise higher education degrees through the so-called Bologna Process since 1999. The aim of the Bologna Declaration was to promote the mobility of students, teachers and workforce between the European countries, and the degree reform required by the Declaration was implemented in Finland in 2005. Despite these efforts, qualifications are still not



fully consistent even within the EU, and the recognition of competence is one of the core challenges. In Finland, Master's degrees are still common, whereas elsewhere in Europe Bachelor's degrees are often more commonplace. Moreover, Licentiate's degrees used in Finland do not usually exist in other countries, whereas there may be several levels of doctoral degrees. In order to save time for the applicant and the employer, the employer should mention if they are specifically looking for a person with a Master's degree or a higher qualification level.

However, it is worthwhile considering whether a person with a lower university degree and sufficient work experience could be selected for the position. In many European countries, people transition to the working life much earlier than in Finland, where the completion of university degrees tends to take longer. On the other hand, when higher education institutions are compared at a global level, the list of the best ones often includes institutions that are not necessarily well-known in Finland. The recruiter should keep in mind that the unfamiliar name or location of a higher education institution does not directly mean that the institution is in any way inferior to the

Finnish universities. In many cases, the higher education institution that has granted the jobseeker's degree may, in fact, belong to the world's elite institutions.

When recruiting from outside the EU/EEA, it is even more difficult to compare higher education degrees, if information about the foreign education system is not available or there is no time to focus on it. To ensure that they receive applications from jobseekers with an appropriate educational background, the recruiter should describe the suitable degrees and qualifications explicitly in the job advertisement.

FOR THE EMPLOYER TO CONSIDER

- Are the requirements for higher education degrees stated clearly enough in the job advertisements?
- Are different qualifications and the competence they bring identified?
- Would it be possible to emphasise work experience instead of educational degree?

Professional qualifications and certificates obtained from further training

Depending on the field, the employee may also need other certificates of competency to ensure a quick start to work. In Finland, many foreign certificates demonstrating professional competence require a decision on the recognition of qualifications, meaning that their comparability with a Finnish qualification must verified. At the very least, degree certificates obtained abroad must be translated into Finnish and legalised before starting work. When recruiting from abroad, the employer cannot automatically expect the employee to provide them with certificates similar to those in Finland. However, an international employee who has already worked in Finland for a longer time may have already obtained the necessary documents from their country of origin or, alternatively, used the services of an educational institution in their field to get their qualifications recognised. More information is available, for example, on the website of the Finnish National Agency for Education.

Some additional training courses are rather easy to organise for a new employee, but they are rarely completely free of charge. Such courses include, among others, Hygiene Passport training and first aid training. Employees who work, for example, in food premises such as cafés, restaurants and bakeries or in factories producing foodstuffs must have a Hygiene Passport. However, the acquisition of a Hygiene Passport may be an unfamiliar process for new international employees. The employer can facilitate the start of work by ensuring that all new employees receive Hygiene Passport training or other necessary training at the beginning of the employment relationship. The employer must also make sure that the courses required in the employment relationship are available at least in English in addition to the official Finnish languages.

In turn, the construction sector also features specific <u>competence requirements</u>, such as the Occupational Safety Card, hot work card, and personnel certification for

individual competency and the related demonstrations. The employer is responsible for the safe implementation of the work and, to this end, often provides work-related statutory training for the employees. Moreover, many employees may be unfamiliar with the electronic Taito Competence Register used in the construction sector and the Valtti card used as a means of personal identification at construction sites. A construction worker who has just arrived from abroad may not be aware of all the required certificates or of the Taito Competence Register that serves as a collective base for professional qualifications in Finland even if the employee would otherwise be experienced in the field. The employer should be open about training opportunities available at the beginning of the employment relationship already when they publish the job advertisement. By doing so, they are building a responsible employer image.

Recognition of professional qualifications, protection of a professional title and licensing in Finland

It is the employer's duty to verify the new employee's right to practise their profession at the beginning of the employment relationship. In Finland, practising some professions requires the recognition of professional qualifications by an authority, licensing of the right to act as a professional or registration of a protected professional title. For example, some vocational qualifications in the social and healthcare sector as well as the qualifications of veterinarians require licensing and registration. The authority confirming the right to practise the profession maintains a register of the rights granted, and, in most cases, employers can obtain information directly from the authority's register. For example, the professional qualifications of healthcare personnel can be checked through the JulkiTerhikki service. Requests for information are often subject to a processing fee.

The employer may also ask the new employee to present the official certificates and professional qualifications. However, persons who have completed their qualifications abroad must independently apply for a decision on the recognition of a foreign qualification or other professional competence with the Finnish National Agency for Education or some other authority before they can start work in Finland. This may postpone the start of work, and the required time should be taken into consideration when planning the recruitment process. In these cases, the employer must find out whether the employee can start working without a valid qualification and how this affects the actual timeline of the recruitment.

USE OF RECRUITMENT SYSTEMS AND PROCESS MANAGEMENT

Employers often use different tools to support the management of human resources. Recruitment systems are commonplace in larger organisations, but many SMEs use spreadsheets instead. How well the system suits the employer's needs is determined by its practicality, suitability for supporting HR management and recruitment, and, of course, cost-effectiveness.

Organisations often have separate systems for recruitments and HR management. Organisations that consider using assistive tools to support HR management or recruitment should consider the functionalities of the tools in a longer term. In the best-case scenario, a new tool enables the integration of multiple systems. In all large system procurements, it is always advisable to examine the whole picture over a period of at least five years. In the case of more short-term needs, such as an individual recruitment process, it is not worth investing in systems that will take longer to construct than the duration of the intended recruitment itself. In such cases, it is advisable to resort to simpler methods and systems or outsource the recruitment to an expert company. When comparing costs, the employer should not only look at the invoice of the recruitment company, but also consider the working hours spent on the implementation of different systems.

Process management in recruitment

An efficient HR process consists of several factors, and it is important for the organisation to also plan a smooth process for the recruitment of international employees. The recruitment of foreign employees from Finland and abroad involves elements that are not included in the traditional recruitment process (of a Finnish citizen). For example, the employer can clarify the recruitment into process images and consider the service path of new employees from start to finish. A good or expensive tool does not guarantee the successful completion of a recruitment process, if the process has not been fully considered from the organisation's perspective. Moreover, a process description facilitates the planning of applicant communications and helps the organisation stick to the plans. A proper process description is especially beneficial in cases where the recruitment as a whole takes a long time and includes several phases. Furthermore, the description also helps the organisation to identify issues related to information security and the processing of personal data. Further information on information security can be obtained from the National Cyber Security Centre of the Finnish Transport and Communications Agency.

FOR THE EMPLOYER TO CONSIDER:

- Are digital HR and recruitment platforms needed to support the work?
- How is information security ensured when processing the personal data of jobseekers?
- Can the recruitment be outsourced to a recruitment company?

RECRUITMENT SCHEDULE



- 1. JOB ADVERTISEMENT
- 2. TIME OF APPLICATION
- 3. PROCESSING THE APPLICATIONS
- 4. INTERVIEWS

Note the impact of different interviewing methods, the possible visit to Finland, the number of interview rounds and the potential tests and work samples

5. RECRUITMENT DECISION

Latest at this point, start verifying the entry documents, the right to work and other practical arrangements

- **6. SIGNING THE EMPLOYMENT CONTRACT**
- **7. STARTING TO WORK**

SCHEDULE

In the recruitment process, it is also important to consider the schedule, distribution of the job advertisement and applicant communications. In terms of the schedule, things to consider include the application period, organisation of the interviews, and the time it takes to review the application documents and make decisions. The application period should be at least two (2) weeks, so that the applicants can take their time to familiarise themselves with the organisation and the job advertisement and adjust their application letter and CV to suit the task. If the job advertisement is published internationally, the application period should be at least 3–4 weeks.

It is advisable to mention the interview schedule and the manner of presenting additional questions in the job advertisement. For example, the week of the interviews is usually sufficient, whereas the applicants should be notified of the dates and times of submitting additional questions as accurately as possible (if the employer accepts calls on the subject). The organisation must agree on who are involved in the application process and when they should review the applicants' documents and make

their own preliminary choices between the interviewees. Similarly, it is advisable to agree in advance on the times for interviews and the times of meetings for reviewing the applicants in each stage and choosing the ones to go through to the next one. If additional support measures such as aptitude tests are used in the recruitment process, the schedule must also be agreed upon well in advance with the service provider in question. It is also advisable to tell applicants about these procedures, especially when considering that foreign applicants do not necessarily have prior knowledge or experience of job application processes in the sector.

While planning recruitments, it is worthwhile to reflect on how tough the competition for ideal applicants is in the organisation's sector. A long recruitment process can reduce the ideal applicant's interest in the position, especially if they already have a good job or other attractive offers. In addition, it is important to consider the time required for the formalities of immigration, such as the application and issuing of a residence permit. The employer can streamline the recruitment process by, for example, ensuring that the organisation has distinct operating models and preparing to deal with the relevant authorities.

PARTNER SELECTION

Many employers use additional services for their recruitment needs. Common additional services are provided by, for example, recruitment companies, temporary employment agencies, and companies carrying out psychological and aptitude tests. As a rule, these additional services are subject to a fee. There are also public services available as support for recruitments. These are usually partly or completely free of charge. It is advisable to map out the local operators and their range of services already in the planning phase of the recruitment process.

Public services to support international recruitment

There are several public operators and joint service points that provide organisations with support in international recruitment processes and matters related to internationalisation. When recruiting foreign employees, important services are provided by, among others, the ELY Centre, TE Offices, the EURES network, the Finnish Tax Administration and the Finnish Immigration Service. More information on the latter ones will be provided later, while a few services that are essential for the planning of recruitments will be presented here. Many of the services are either completely free of charge or otherwise affordable to the employer. More detailed information can be obtained from the operator responsible for the service.

The TE Services can help the organisation find an employee abroad, organise country of origin training, and provide training to support international work communities. The European EURES network and its experts can, for example, help clients familiarise themselves with the labour market in different countries and find partners, as well as provide foreign employees arriving in Finland with advice and guidance. The EURES advisors can even manage parts of the recruitment process on behalf of the employer. Among other things, they can respond to applicants' enquiries, receive applications and carry out pre-screen-

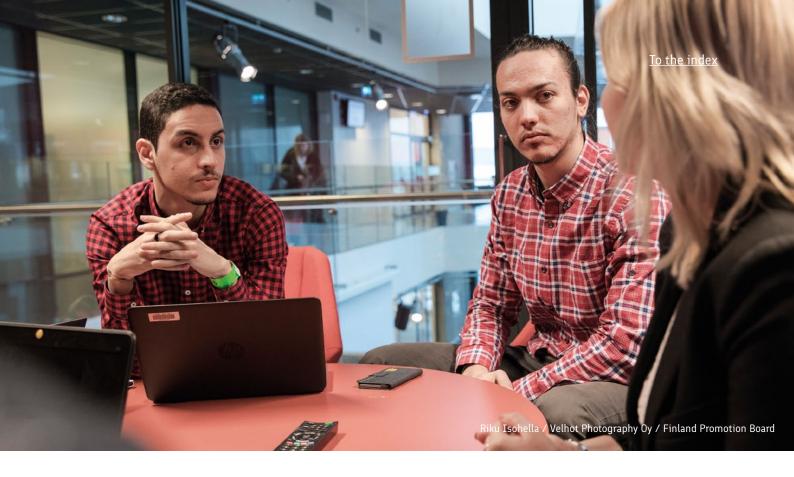
ing. Employers can report job vacancies and browse the jobseekers' CVs on the EURES website. Employers can also participate in European recruitment events and find support for the orientation of new employees and their relocation in Finland. For more information on the TE and EURES services, visit the TE Services website.

TE-live.fi is a recruitment channel that organises recruitment events and other broadcasts in cooperation with experts and companies in different fields. The target audience comprises jobseekers, organisations and service providers alike. For example, employers can present job vacancies and search for suitable employees in field or company-specific recruitment broadcasts. Participants can follow the broadcasts live on the TE-live.fi website and ask the employer questions, for example. Previous broadcasts remain on the site as recordings, which are easily accessible also at a later time. For more information, visit the TE-live.fi website.

Business Finland also offers various services to support the growth and internationalisation of companies. These include, for example, different funding models and the recruitment site <u>Jobs in Finland</u>. More information on Business Finland's funding solutions can be found in the section <u>Pay subsidies and alternative ways of working</u>.

Providers of paid services

Recruitment companies provide services for the different stages of the recruitment process from preparing the job advertisement to finding suitable applicants and conducting interviews. In fact, a client organisation can leave the entire recruitment process to the experts. The organisation can then focus on the job description and the selected applicants and leave many practical issues to the recruitment company. However, as the employer, the organisation will still be responsible for providing the employees with orientation and fulfilling its statutory duties, such as ensuring that each new employee has a suitable right to work.



When choosing a partner, it is important to have detailed discussions on issues such as the organisation's hopes for the applicants, what the task in question is like, and what kind of systems can and should be used in the recruitment process. It is also important to come to an agreement with the recruitment company on what is included in the provided service and what the costs are, also in the event that a suitable applicant is not found with the help of the recruitment company. The recruitment company may have many useful tools in its disposal, such as a recruitment system, pre-existing templates for applicant communications, functional recruitment channels, and extensive contact networks.

Many employers also use different personality tests in the recruitment process. The tests can be used to assess a person's aptitude for an open position by means of, for example, their physical or intellectual properties. The test must be suitable for the job description in question: for example, a different skill set is needed in physical work than in information work or management tasks. Many who work in expert tasks or hold a management position are familiar with personality tests, whereas fitness tests are commonplace to all rescue services employees, for example. The test results may support the recruitment decision. However, it is essential to remember that performance in an individual test does not tell the whole truth about a person and their

job performance in different situations, or what kind of colleague and member of the work community the person is.

If a test method is used in international recruitment, it is advisable to inform the applicants about this during the application process. It is possible that not all applicants are familiar with the applied approach. Moreover, the applicants should also be clearly informed of the purpose for which the test results are used and by whom. The applicants also have the right to obtain any information collected about them, and the employer must, upon request, submit a written statement on the assessment to the applicant.

Organisations that are interested in using additional services should ask other employers and networks in the field for recommendations on service providers. A service provider with experience in a particular field may be able to add more value to the process than service providers who are new to the field. It may also be a good idea to ask for references and find out in the process what kind of support services the company has provided for its other customers in terms of international recruitment processes. The more experience the company has of managing international recruitments, the more surely it will be able to take key issues into consideration and ensure the success of each recruitment. Practical experience is indispensable in these matters.

There are several companies in Finland that provide this kind of additional services, and there is even more supply at the international level. In the case of international operators, it is beneficial if the service provider has experience of the Finnish market or even a national office in Finland. It is also worthwhile remembering that service providers usually specialise in a particular field (for example, recruitment companies specialise in recruitments, not relocation services, and vice versa). However, the selected service provider may well know who to contact for other essential services.

JOB ADVERTISEMENT

During the planning process, it is also advisable to consider how the applicants are found, meaning the channels in which the job advertisement is to be published. The available options include, for example, social media, field-specific networks and traditional media. When choosing the channel, it is important to know which channel the ideal applicants are likely to follow. Are they active in LinkedIn, for example, do they listen to the radio on their way to work, or do they read the local daily newspapers? For example, foreign experts are more likely to use the Internet, social media and their network connections to find suitable jobs, especially if they do not have a fluent command of the Finnish language. If the search is directed abroad, it is advisable to consult, for example, with a local partner to find out which channel the experts follow. For example, the most important social media channels tend to vary by country. Similarly, experts in different fields may follow different recruitment sites or discussion forums.

The job advertisement should be clear, informative and in keeping with the organisation's style. In terms of international recruitments, it is preferable not to assume that the readers of the advertisement have extensive knowledge of, for example, Finnish professional requirements and employment benefits and of the recruitment process. It is polite

for the jobseekers to write out the issues that the employer may see as self-evident. With regard to the duties included in the position, it is, of course, a whole different story if the organisation wants the advertisement to serve as a challenge that the applicants must solve in order to prove that they are competent and skilled professionals in their field.

The advertisement can be used to let the applicants know what the organisation and the employer are like. For example, the text can be written in a factual, humorous or descriptive style. Of course, it is important to describe the job vacancy clearly enough in the advertisement, so that the applicants are aware of the organisation's expectations regarding the work and the employee. A good advertisement raises interest and follow-up questions, lays out the basics for the applicants, and provides details on how to obtain further information.

In addition to a clear writing style and formatting, the language of the advertisement is important. If the search is primarily directed at foreign experts, the advertisement should be published in English or in the language of the target country. For example, if the organisation is looking for German-speaking employees, the advertisement should be published in German. Similarly, if the working language of the job in question is English, the advertisement should be published in English. If the applications are to be submitted in a language other than the language of the advertisement, this must be clearly stated in the advertisement. Similarly, any language skill requirements and the expected level of proficiency should be mentioned in the advertisement. In Europe, the most often used framework for language proficiency is the Common European Framework of Reference for Languages (CEFR) developed by the Council of Europe (CEFR).

If the organisation has a desirable employee candidate in mind and does not intend to open the position for applications, the recruitment planning process can focus on the actual job, pay negotiations and other practical matters.

SELECTING THE TARGET COUNTRY

Depending on the relevant field, job and objective, the employer may wish to target the recruitment to a specific country or geographic area. For example, the plans may involve gaining access to the market of a particular country, completing a group recruitment of experts in a particular sector, or cooperating with international actors. When selecting the target country, it is advisable to utilise the support provided by the organisation's own networks and EURES experts, for example. Issues to consider include, among others, the number of professionals in the desired field, correspondence between the levels of education and qualifications, differences in pay and employment benefits, and possible differences and similarities in the working life and everyday life between Finland and the target country.

Local service providers in the target country can also help promote the recruitment process. In certain sectors, there is plenty of experience and established activities in terms of labour mobility and international recruitment. When working with local service providers, the rules of ethical recruitment must be taken into consideration. According to Finnish legislation, the broker's fee may not be paid by the applicant. Therefore, the employer must ensure that the foreign recruitment company operates in compliance with the aforementioned legislation. More information on ethical recruitment can be found in the section Ethical recruitment.

In general, recruitment processes and labour mobility between the EU/EEA countries run smoother than in other areas. However, there may still be substantial differences in the level of education, language proficiency, qualification requirements and working life practices between Finland and other European countries, and once again it is important to keep openness, clarity and a systematic approach in mind at all stages of the recruitment process. Knowledge of the target country and relevant language skills help streamline the recruitment process significantly.

PRESENTATION OF THE ORGANISATION AND EMPLOYER IMAGE

Presenting the organisation and creating an employer image always form an essential part of the recruitment process. Applicants use this information to assess what kind of work community they would be entering and what work in the organisation would be like. If the organisation is known in its field, the applicants may already have a pre-existing image of it. Especially in international recruitments, that image can be based more on assumptions created by the media than on personal experiences, and it is easily confused with a more general image of Finland, as well. Employers can influence the applicants' image of them during the application process, starting with the job advertisement.

It is advisable to take enough time to present the organisation and the work community. The job advertisement should include the organisation's Internet address, so that the applicants can learn more about the organisation's activities. The applicants can be informed in more detail about the working methods, operating culture, occupational well-being and work community in the organisation during the interviews. The selected applicant should be familiarised with the premises, team and partners as soon as possible, so that they can get the best possible view of the everyday work and activities of the organisation.

The employer image is of particular importance in fields where there is a shortage of skilled workers. In the increasingly international labour market, highly skilled experts can choose the jobs they want. As a result, the attractiveness of the employer and the work community, along with a meaningful job description and benefits, are of paramount importance. More and more jobseekers pay attention to the employer organisation's operating culture and values, the possibility of influencing their own work, and the flexibility of the work arrangements. Employees are aware that they are giving an invaluable part of their life

and a significant contribution to the employer. They should be compensated to an equal extent by the employer and the work community.

The employer organisation should, at the very least, ensure that their website is informative, descriptive and translated also into English. It is also a good idea to mention on the website the kind of support that the international expert can expect from the employer. Moreover, social media and different networks can also be utilised in many ways in creating the employer image. For example, active and constructive participation in discussions and events in the relevant field rapidly increases the organisation's visibility and improves the employer image. A positive employer image increases the attractiveness of the organisation and makes experts want to seek employment in or collaboration with the organisation, even without separate campaigns. However, all employer organisations would do well to actively invest in these matters to make sure that the preconceptions correspond to reality.

JOB APPLICATIONS

It is advisable to select an application format that is suitable for the employer and name it in the job advertisement. Some employers prefer a paper application and CV sent to the recruiter via e-mail, others prefer the use of a recruitment system with its fill-in question fields, and others are used to receiving video applications. Each alternative comes with its own challenges and advantages. Different formats can also be combined as needed in the application stage. When selecting the application format, it is important to know what information the recruiter actually needs on the applicants in order to decide who to interview. Therefore, the employer should reflect on what information or attachments the jobseeker actually needs to submit. For example, does a demonstration of skills tell more about an employee than their CV?

CV and application letter

A document-form application is a combination of the applicant's CV and an application letter. This is a quite common application format in Finland. In many countries, however, separate application letters are no longer used. Instead, recruitments often take place solely on the basis of the CV, and in many cases the first short interviews are carried out by a recruitment company over the telephone. In contrast, in Finland employers often handle recruitments themselves, and the applicants are expected to extensively demonstrate their aptitude in writing already at the application stage. In addition, the employers often use a recruitment system. This kind of a model may be a new and even relatively arduous process for persons recruited from abroad. Especially if the employer uses a recruitment system, the applicants often have to provide the same information on a number of occasions.

Video applications

In recent years, many employers have started accepting video applications. Employers who choose video applications wish to hear and see the applicants express themselves and get to know their personality better already at the application stage. Furthermore, a video enables the applicants to convey a great deal of information about themselves to the employer. Video applications may be relatively informal, and the instructions are given in writing in the job advertisement. Alternatively, the employer's representative can also make a separate video with questions for the applicants. The employer's own video introduces the applicants to the employer and the people they may work with in the future. Moreover, committing to the process also creates a more positive employer image.

Innovative application formats are becoming increasingly emphasised in the competition for skilled workforce. There are various platforms available for recording videos, and they make it easy to shoot an application video using the camera on a private computer. Moreover, it is possible to make use of platforms where the applicant can upload a

portfolio or other demonstration of skills in addition to the video. There are many digital platforms of different prices and scales available, and the choice depends, among other things, on whether the need for recruitment is continuous or whether the employer just wants to fill one vacancy or quickly test a new tool.

Processing the applications

The processing of the job applications is a particularly interesting stage for the employer. The employer has the opportunity to examine the entire applicant group as a whole. What kind of applicants responded to the advertisement? Was the job description sufficiently well presented in the advertisement? In addition, the application format - that is, whether or not a recruitment system was used in the recruitment or if the applicants submitted their applications by e-mail, for example - is emphasised in the processing of the job applications. The advantage of recruitment systems is that all the recruitment data can be found in one system, and the employer can view the selected data in a combined manner. Moreover, recruitment systems allow employers to test the process of so-called anonymous recruitment, in which an applicant's name, nationality or gender is not revealed to the employer at the beginning of the selection phase.

Recruitment systems usually include job application templates which the employer can modify by choosing what they want to ask the applicants in addition to the basic information. If the employer wants to get answers to specific questions already in the application phase, these questions can be included in the application template. However, the employer should keep in mind that if they ask something on the application, they shall also read the answers. Especially the employer's ability to take in the received answers before the interview situation always comes across to the applicant, thus affecting the interview experience and the overall employer image.

FOR THE EMPLOYER TO CONSIDER

- Which application format will ensure the best applicants?
- How to ensure the equal treatment of applicants?

JOB INTERVIEW

The purpose of interviews is to get to know a potential employee better, but also to tell the employee more about the employer. In a way, the interview situation is a window in both directions. In particular, when recruiting an international expert, the applicant may have many vacancies to choose from. In such a case, the employer is just as much an interviewee in the situation as the applicant.

Invitation to an interview and the interview situation

In international recruitment, it is important to remember that there is often a great deal of variation in interview practices between countries. In many countries, for example, the duration of an interview may be as much as 1.5 hours or more, whereas only half of that time is usually used in Finland. When inviting an applicant to an interview, it is, therefore, important to let the applicant know the location and time of the interview, but also of the duration of the interview and the main lines of discussion. In addition, when inviting applicants to an interview, it is advisable to also send an e-mail to recap what has been agreed. It is possible that the invited persons may hear or understand something incorrectly, especially if they are not using their native language. Moreover, the situation may be particularly exciting for the interviewee if it is their first job interview with a Finnish employer.

If possible, it is recommended to involve a few people from the employer's side in the interviews. People pay attention to different things and when one is interviewing the applicant, the other can take notes efficiently. If more than one interview round is organised, the number of people can be increased. It is not advisable to include more than



three persons from the employer's side in interview situations, except in extremely high-profile recruitments. A large number of interviewers rarely brings any added value or has a positive impact on the outcome. After all, an interview situation is, at its best, a good discussion on a topic that is important to both parties, and a clear disparity in the number of people can cause unnecessary tension in the applicant.

If it has been agreed that the applicant shall complete assignments, take an aptitude test or present certificates of professional competence in the interview situation, it is advisable to provide the applicant with a summary after the interview. Doing so ensures that the applicant is aware of the expectations and has an appropriate understanding of the next steps. This is all part of excellent applicant communication.

Use of remote connections in interviews

Interviews do not always have to take place in person. Instead, remote connections can also be used. If it is decided that the process will include more than one interview round, the use of remote connections is often smart also in terms of time use. It is advisable to use remote interviews especially during the first interview round, if the plan is to recruit an interesting applicant from abroad. It is not reasonable for applicants to travel long distances just for an interview, especially if they have to pay for the journey themselves.

If the employer has no previous experience of remote interviews, the recruiter should also practise the interview situation in advance. When planning to use remote connections, the recruiter must ensure that there is a remote application available that does not require the interviewee to purchase or download software. Of course, all remote connections come with risks: the digital tool may not function properly or there may be insurmountable problems with the Internet connection. In such case, it is advisable to schedule a new time for the interview and start the interview from the beginning. The situation is already exciting for the interviewee as it is, and it is important to give all interviewees an equal opportunity to describe their competence.

Demonstrations of skills as part of the interview

In addition to the use of remote connections, a small-scale task may be assigned to the applicant before, during or after the interview situation. Of course, this procedure is not equally suitable to all fields, but a demonstration of skills may provide a lot of additional information about the applicant. A traditional approach in interview situations is to ask some questions in languages that the potential employees are required to know. Depending on the job in question, the demonstration of skills may also be written or visual, or it may be related to the use of a system that is essential in the position.

Second interview round

Sometimes the recruiter is not able to decide between the top candidates after the first interview round or, alternatively, further clarifications are required. In such situations, it is advisable to consider organising a second round of interviews. A second interview round should be held especially in situations where the previous stages have been implemented solely through video interviews or a remote connection. If possible, meeting the applicants in person is already fully justifiable during the second round of interviews, especially in cases where the job opening is for a supervisory position.

Referees and references in recruitment

Employers tend to ask applicants to provide recommendations or written references. It is recommended to call the referees especially in the case of top applicants, and the importance of references is emphasised even more in international recruitments. In many countries, references are given in writing at the end of an employment relationship, and international employees often wish to present the written references provided by their previous employer. International applicants who are at the beginning of their career may also present reference letters from professors at their home university. This is because seminar-style contact teaching is still relatively common, and the supervising teachers know their students well. In the absence of work experience, a statement from the supervising professor or assistant professor in the applicant's major subject is a perfectly good reference of the applicant's abilities. In many countries, personal references are also requested from previous employers in order to assess whether or not the applicant is well suited to serve as a part of the work community. In Finland, written personal references are often handled over the phone when calling the referees rather than in written form. The operating model should be clearly conveyed to the applicants.

In certain Finnish sectors, the labour market is so small compared to the global level that, in many cases, the ref-

eree may be someone the recruiter already knows. However, this is not the case elsewhere in the world. Therefore, it is advisable to be open to references when conducting international recruitments.

FOR THE EMPLOYER TO CONSIDER

- Which stages should be included in the recruitment process?
- How can we verify the applicant's actual competence if they have obtained their qualifications and work experience abroad?

SELECTION PROCESS

It is advisable to plan the stages of the selection process well in advance and as extensively as possible. The process is influenced by the urgency of the recruitment, the vacancy to be filled, the number of applicants, and the available budget. A well-planned process and schedule will save the recruiter's time. This matter should be considered especially in smaller companies where the recruiter carries out several other tasks at the same time. In addition, the different areas of the selection process and applicant communication are closely intertwined, and, consequently, everything that is well thought of in advance will contribute to the implementation of successful applicant communication.

Aptitude assessment

The interview package may be supplemented with an aptitude assessment, which may include, for example, personality tests, group assignments or a psychologist's evaluation of the applicant. In the case of international recruitments, the employer must ensure that the tests are available in multiple languages and that the service provider is able to assess international applicants. For example, the employer can ask if the service provider has experience of diverse or multicultural teams.

In personality tests, it is also possible to use group discussions and their assessments. However, it is worth noting that different cultural elements are always associated with discussion situations, and the evaluator must thus be aware of the diversity of the dialogue. What organisations in Finland regard as a stereotypical behaviour model of a good and reliable employee may be something completely different in another culture. International employees may highlight characteristics that, based on their own experience, give a good impression, but the actual effect may be completely opposite. The interviewer should also take these issues into consideration.

In the recruitment process and assessment of applicants, it is advisable to focus on the role and position to be filled, use diverse assessment methods and indicators, and proportion these to the performance level of the task. The use of different tests can ensure that the applicants have the appropriate skills and know the required work methods, and that the assessment process is fair to everyone. Tests and other measures such as electronic evaluation tools can well be used already in the early stages of the recruitment process. The selection of suitable service providers is also described in the section Partner selection.

Establishment of health status as part of the recruitment process

In some jobs, a certain level of health is required of the applicants in order to be able to perform the task. In general, the applicant's health status is established during a pre-employment medical examination carried out at a health care facility designated by the employer. However, reports on the applicant's state of health may already be requested in advance if this is a requirement for getting the job. If there are special requirements for applicants regarding their health, these should be shared in good time during the application process.

Second application round

Sometimes it happens in a recruitment process that the

first round of applications does not yield the desired results. None of the applicants are suitable for the task, and, based on the applications received, even the first round of interviews is not worth organising. In these cases, the recruiter should first take another look at the job advertisement. Many times the advertisement lists out all the things that an ideal applicant would embody in a perfect world. If the number of received applications has been extremely low or non-existent, the solution may be found in the requirements listed in the job advertisement or in the fact there are no available experts in the field at the moment. If the job advertisement contains skill requirements in which the employer would be willing to be more flexible or provide the applicant with additional training if necessary, it is advisable to update the minimum requirements set out in the advertisement before launching the second application round. On the other hand, it is possible that the job advertisement was published in the wrong channels or only in Finnish. It is worthwhile ensuring that the selected channels are ones that the desirable experts may follow, and that the job advertisement is also published in English.

In Finland, a great deal of emphasis is placed on experience gained in previous jobs. However, in a second application round, it is advisable to examine the competence of applicants more extensively. Many skills are perfectly usable in a variety tasks, and competence in a different field may be extremely useful for the employee's ability to perform the task in question. It is often a good idea to leave a little time between the first and second round of applications. This will ensure that new applicants can enter the labour market.

RECRUITMENT DECISION

Making a recruitment decision is not always easy for the employer. Of the persons selected for the interviews, the employer often decides between two or



more applicants. In addition to the applicants' competence, the employer must consider other features that a new employee brings to the team. Other issues to consider include, for example, interaction with other employees and the willingness and opportunity to work evenings and weekends or travel as part of the job.

Employers may have their own official process for making recruitment decisions, which include obtaining the recruitment permit in writing and also confirming the recruitment decision in writing. Smaller employers may not have such a formal way of recording recruitments, but, in any case, it is advisable to keep a record of the reasons that led to the recruitment decision. This way, the decisions are not only based on the memory of an individual recruiter or employee, but the documentation can be found in the public files in case the person who made the decision leaves the company, for example. For employers with a recruitment system, this kind of documentation is usually automatically a part of the process. The documentation is also of help if the other applicants ask for justifications for the recruitment decision or comments on their own application. In such cases, the task will be much easier for the recruiter, and writing good answers will only take a fraction of the time it would take if each answer had to be started from scratch.

Recruitment decisions must always be disseminated both as part of the applicant communication and within the or-

ganisation. Often the current employees are also expecting information about their new colleague. After all, a new employee always modifies the operation of the entire team, especially in situations where the employees interact on a daily basis or when filling a position eases the workload of others.

APPLICANT COMMUNICATION

The significance of applicant communication as part of a good recruitment process cannot be over-emphasised. It is crucial for both the employer image and the evaluation of the recruitment process. The application process is often a potential employee's first contact with the employer, and good communication helps to build a positive employer image. At best, applicant communication is relevant, timely and informative.

It is important to let the applicants know in real time how the recruitment process is progressing, if they have made it to the next stage, what is expected of them at each stage and, ultimately, who has been selected for the position. In larger organisations, applicant communication can be supported by a recruitment system which informs the recruiter, step by step, when they should send messages to the applicants. Such systems also include a possibility to create sample messages in advance. However, most organisations do not carry out recruitments so often that the use of comprehensive recruitment systems

and automated messages would be commonplace. Fortunately, good applicant communication is not dependent on separate systems, but rather on a systematic approach and ability to prioritise. The person responsible for recruitments must allocate working hours to applicant communication at all stages of the recruitment process.

In order to reduce the workload, ready-made e-mails can be compiled for the different stages of the application process. The most important feature in the messages is an amicable and polite style. Good messages include the main points and schedule of the recruitment process and other information related to communication. Ready-made message templates are a great way of ensuring that all applicants receive the same information across the board.

Good applicant communication includes at least the following messages:

- Acknowledgement of a received application and information on the progress of the recruitment process
- Invitation to an interview or a "no, thank you" message
- Information on the schedule of the interviews or progress of the recruitment
- Message of a decision made

Phone calls in applicant communication

Applicant communication starts from the moment a job advertisement is published. In the first phase, applicants often contact the employer by telephone to ask additional questions and arouse the employer's interest. If there are specific times when the contact person can be reached by applicants, the employer should include this information in the job advertisement.

In international recruitments, it is important to understand that actively calling the employer during the appli-

cation process is an inherent part of the work culture in many countries. In Finland, calling the employer or sending them e-mail as part of the job search process is not as common. In many countries, the prevalent idea in the work culture is that by calling, the applicants give a proactive picture of themselves to a potential employer. In Finland, this may cause problems for many organisations in terms of applicant communication, if sufficient time resources have not been reserved for discussions with international applicants. In the worst case, the employer may even appear harsh or rude, and, on the other hand, the jobseekers may seem over-enthusiastic.

Communication of the decision

As the application process progresses and the employer reaches the selection stage, it is a part of good applicant communication to call all the interviewed persons and inform them of the decision made. Ideally, the recruiter will also provide constructive feedback and a justification for the selection for the applicants who were not selected for the position.

In addition, the recruiter can provide tips for subsequent application processes. This will help the applicants to improve their own application tactics for the next time and create an image of the organisation as a community that is interested in each and every applicant. As a result, the applicants are more likely to talk about their experience in a positive manner in their own social circles even if they were not selected, which further improves the organisation's employer image. Poor applicant communication can quickly come back to haunt the organisation in the form of, for example, rude comments in group discussions on social media. The employer image, or employer brand, is particularly important in fields where skilled workforce is in short supply and the competition is harsh.

If the organisation wishes to retain the applicants' contact details and documents for possible new job openings, the applicants' consent is needed. Each applicant

has the right to request the erasure of their data, and the organisation must comply with the request without delay. It should also be noted that the transfer of data outside the EU/EEA area is only possible if there is a specific reason for doing so.

ETHICAL RECRUITMENT

Employers have several statutory and also ethical obligations. Finnish labour legislation safeguards the rights of both the employer and the employee, and so do the European regulations and recommendations. However, problems and exploitation related to the availability and mobility of workforce still occur in many fields.

Issues to be considered in international recruitments include, for example, the availability of workforce in the area of origin (for example, are all physicians lured elsewhere to work), guaranteeing statutory and reasonable working conditions for the employees (including pay and working hours), and supporting the foreign employees. For example, it is unreasonable to pay an employee living in Finland a wage that corresponds to the wage level in the employee's country of origin if that level is significantly lower than the wages paid for similar tasks in Finland. It is equally unreasonable to demand an employee to commit to unfavourable working conditions in exchange for taking care of work permit matters or supporting the employee's relocation, for example. If situations that involve subcontracting, employers should always familiarise themselves with the employment terms of the subcontractor's employees. The sub-contractor may be asked to provide documents to prove the appropriate treatment of the workers.

More information on <u>the principles</u> of ethical recruitment is available from <u>the Ministry of Economic Affairs</u> and <u>Employment</u> and the website of the International Labour Organization (ILO).

Employer's checklist for fair recruitments:

- recruitments must be carried out in a way that promotes the basic human rights, the rights of the employers and the prevention of forced labour, child labour and discrimination
- recruitment should respond to labour market needs, and not serve as a means to impair the status, wages or working conditions of workforce
- legislation applicable to recruitments should apply to all workers, recruiters and employers
- recruitment processes should consider policies and practices that promote efficiency, transparency and protection for the workers, such as the recognition of qualifications
- recruitment across international borders should respect the applicable national laws, collective agreements, human rights and other applicable policies
- racism and discrimination are prohibited in recruitment and employment
- no recruitment fees or related costs should be charged to, or otherwise borne by, workers or jobseekers
- the terms and conditions of a worker's employment, as well as the worker's duties, should be specified in an appropriate manner, preferably through written contracts
- the employment contract and other documents should be in a language that the worker can understand
- the worker may not be coerced to agree to the terms of employment
- the freedom of workers to move within a country or to leave a country should be respected
- workers' identity and travel documents, such as their passport, may not be confiscated or destroyed
- workers should be free to terminate their employment or change employers if they wish
- workers should have access to reasonable compensation in cases of misconduct in the recruitment process



3. HIRING A FOREIGN EMPLOYEE

While employers usually have experience of Finnish <u>la-</u> bour legislation, foreign employees may not necessarily be familiar with the Finnish laws and regulations. Practices that in Finland are statutory or otherwise typical, such as the type of employment contract, trial period, pay period and grounds for termination of the contract, should be discussed with new foreign employees already when agreeing on the employment. In many countries, labour legislation differs from Finnish laws in terms of, for example, the rights and obligations generated by the employment relationship. In Finland, for example, labour legislation guarantees employees paid holidays and sick leave, as well as occupational health care. In addition, many sectors have collective agreements established by employees' or employers' associations. Similarly, a foreign employee's right to work and the grounds for that right should be addressed. Knowing these basic matters also makes it easier for the employees to plan their own lives and work.

This section covers issues related to hiring that are important to take into consideration in international recruitments. Additional support for employment matters and advice on the topic can be obtained from, for example, the Occupational Safety and Health Administration in Finland and other actors, such as the local Chamber of Commerce and the Federation of Finnish Enterprises.

EMPLOYMENT CONTRACT

In Finland, employers and employees can agree on the duration and terms of the employment contract within the framework of labour legislation. Many sectors also have a collective agreement that is binding on both parties. The employment contract may be valid until further notice or for a fixed period of time, and the working hours may vary. Under the Finnish Employment Contracts Act, an employment contract is valid until further notice unless there is a justified reason for making a fixed-term contract. The terms and conditions of employment must be equal in all employment relationships unless there are reasonable grounds for the differences. Foreign employees may not necessarily be familiar with the contractual terms and conditions in their field and whether or not they comply with the applicable regulations. Moreover, they may not be aware of the potential differences between different agreements. The main terms and conditions should already be mentioned in the job advertisement so that the applicants can find out more in advance if they wish.

In international recruitment situations, the employment contract must be made in a language that both parties can understand. In practice, this usually means English in international recruitments. Under the Employment Contracts Act, an employment contract can be made orally, in writing or electronically. It is recommended to conclude a written (on paper or electronically) employment contract. The employment contract can be concluded and signed already before the beginning of the employment relationship. Employers should familiarise themselves with the Employment Contracts Act, the Working Time Act, the collective agreement in their field and other applicable laws, as the terms and conditions established in employment negotiations must comply with the relevant legislation. Up-to-date legal texts can be found in the Finlex service.

During an interview or employment negotiations, the employer should clearly state, for example, the following:

- how and when the employment contract is concluded
- how long the employment relationship is
- · how the pay is determined
- what deductions are made from the pay (social contributions and taxes)
- what the working hours are like
- how holidays are determined
- which collective agreement is followed in the field

The key terms and conditions of an employment relationship must also be stated in the employment contract or some other report. A detailed list can be found in chapter 2, section 4 of the Employment Contracts Act. The employment contract can be signed immediately after the parties have agreed on the employment relationship. Of course, it is important for the new employee to get confirmation on the employment relationship in the form of an employment contract as soon as possible. The employment contract is particularly important in international recruitment situations as the employee may need a certificate of employment in order to apply for immigration documents, arrive in Finland or use official services. In addition, plans and preparations related to changing jobs, possibly moving to another country and other potential changes should be made well in advance. The employment contract can also be concluded and signed electronically, and the employer can also write a separate certificate of employment for the employee for applying for immigration documents, for example. The key is to provide authorities with all the information they need for decision-making. This topic is discussed in more detail in the section Right to work.

PAY AND EMPLOYMENT BENEFITS

In Finland, the pay is usually determined according to the relevant collective agreement. If there is no collective agreement in the field, the pay must be agreed upon with the employee. The pay must be customary and reasonable. The pay of international employees shall not be determined, for example, on the basis of the wage level in their country of origin. The same applies also to employees posted from another country: in terms of pay, they must be treated equally with the employees of organisations operating in Finland.

The employer is usually obligated to deduct social security contributions and taxes from the employee's pay, after which the employee is paid the remaining part. It is advisable to explain to foreign employees at the earliest possible stage how the Finnish taxation and social security systems work, what kind of contributions are deducted from their pay, and how they can obtain a tax card, for example. For example, not all countries have a tax system based on prepayments nor the possibility of tax deductions similar to those in Finland. A person's foreign-sourced income may also affect the total payable taxes. Similarly, the grounds for social security contributions and the accumulation of benefits, such as pensions, should be discussed. It is recommended to provide new employees with contact information for the Finnish Tax Administration and the Social Insurance Institution (Kela) so that they can find out more about their own situation. If a person is covered by the social security or taxation system of another country, the employer must determine the obligations arising from this situation in terms of, for example, social security contributions, tax deductions and reporting, and explain the situation also to the employee. This topic is discussed in more detail in the section Working abroad.

It is advisable to discuss possible employment benefits already in the recruitment interviews. Employment



benefits may have a positive impact on the employee's decision to accept a job. While discussing the pay, it is essential to explain how the benefits affect the person's taxation. Employment benefits may be considered taxable income, and the employee may decide for themselves whether or not to use the benefit. One of the prerequisites for tax exemptions is that the benefit must be available to all employees. Furthermore, the advantage must also be of ordinary and reasonable quality and value. For example, health care services provided by the employer for all employees, as well as staff discounts on services or goods produced or sold by the employer are tax-exempt benefits.

Services such as paid moving or relocation services are often used in international recruitments, but these are not necessarily tax-exempt like certain employment benefits. For example, 50 per cent of the moving costs paid by the employer when an employee is moving to Finland from abroad constitute taxable income, as does a part of the costs of relocation services, whereas a course or training paid for a new international employee may be regarded as tax-exempt income. Benefits offered to an employee's spouse or family member are, as a rule, regarded as taxable income. This should be considered, for example, in cases where the move of an employee's whole family from abroad or their relocation in Finland is supported either financially or in the form of paid services. The tax practices are fairly complex, especially with

regard to international recruitments, and they may also change. Therefore, it is always a good idea to check the current tax practices from the Income Tax Act and the specialists of the Finnish Tax Administration.

To consider in pay negotiations:

- gross and net income
- employment benefits and taxation
- contact details of Kela and the Finnish Tax
 Administration

TRIAL PERIOD

Under the Employment Contracts Act, the employer and the employee may agree on a trial period of a maximum of six (6) months. In a fixed-term employment relationship, the trial period may comprise no more than half of the duration of the employment contract, and in any event, it may not exceed six (6) months. The trial period may also be determined by a collective agreement. If a trial period is to be used, this must be mentioned in the employment contract.

Foreign employees may not be familiar with the trial period policy, so it is advisable for the employer to explain

why such a period is enforced and what it means. For example, a trial period can be used to verify the employees' professional competence and suitability for both the job and the work community. Moreover, the employees can also use the trial period to make sure that the job and working conditions meet their expectations and wishes. In other words, it is not just an assessment period for the employer, but the employees also have the right to familiarise themselves with the job and the work community and decide if the workplace is suitable for them.

It is also advisable to tell the employee that both parties can terminate the employment contract during the trial period. The employer's justification for terminating the contract during the trial period may not be discriminatory or inappropriate in view of the purpose of the trial period. Before terminating the employment contract, the employer must reserve an opportunity for the employee to be heard with regard to the reasons for terminating the contract. The employee has the right to use an assistant during the hearing. The termination of an employment contract is always an unfortunate situation and managing it in style reduces irritation and also mitigates any doubts concerning possible inappropriate grounds for the termination. Terminating the employment relationship during the trial period may also affect the employee's unemployment security.

RIGHTS AND OBLIGATIONS OF THE EMPLOYER AND EMPLOYEE

The obligations of the employer and the employee can be reviewed, for example, when discussing the terms and conditions of the employment contract and the relevant work practices. The employer's statutory obligations, such as the enforcement of equal treatment, prohibition of discrimination, the ensuring of occupational safety, and the obligation to pay wages during an illness, may be unheard of for foreign employees. Explaining these obligations to the employees promotes their sense of security and creates an image of a good

work community. For example, it is advisable to explain that the employer does not expect – or want – the employee to come to work ill or in poor condition. Moreover, the employees' own practices and different work cultures also have an impact on, for example, what each person considers to be a suitable reason for seeking sick leave.

It is advisable to also tell the employee what the employer's right to supervise work and the employee's loyalty obligation mean in practice. While the monitoring of working time and the employees' movements may seem unnecessary in some professions, these features are actually used to protect the employees and ensure that they can be provided with support in possible problem situations. However, the right to supervise work only extends to the working hours, and the employer shall not violate the principles of good practice or provisions laid down in the law.

It may also be advisable to review the employee's obligations, as it is possible that foreign employees have no previous knowledge of them. While the employer is obligated to guarantee appropriate conditions for carrying out the work, the employees undertake to do their work with care and to comply with the employer's orders. It may be worthwhile explaining the obligation to keep trade secrets and the prohibition to engage in competing activities with concrete examples, so that both parties have a clear idea of these obligations. Moreover, the employee may not be aware of the obligation to maintain occupational safety and report faults or deficiencies, so this obligation should also be discussed.

Some of the employees' obligations and rights only apply to working hours, but some duties such as the loyalty obligation and the prohibition of competition also extend to free time. Especially in cases where employees have access to sensitive information, it is advisable to clarify the issues that the employees may not discuss outside their workplace. Moreover, it is not appropriate to publicly diss the employer in social media, for example. This may not necessarily be self-explanatory, especially to people coming from a different (work) culture.

Employees have the right to earn their living in the way they choose, so the employer cannot prohibit them from doing some other work altogether. In order to prohibit employees from engaging in another job, the employer must prove that their carrying out the other job would significantly harm the employer. However, it is also a good idea to discuss possible restrictions on doing other work, so that relevant regulations such as the prohibition of competing activities or activities with a negative impact on performance are not breached. In practice, employees may be asked to submit a notification of a possible second job. Moreover, it is important for the employees to know that certain types of residence permit place restrictions on working. For example, an employed person's residence permit is usually granted for one or more professional fields, and the right to work does not cover other fields than those stated in the residence permit. On the other hand, the authorities may also grant a residence permit only for working for a specific employer. For more information on the right to work, see the section Right to work.

In the case of foreign employees, it is advisable to also go over the other benefits and rights granted by the Finnish society and working life. For example, the Finnish social security benefits, healthcare services and deductions allowed by tax legislation may well differ from the systems in the employee's country of origin or previous country of employment. It is a good idea to explain to the employees the kind of contributions the employer withdraws from their pay and conveys to, for example, an insurance company, and describe the grounds for this procedure. Even though the accrual of pension and the pension payment practices after retirement may now seem distant, explaining these features is also a part of good employer operations.

The employer is obligated to check that the employee has the right to carry out the work in question. In practice, this means a residence permit, EU registration, or a visa or visa exemption that permits short-term work. This obligation is based on section 86a of the Aliens Act. The

employer is also obligated to convey information on the employment relationship of non-EU citizens to the TE Office, and inform the shop steward, the elected representative and the occupational safety and health representative of the persons' names and the applicable collective agreement. The employees' data and the justifications for their right to work must be stored at the workplace for four years after the end of the employment relationship. In practice, the data can be stored, for example, in a secure HR system or other databank in an electronic format.

The above-mentioned issues may appear heavy and administrative, and the employer can always contact the relevant <u>authority</u> to clarify the details. The Finnish laws and official processes ensure the rights and equal treatment of all parties. In Finland, employees can trust that they have the same legal rights as everyone else, regardless of their position.

Important rights and obligations of employers and employees:

- right to work and the obligation to check
- obligations related to occupational safety
- insurance obligations and related payments
 - employment pension insurance
 - accident insurance
 - unemployment insurance
- occupational healthcare
- right to supervise work
- · collective agreement applicable in the field
- privacy

After selecting an employee, it is also fitting to discuss the employee's personal situation and, for example, potential family that may be moving with the employee. The diverse public integration services and other social support available in Finland make relocating to Finland considerably easier also for international families. The employer

plays an important part in conveying information, because quite often international experts and their families cannot ask the right questions themselves as they are unfamiliar with the Finnish society and its various services.

OCCUPATIONAL HEALTH CARE

Under <u>Finnish labour legislation</u>, employers are obligated to prevent health risks and problems related to work and working conditions. Occupational health care includes, for example, medical examinations, advice, and the protection and promotion of working capacity. Occupational health care services must be organised if the company has at least one (1) employee. The organisation of medical treatment is voluntary.

Occupational health care in Finland differs from the practices of many other countries. In some countries, for example, dental care falls within the scope of occupational health care, whereas in Finland this is not very common. Similarly, in some countries, the employer's health insurance may also cover the employees' family members. The employer should be prepared to explain in detail what is included in the occupational health care services provided by the employer and which service provider offers the services in question. The employer should ensure that the occupational health care service provider can serve and assist its customers in English if the employees do not speak fluent Finnish or Swedish. It is also advisable to mention other practices related to well-being at work, such as the available support measures for work ergonomics, a possible early intervention model and community actions.

PERSONAL IDENTITY CODE FOR THE EMPLOYMENT CONTRACT

A personal identity code may already be needed for the employment contract. For example, in many HR systems, the

personal identity code constitutes mandatory information without which an employment contract cannot be concluded. If an employment contract is to be concluded before the person has received a personal identity code from the authorities, and the HR system used by the employer requires a Finnish personal identity code, the employer can create a so-called artificial personal identity code for the employee. A foreign personal identity code can also be used in some services, including the Incomes Register.

It is important to apply for an official personal identity code as soon as possible. Foreign employees who have not previously resided in Finland will receive a personal identity code from the Finnish authorities in connection with receiving the right of residence or a tax card, or when their right to a municipality of residence is registered. If a person has previously lived in Finland and received a personal identity code at the time, the same identity code is still at their disposal. The person's details must be updated in the Digital and Population Data Services Agency's system. More information on the personal identity code and how to apply for it is available in the section Personal identity code.

Once the employee has obtained an official personal identity code, any artificial identifier used earlier must be replaced with the official identity code in all systems. The employer should ask the employee to inform, for example, the payroll administration of the official personal identity code as soon as possible.

TAXATION AND THE INCOMES REGISTER

In Finland, taking care of personal taxation is often regarded as the sole responsibility of the employee, and this approach works indeed splendidly in situations where the employee is accustomed to the country's tax system. In international recruitments, however, the employees may be unfamiliar with the tax system, and support is

often needed to understand it. When hiring an international employee, it is important for the employer to explain what will be deducted from the employee's pay and why. Good instructions and personal assistance also contribute toward creating a positive employer image.

In addition to personal advice and assistance provided at the beginning of the employment relationship, the employer can also organise short info sessions for international employees every year. These events can be organised, for example, on topics such as completing a tax return or taxation applied to different benefits. If there are only a few employees and no need for larger events, the employer can provide the employees with clear, written instructions. The written instructions can be reviewed already in connection with signing the employment contract, or they can be included in the orientation material, for example. Moreover, the employer can always refer the employee to the tax authorities in matters concerning taxation.

It is important for the employer to explain to new international employees that in Finland the employer is obligated to see to the withholding of income tax on the employee's pay and, for this purpose, the employee needs to submit a tax card at the beginning of the employment relationship. It can also be mentioned that the employer reports the monthly wages and deductions to the Incomes Register. The purpose of the Incomes Register is to ensure that personal taxation is up-to-date and correct. All employees have access to their own data in the Incomes Register. For more information on applying for a tax card, see the section Applying for a tax card.

Tax residency and nonresidency

The employer should know the general rules of taxation and thus identify whether a new employee has a general or limited obligation to pay taxes in Finland. Knowing the tax regulations also helps the employer to make sure that the employee submits the right kind of tax card and that the taxes are withheld correctly.

As a rule, employees pay taxes to Finland on wages earned for work carried out in Finland. The tax rate depends on the duration of residence in Finland and the employer's home country. In addition, taxation may be affected by the employees' fixed ties, such as their family or living in an owner-occupied dwelling, income in another country, and international tax treaties. Persons moving to Finland, such as international employees, will generally become taxpayers if they have a permanent residence and home in Finland, or if they reside in Finland for more than six (6) months. Resident taxpayers who are generally liable to tax have, for example, an obligation to notify the Tax Administration of all their income and, similarly, the right to different deductions.

A person is deemed a non-resident taxpayer with restricted liability to tax if their country of employment or permanent residence is some other country than Finland, or if the person is residing in Finland for less than six (6) months. As a rule, a non-resident taxpayer is liable to pay tax at source. Tax at source is the final tax, and the person cannot apply for separate deductions nor do they need to submit a tax return. The person may also demand the use of a progressive tax scheme, in which case they must estimate the income for the entire tax year, including income earned both in Finland and abroad. The Finnish Tax Administration's website contains <u>instructions</u> on the taxation of employees coming to Finland from abroad. In the more challenging cases, the employer can also purchase international tax counselling from specialised companies.

Tax card and tax number

Employees are obligated to ensure that they deliver their tax card or tax number to the employer in an appropriate and timely manner. Employees are required to submit a tax card before the first pay day, and often already on the first days of the employment relationship. If the tax card is not submitted before the wage payment, the employer is obligated to withhold 60 per cent of the pay. In turn, persons working at construction and installation sites are



also required to submit a tax number and register it in the public register of tax numbers. In addition, the tax number of employees working at a construction site must be shown in their ID supplemented with a photograph.

Tax cards provided by employees are usually either taxat-source cards or tax cards for progressive taxation. If an employee's period of residence in Finland is less than six (6) months, the Tax Administration usually grants the employee a tax-at-source card. The payer, meaning the employer, may make a source tax deduction from the total amount of the pay and fringe benefits before withholding the tax. In addition, international experts can apply for a key employee's tax card if the employee's monthly pay without fringe benefits exceeds EUR 5,800 per month. For key employees, the tax, and the final taxation decision, is source tax at a 32-per cent rate.

FOR THE EMPLOYER TO CONSIDER

- How can new employees be supported in tax matters?
- Would it make sense to purchase tax advice and counselling for employees from outside your own organisation?

EMPLOYER'S REPORTING OBLIGATION AND RETENTION OF EMPLOYMENT INFORMATION

The employer has special reporting obligations when hiring foreign workforce. The employer is obligated to report foreign employees to the shop steward of the workplace and the occupational safety and health representative, and a notification must be submitted to the TE Office of all employees who are non-EU nationals.

The employer must submit the name of each foreign employee and the applicable collective agreement to the shop steward and the occupational safety and health representative. When submitting the notification to the shop steward and the occupational safety and health representative, the employer can use the pre-existing form of the Regional State Administrative Agency. The notification submitted to the TE Services must indicate the essential terms and conditions of the employment relationship and a declaration ensuring that the terms and conditions of the employment relationship are in compliance with the valid regulations and collective agreement. The employer must provide the TE Services with this information immediately at the beginning of the employment relationship. Primarily, the employer shall submit the notification elec-

tronically through the Enter Finland service of the Finnish Immigration Service. A copy of the employee's passport or residence permit card must be attached to the notification. If necessary, the information can also be reported on the TEM 0.54 form available on the website.

The employer also has the obligation to store the data on a foreign employee's employment relationship at the workplace for four years after the end of the employment relationship. The data can be stored in, for example, an HR system or some other secure archive or database suitable for storing personal data. Employers who recruit large numbers of foreign employees should include the tasks related to reporting and data retention in the recruitment process.

FOR THE EMPLOYER TO CONSIDER

- Who is responsible for ensuring that the reporting obligations are fulfilled in the organisation?
- Where is employee data stored after the employment relationship ends?

RIGHT TO WORK

Verification of the right to work and retention of data

The employer must always verify a foreign employee's right to work in Finland as soon as the employment relationship begins, and also throughout the employment relationship. The right to work is verified by asking the new employee to show an official identity card and, for example, an original residence permit card, a visa or an EU registration certificate. Keeping a photograph or a copy of the document proving the employee's right to work in the employer's database is a good way to ensure that the employer's obligation is met. In addition, the employer is obligated to keep the data on each foreign

employee's right to work in its own register in a secure system or some other place suitable for the storage of personal data.

If necessary, the employer can support the new employee in applying for and/or registering the right of residence and the included right to work before the beginning of the employment relationship. By doing so, the employer can ensure that the employee's right to work is suitable for the work in question or that the employee applies for the correct type of residence permit. The process can be expedited by providing the authorities with correct, comprehensive and timely information, filling in the forms carefully and answering all additional questions. If necessary, support for the process can be obtained from, for example, authorities and private service providers (see section Paid service providers).

All EU/EEA citizens always have an unrestricted right to work after EU registration. In contrast, residence permits granted for the nationals of other countries are either fixed-term or permanent permits. A fixed-term residence permit is granted either as a temporary or a continuous residence permit., and the first residence permit is always issued for a fixed term. The residence permit card indicates whether the employee has a restricted or unrestricted right to work. A permanent residence permit includes an unrestricted right to work. Moreover, an unrestricted right to work is also included in the EU residence permits granted by Finland for third-country nationals who have resided in the EU area for a long time and in continuous residence permits issued on certain grounds. Whether the right to work is restricted or unrestricted can be easily checked on the backside of the residence permit card. The markings applicable to the different residence permits are listed on the website of the Finnish Immigration Service, and employers can easily use the website to check whether an employee's residence permit card bears the markings that entitle them to work.

If the employer employs a person residing illegally in the country or working without the right to work, the employer may be sentenced to imprisonment, fines or a financial sanction. The imprisonment sentences and fines are based on chapter 47, section 6a of the Criminal Code of Finland. The financial sanction is based on the Employment Contracts Act and can be EUR 1,000–30,000 in total. The sanction is imposed by the Finnish Immigration Service.

The employer must store at the workplace information on foreign employees and the grounds for their right to work. This provision applies to both current and former employees. The data on previous employees must be stored for four (4) years after the end of the employment relationship. The data must be easily accessible.

The stored data shall indicate the following details:

- name and date of birth of the foreign employee
- grounds for the right of residence and the right to work, such as a residence permit or EU/EEA citizenship and registration certificate, a residence permit issued by another Schengen country, a visa entitling to work for less than 90 days, or a visa exemption (e.g. passport)
- validity of the permit entitling the employee to work (fixed-term permits)
- employer or sector, if the permit is granted only for a specific job or for working for a specific employer

FOR THE EMPLOYER TO CONSIDER

- Is verifying a foreign employee's right to work already a part of the organisation's recruitment process?
- Do the staff members responsible for the recruitment process have the necessary knowledge and skills to verify an employee's right to work?

Foreign workforce residing in Finland

In terms of the employer, hiring international workers from Finland is subject to the same obligations as the recruiting of new employees who arrive in the country for the first time. However, the advantage for the employer is that most of the experts residing in Finland already have a valid right of residence and a right to work. In such cases, the employment relationship can begin immediately and the right to work can be verified quickly. Moreover, the employee is often more familiar with the procedures of starting an employment relationship, and there are generally fewer new issues related to moving to the country.

However, even in these cases, the employer should check whether the new employee needs support in permit matters or help with other issues related to the employment relationship. The identity and right to work of a foreign employee already residing in Finland must also be verified at the beginning of the employment relationship. It is impossible to determine if the person has a valid residence permit or a right to work based on their language skills or the duration of their stay in Finland. Furthermore, the residence permit may also be granted for a different professional sector than the job described in the new employment relationship, and this may have an impact on the right to work. For example, a residence permit for a researcher can only be used for research work, and if the position changes, the correct permit could be, for example, a residence permit for a person employed as a specialist. In such cases, the employee must apply

for a suitable residence permit for the new employment relationship.

EU/EEA citizens' right of residence and right to work

The right to work and the verification of that right must also be considered when hiring EU/EEA citizens. Citizens of the European Union, Liechtenstein or Switzerland must register with the Finnish Immigration Service and receive an official certificate of their right of residence. Official registration is required if the stay in Finland exceeds 90 days.

Citizens of the Nordic countries have the right to live and work in other Nordic countries without a residence or work permit. Citizens of a Nordic country shall register their right of residence personally at the Digital and Population Data Services Agency. This must be done within one month of moving to Finland if the person is planning to stay in Finland for more than six (6) months. If the period of stay is less than six (6) months, the person does not need to submit any notifications to the Finnish authorities.

The employer should know that project-type work lasting less than 90 days is permitted for EU/EEA citizens without a separate registration. However, if the employment relationship is to continue for more than 90 days, the employer must always ensure when concluding an employment contract that EU/EEA citizens have a registration certificate issued by the Finnish Immigration Service.

Non-EU/EEA citizens' right to work

The right to work of non-EU/EEA citizens is influenced by many factors. The right of residence and the right to work are determined based on the employee's visa exemption/requirement, the duration of work, the duties included in the position, and the nature of the work. The right to work must always be examined as a whole, and the instructions issued by the Finnish Immigration Service must be followed closely. The right to work can often be granted on different grounds, and it is important for the employer to ensure that their information is up to date.

In certain cases, a non-EU/EEA citizen may work in Finland for a period of under 90 days with a Schengen residence permit granted by another country, a visa or a visa exemption. In other cases, they must apply for a suitable residence permit. As a rule, it is advisable to apply for a residence permit before arriving in Finland. The permit is applied for by submitting a residence permit application in the Finnish Immigration Service's Enter Finland service or by filling in a paper application. In addition, the residence permit applicant must personally visit the Finnish mission or the office of an outsourced service provider. During the identification visit, the applicant's identity is verified, biometric identifiers (fingerprints, signature and passport photo) are collected in the information system for the residence permit card, and the documents attached to the application are checked.

The employer can assist the employee in applying for a residence permit by, for example, submitting information on the employment relationship to the Enter Finland service or, if they wish, by paying the processing fees related to the residence permit. However, it should be noted that the payment of processing fees is considered an employment benefit for the employee and, thus, it is regarded as taxable income.

Up-to-date information on the permits that entitle an employee to work, on the application process and on special cases can be found on the website of the Finnish Immigration Service. The following sections provide information on the most common types of residence permits used in Finland.

Residence permit for a person employed as a specialist

A non-EU citizen arriving in Finland to work in expert tasks that require special expertise may be granted a residence permit of a person employed as a specialist. Employees may apply for this type of permit when they have signed an employment contract with an employer operating in Finland or have received a binding job offer. This

permit type requires the applicant to have a higher education degree, an adequate level of pay (gross earnings of at least EUR 3,000/month) and a position that includes demanding expert work. In addition, top and middle management employees working in large companies can apply for a residence permit of a person employed as a specialist on special terms.

Specialists are entitled to work in Finland for 90 days without a residence permit. This enables an employee to perform short-term project work for Finnish employers. However, the employee must reside in the country legally, meaning that their visa must be valid, or they must be a citizen of a visa-free country. Moreover, the 90-day condition concerning the permit of persons employed as specialists enables the employee to apply for a permit in Finland at the Finnish Immigration Service's service point. The right to work expires at the latest after three months or earlier if the validity of the visa or the visa exemption expires earlier. It should also be noted that the 90 days of a visa exemption apply to the entire Schengen area. If the person has already resided in the Schengen area with the visa exemption during the previous 180 days, these days must be deducted from the duration of the visa-exempt stay in Finland.

Specialists must present the employer with an official identity card at the start of the employment. In work based on a commission, an identity card is normally not required, as the employer does not establish an employment relationship with the person performing the work.

Residence permit for an employed person

A residence permit for an employed person can be applied for when a new employee, who is not a citizen of an EU country, Iceland, Liechtenstein, Norway or Switzerland, intends to work for a Finnish employer or an employer operating in Finland, and all other job-based residence permit types are out of the question. In these cases, the employee must have a signed employment contract, or a binding job offer.

The processing of a residence permit application for an employed person takes place in two stages. As with other residence permit applications, the employee shall primarily submit the application in the Enter Finland service or on a paper form and visit the Finnish mission or the office of an outsourced service provider in person. The employer must fill in the TEM 0.54 form "Appendix to worker's residence permit application" either in the Enter Finland service or on a paper form and also submit other appendices, such as a certificate of the payment of taxes and statutory insurance contributions. The so-called TEM 0.54 form clarifies the key terms and conditions of the employment relationship, and this information is used in making a partial decision. The employer may also supplement other information included in the application in the Enter Finland service.

Based on the information received, the TE Office assesses the availability of workforce, the terms and conditions of the employment relationship, and the overall situation of the employer and the employee. Labour market testing means that the TE Office assesses, on the basis of the information provided by the employer, if workforce from Finland or the EU/EEA area is available for the task in question within a reasonable time. The TE Office may require the employer to publish a job advertisement in the employment services of the TE Office and in the EURES services. If the TE Office estimates that it is possible to find workforce from the EU/EEA area within a reasonable time, there are no grounds for granting the employee's residence permit and the partial decision is negative. Regional work permit policies are also taken into account in the consideration. Moreover, the TE Office assesses, among other things, if the employee will have a sufficient income, if the work is continuous or temporary, and if the employer will be able to meet its employer obligations. When determining an adequate pay, a good rule is that the pay must be at least in accordance with the relevant collective agreement. Further information on the assessment process can be obtained from the TE Services. After making the partial



decision, the TE Office transfers the matter to the Finnish Immigration Service, which assesses the general conditions for issuing a residence permit and makes the decision on granting the permit if the conditions are met.

Foreign student's right to work

There is a significant number of <u>international students</u> studying in Finnish educational institutions. Degree students who are not citizens of an EU country, Iceland, Liechtenstein, Norway or Switzerland have, as a rule, a <u>residence permit for studies</u>. A residence permit for studies enables students to work for 25 hours per week during the academic terms and without restrictions during the holidays of the educational institution. The number of working hours is evaluated per academic term, which means that the number of weekly working hours may vary. The purpose of the restriction on work is to ensure that the studies of international students progress as desired, and that full-time work only takes place when no active teaching is offered at the educational institution.

In essence, when hiring an international student, the limitations included in the residence permit for studies must

be taken into consideration. If the studies organised in Finland include an internship that yields study credits, full-time work is also possible during the academic term. On the other hand, if the employer wishes to hire a student for a full-time job during the academic term of the educational institution and it is not a question of an internship related to the studies, the student must apply for a residence permit for an employed person or, if certain conditions are met, a residence permit for internship. A person who has completed a degree in Finland may apply for a residence permit for work or for a residence permit for an employed person without the partial consideration of the TE Office.

Residence permit for a researcher

When a position includes primarily research work, an employee who is not a citizen of an EU country, Iceland, Liechtenstein, Norway or Switzerland may apply for a residence permit for a researcher or they may have one granted in another EU country. A researcher can work at a higher education institution, a research institute or a company, and the task itself will determine the applicable type of residence permit. An employee who carries

out research work and resides legally in the country has the right to work in Finland for a period of under 90 days without a residence permit. If the research work lasts for more than 90 days, the employee must apply for a residence permit for a researcher.

An employee with a residence permit for a researcher can also carry out research work in another EU country without a separate permit application. A researcher arriving in Finland may, in turn, have a researcher's permit granted by another EU country. As an exception to the other permit types, residence permit for a researcher enables the permit holder to move between EU countries as the country of employment changes and wait for a new residence permit in the new country of residence. In such a situation, a researcher arriving from abroad can start work immediately with a researcher's residence permit issued by another EU country. In other words, the employer can accept a researcher's residence permit granted in another EU country as proof of the researcher's right to work. However, researchers must always submit a mobility notification to the Finnish Immigration Service of their arrival in Finland. If the Finnish Immigration Service does not object to the researcher's mobility, a certificate indicating the researcher's right to reside in Finland will be issued. The special features of the researcher's residence permit enable cross-border research cooperation within the European Union.

Upon arriving in Finland, researchers are entitled to work for 90 days without a residence permit. This enables a researcher to conclude a short-term employment relationship with a Finnish employer. However, the researcher must reside in the country legally, meaning that their visa must be valid, or they must be a citizen of a visa-free country. The 90-day condition concerning the residence permit for a researcher enables the researcher to apply for a residence permit in Finland at the Finnish Immigration Service's service point. Consequently, even a long-term employment relationship can be started before receiving

a decision on the residence permit application. The right to work expires at the latest after three months or earlier if the validity of the visa or the visa exemption expires earlier. It should also be noted that the 90 days of a visa exemption apply to the entire Schengen area. If the person has already resided in the Schengen area with the visa exemption during the previous 180 days, these days must be deducted from the duration of the visa-exempt stay in Finland.

Researchers must present the employer with an official identity card at the start of the employment. In work based on a commission or a grant, an identity card is normally not required, as the employer does not establish an employment relationship with the person performing the work.

EU Blue Card

A worker who is not a citizen of an EU country, Norway or Switzerland may, in some cases, have an EU Blue Card to demonstrate their right to work. The work requires special professional competence or special skills. An EU Blue Card can only be applied for by persons with a higher education degree, and it can be granted for a maximum period of two (2) years at a time. However, the employer should be aware of the fact that an EU Blue Card only gives the right to work when it has been issued by the Finnish Immigration Service. An EU Blue Card issued by another EU Member State does not give the right work in Finland.

When the employer is instructing an employee in the residence permit process, it is good to know that statistically, not many applications for an EU Blue Card have been submitted in Finland. The purpose of the card is to promote the European Union's competitiveness in terms of skilled workforce. However, the use of the EU Blue Card has remained low throughout the European Union, as the national residence permits and processes available for specialists have been sufficient. As a result, the employer should primarily consider other residence permit options in order to obtain a right to work for the employee.

Seasonal work

In Finland, there is plenty of seasonal work carried out in the fields of agriculture and tourism. The maximum length of work classified as seasonal work is nine (9) months. Seasonal work requiring a permit includes, for example, farm work, forestry and festival work. Seasonal work must always be based on an employment contract that specifies the terms and conditions of the employment relationship. Workers coming to pick forest berries do not need a permit determining their right to work if the duration of the work is less than three (3) months. Persons coming from visa-free countries must contact the Finnish Immigration Service to obtain a certificate for seasonal work that verifies their right to work. The certificate for seasonal work can be applied for online in the Enter Finland service. Persons who need a visa to enter Finland and come to Finland for seasonal work for less than three (3) months must apply for a seasonal work visa at a Finnish mission.

Seasonal work permits are issued by the Finnish Immigration Service. For short-term seasonal work (3–6 months), the Finnish Immigration Service processes the application and decides on the seasonal work permit. If the seasonal work lasts for 6–9 months, the permit is applied for with the Finnish Immigration Service. The decision-making process takes place in two stages. First, the TE Office issues a partial decision, after which the Finnish Immigration Service processes the application and makes the final decision.

Asylum seekers' right to work

In many cases, <u>asylum seekers</u> have the right to work in Finland. As a rule, the right to work begins three (3) or six (6) months after applying for asylum. The same applies also to re-applications, meaning that if the asylum seeker has already received a decision on at least one asylum application, the right to work will continue in three (3) or six (6) months after submitting the re-application.

The employer can check an employee's right to work by asking the employee for a certificate of their right to work or, alternatively, by submitting a certificate request to the Finnish Immigration Service. The processing of certificate requests made to the Finnish Immigration Service is subject to a fee. An asylum seeker's right to work lasts until the decision on the asylum application acquires legal force. If the application is accepted, the decision will indicate whether the right to work is still valid. An asylum seeker's right to work will terminate if the application is rejected and the decision to remove the person from the country is enforceable, or when their application for international protection expires. It is advisable for the employer to monitor the progress of the application process and verify the person's right to work at regular intervals, such as every six months.

Special circumstances

Special circumstances include, for example, an invitation to work in Finland. Many people are invited here to work in the field of politics, sport or research, for example. An invitation gives an employee the right to work for a period of under 90 days as, for example, a teacher, visiting researcher, sports judge or referee, or interpreter, either with a visa or a visa exemption. An employee who is not a citizen of an EU country, Iceland, Liechtenstein, Norway or Switzerland and who is transferred internally (ICT) to Finland within a company or group of companies to work as a manager, specialist or trainee may apply for a so-called ICT or mobile ICT residence permit. In certain cases, the receiving employer's representative may also submit a mobility notification for a person who has been granted an ICT permit. If the Finnish Immigration Service does not object to short-term mobility, the employee may enter Finland to work for a maximum of 90 days during any 180-day period. In addition, a permanent employee of an employer operating in another EU/EEA country may temporarily carry out, for example, procurement or subcontracting work in Finland. Also in these cases, the work may last up to 90 days.



Extended permits

When the residence permit expires, employees who are not citizens of an EU country, Iceland, Liechtenstein, Norway or Switzerland can apply for an extended permit if the current employment relationship continues or if they are to conclude a new employment contract with a new employer. The validity of the residence permit and that of the employment contract do not always coincide, and it is, therefore, advisable to pay attention to applying for an extended permit well in advance. In general, the right to work in the same position will continue if an extended permit is applied for on the same grounds during the validity of the previous residence permit.

In fixed-term employment, the residence permit is issued at most for the duration of the employment relationship. It is worth remembering that a residence permit cannot be issued for a longer period than the existing employment relationship. In employment relationships that are valid until further notice, the validity of the residence permit is not determined by the duration of the employment relationship. The residence permit is issued for a fixed term, even if the employment relationship is valid indefinitely.

Especially with regard to employment relationships that are valid indefinitely, it is advisable for the employer to have in place an effective procedure for checking the employees'

extended permits and thus making sure that the information on the employee's right to work is up to date. In the best case scenario, the employer reminds the employees to renew their permits and offers help in applying for the extended permits. When renewing fixed-term contracts, the employer should consider the schedule of extending the fixed-term contracts, as the employees must always apply for an extended permit before the last date of validity of the previous permit. Each employee must always present the extended permit to the employer and the employer is obligated to save the information on the extended permit in a manner suitable for the storage of personal data.

In situations where an employee has worked in Finland for at least one year with a residence permit issued for a specific field and changes jobs to move to another professional field, labour market testing is not applied even in the case of applying for an extended permit for the employee's residence permit.

FOR THE EMPLOYER TO CONSIDER

- What kind of systems does the organisation have for storing and checking information on the employees' right to work?
- What would be the most effective way to ensure that extended permits are checked?

PAY SUBSIDIES AND ALTERNATIVE WAYS OF WORKING

Municipal subsidies and international EURES support

Several cities and municipalities in Finland offer costfree financial support and advice in recruitment situations. Financial support can be received, for example, for costs related to guidance, orientation, tools, work clothing and workspaces incurred in the recruitment process, for the performance of one-time work or a project, or for pay costs. The financial support provided for pay costs may mean, for example, a summer job voucher, apprenticeship supplement, pay subsidy or municipal supplement. The subsidies involve certain definitions and conditions, and they are intended to promote employment in each municipality. In other words, the decisive factor in pay subsidies is where the employer operates or where the employee lives, not the employee's nationality. As a result, these subsidies are also available for recruiting foreign employees. For more information on the above-mentioned support forms, contact your own municipality or city.

Examples:

Espoo supplement for employment of the City of Espoo

Services for employers offered by the City of Oulu

<u>Municipal supplement for employment of the City</u> of Raahe

Recruitment support of the City of Äänekoski

The European job network EURES also provides costfree financial support and advice for recruiting employees from abroad and employing foreign nationals. Your first EURES job support is available for the recruitment of persons aged 18–35. The support is granted for the costs incurred from the orientation of a new employee and their relocation in a new country. The amount of the support is influenced by, for example, the country of employment and the scope of the orientation programme, and the sum is EUR 800–2,000. Employers who are interested in these subsidies should contact the TE Services and EURES advisors, as well as familiarise themselves with the EURES Targeted Mobility Scheme already when they are planning the recruitment process. At the time of writing this guide, the subsidies are applied for from the Swedish or Italian project coordinators, depending on the type of the support. Finland's EURES advisors can, for example, assess whether the form of support would be suitable for the recruitment needs in question and help with drawing up the application.

Subsidised employment

Subsidised employment means that the state participates in the employee's pay costs, making the costs of the employment relationship more affordable for the employer. The purpose of subsidised work is to provide unemployed jobseekers with more work experience and improve their working life skills or to enable access to education. In most cases, the working time of employees working on a pay subsidy is 85 per cent of the full working time. The working time is 100 per cent for persons employed under an employment obligation or with an apprenticeship. The duration of subsidised work is usually 4–8 months.

A pay subsidy is a common form of subsidised employment. The pay subsidy is an economic benefit that a TE Office may grant an employer to cover the pay costs of an unemployed jobseeker. Moreover, the work supported by the pay subsidy must promote the future employment of the unemployed person. The employer may receive a pay subsidy for work carried out in an employment relationship or for apprenticeship training.



F.E.C. programmes

The F.E.C. programme (Further educated with Companies) is a recruiting training programme which is implemented in cooperation with the ELY Centre and TE Services in the region. The training constitutes official labour market training, the basic principle of which is to bring together jobseekers and employers through further training. The programme is aimed at ensuring the rapid employment of jobseekers. The programme includes a total of six (6) months of teaching and practical working periods. The F.E.C. programme is intended for unemployed persons with a higher education degree and previous work experience of expert positions.

Once accepted in the F.E.C. programme, international unemployed jobseekers often contact companies that interest them, looking for a possible job for a period of six (6) months. Indeed, local companies are the most important partners in each programme. Participation in F.E.C programmes is highly affordable for employers, and the programmes are a great way to find highly educated experts for their own work communities. Without a suitable employer, the jobseeker's participation in the programme will expire.

Business Finland funding

Business Finland supports the internationalisation of

companies in many ways. Business Finland organises events, provides training and advice, grants financial support and assists in the development of international business networks. Business Finland's customer base includes, for example, SMEs, start-up companies, large enterprises, research organisations, and the public sector. In this guide, we focus on the support available for the internationalisation of SMEs and start-up companies. Business Finland's services are free of charge.

Business Finland funds research and business activities aimed at discovering new innovations. In terms of international recruitment, the essential forms of financial support are the innovation voucher and the Market Explorer, Talent Explorer and Tempo funding services. These funding types constitute grants which do not have to be paid back. Organisations should already contact the Business Finland experts before submitting a funding application. The plan can be presented briefly to an expert by telephone, for example, and the expert can then offer advise indicating which parts of the application require special attention.

The innovation voucher is intended for the planning and mapping of a new product, service or business. For example, the voucher can be used for the development of

a new service or for service design. The voucher is used to pay for work ordered from another organisation, and the service provider must be named at the application stage. This is, therefore, another way of employing international experts. The service provider must be listed in Business Finland's directory of service providers. At the time of writing this guide, the maximum amount of the innovation voucher was EUR 5,000 + VAT. The organisation is required to have EUR 1,000 + VAT to implement the plan, meaning that, in practice, Business Finland can offer funding for a maximum of EUR 4,000 + VAT.

The Talent Explorer funding service allows the employer to hire an expert to explore new markets abroad. The expert to be hired may live in Finland or in the target country, and they must have knowledge and special expertise regarding the new market area. The aim of the recruitment may be, for example, to carry out a market analysis, map out the partner or retail network, or implement a general analysis of business opportunities. The funding is intended for the pay and travel costs of the employed person, and it may cover up to 50 per cent of the costs. The employer must cover half of the total costs. At the time of writing this guide, the maximum amount of funding granted by Business Finland was EUR 20,000.

The Market Explorer funding service allows a company to purchase expert services to make progress in a new market. The objective of the purchased service can be, for example, an internationalisation plan, a market analysis, a survey of the distribution or retail network, or an analysis of the competitive situation. The service provider can be a Finnish or foreign company. The service provider must be selected from Business Finland's Expert Search service. Thus, similarly to the innovation voucher, the company can help international experts to find employment by selecting a suitable service provider. At the time of writing this guide, the total amount of funding was EUR 5,000–10,000. The funding provided by Business Finland covers 50 per cent of the purchased expert services and other

costs for up to 20 per cent of the sum of the purchased services. The company must cover 50 per cent of the purchased expert services, meaning that the total budget of the project can be EUR 10,000–20,000.

A company can apply for Tempo funding for projects that promote internationalisation and growth. The objective of the project may be, for example, to prepare an internationalisation strategy, to carry out a market analysis, or to pilot a product or service concept. The Tempo funding can also cover payroll costs and the costs of paid expert services. At the time of writing this guide, the maximum amount of Tempo funding was EUR 50,000. The criteria for accepting the application include, among others, a requirement for EUR 30,000 in equity funding and a secured own contribution for the duration of the project.

Employers should also keep the Enterprise Europe Network in mind as their organisations become increasingly international. EEN provides advice on internationalisation and legal matters, organises topical seminars, and helps organisations find international partners and EU funding programmes.

Internship

An internship refers to fixed-term work carried out for an employer, usually for a period lasting from a few weeks to three (3) months. The purpose of an internship is to familiarise the trainee with working life and increase their professional skills. Internships are referred to as traineeships or work placements in universities and universities of applied sciences. An unemployed jobseeker's internship is carried out through the TE Office as a work try-out. The employer must ensure that the trainee has a suitable right to work and that the trainee is provided with the appropriate tools and orientation for carrying out the work. More information on the employer's and employee's rights and obligations can be found in the section Rights and obligations of the employer and the employee.

In Finland, traineeships are a compulsory part of the students' degrees at, for example, universities of applied sciences, and trainee positions are often in high demand. Employers can search for international university trainees by advertising the internship directly in the higher education institutions' own recruitment channels or by actively participating in the International Talent programmes organised by the institutions. In addition, a trainee can also be found in foreign higher education institutions. However, in the case of a trainee arriving from abroad, the regulations concerning their right to work must always be checked, and the trainee may need to apply for a residence permit for an internship from the Finnish Immigration Service.

Temporary agency work

Temporary agency work refers to a contractual arrangement whereby an organisation employing workforce concludes an agreement with another organisation on hiring an employee in exchange for a compensation. The work is always carried out under the management and supervision of the organisation using the workforce, but the temporary agency remains the employer. Companies providing temporary agency workers are often referred to as private employment agencies. The temporary agency is responsible for all the employer obligations instead of the organisation hiring the workforce.

The employer obligations included in international recruitments, including the verification of the employee's right to work, are the responsibility of the temporary agency. The minimum terms and conditions of the employment relationship are based on labour legislation and on the collective agreement applicable to the work in question. If no collective agreement exists, the terms of employment must still be reasonable.

The Act on Posting Workers is applied to temporary agency workers posted to Finland. As regards posted workers, the Act states that the minimum terms of employment

are determined similarly as those applied to temporary agency workers employed through a Finnish temporary agency. However, it should be noted that in Finland an organisation using foreign temporary agency workers must ensure that the temporary agency has a representative in Finland if necessary. When using temporary agency workers supplied by a foreign company, the client company is responsible for meeting the employer's reporting obligation (for more information, see section Employer's reporting obligation and retention of employment information) and verifying the employees' right to work.

Subcontracting

In international projects, the employer should also consider the option of purchasing workforce from a subcontractor. A subcontractor is a person or company that is committed to supplying the work or material specified in the contract agreement, but who has not signed a direct contract with the client. In such cases, a main contractor and possibly one (1) or more other subcontractors shall act as the intermediary. Subcontracting means work, materials or other goods or services sold forward by the main contractor. In other words, the main contractor purchases a part of the implementation from a subcontractor. Subcontracting allows for the distribution of workload among experts in different fields and the concentration of the expertise or product range of a service provider company into a narrower area. Moreover, subcontracting is also an effective way of reducing costs and sharing responsibility for the implementation of a certain project area.

Many organisations operating in Finland use international workforce through a subcontractor. The main contractor has obligations based on the Aliens Act and the Act on the Contractor's Obligations and Liability when Work is Contracted Out that must be considered in the subcontracting process. However, special emphasis in subcontracting chains is placed on ethical and fair recruitment. Ethical recruitment is discussed in the section Ethical recruitment.

FOR THE EMPLOYER/CLIENT TO CONSIDER:

- What kind of pay does the subcontractor pay in Finland or abroad?
- What kind of working conditions or occupational health care do the employees have?
- Does the subcontractor comply with labour legislation and the Aliens Act?

Project work

Project work includes a carefully determined start, end and timetable. As a rule, projects involve a designated person who is removed from other tasks or, alternatively, hired for the project. Many work communities carry out a lot of project-like work that is temporary in nature, such as work group activities In general, however, larger projects have a single, one-time goal. Due to its nature, project work is always fixed-term work and, as a result, it often affects the employee's employment relationship, as well.

Project work varies rather significantly from field to field. For example, projects in the technology sector are rather different when compared to projects in the field of social and health care services. The employment relationships created for projects also vary between sectors. An international recruitment process for project work is mainly consistent with the basic principles of international recruitment. Of course, the fixed-term nature of project work may affect, for example, the type of the employee's first residence permit or access to the Finnish social security system in recruitments from outside the EU/EEA area. In fact, employees may be able to participate in short-term projects even without a separate residence permit. However, the right to work must always be verified separately with consideration for the situation of each employee.

Working on a grant

Grants are paid to support artistic and scientific work, for example. A number of public bodies, foundations, higher education institutions and other entities regularly award grants for various projects, studies and other efforts. While the payer of a wage or fee may demand the recipient to complete work or produce results in exchange for the paid money, a grant constitutes gratuitous income. In other words, the body awarding the grant cannot demand anything from the recipient in exchange. The grant recipient is not obligated to report to the payer on, for example, the use of the grant or the results obtained with it. If specified conditions are established, for example, for the awarding or using of a grant, if the grant has not been officially open to applications, or if the grant recipient has agreed on the implementation of a specific study, the grant constitutes, in practice, pay for work performed on behalf of another party. The information provided above is based on the definition on the nature of a grant provided in the Income Tax Act. The taxation of a grant depends on the payer, amount and purpose of the grant.

Cooperation with other companies

The answer to recruitment needs may also be found through cooperation. For example, in situations where an organisation needs new know-how or competence to implement a particular idea or project, it can make sense to consider cooperation with another organisation and share the competence and resources. For example, small-business owners and start-up entrepreneurs have a lot of expertise and know-how in many different areas, such as different target countries, international markets, digitalisation of services and innovative further development of products and services. As a result, new opportunities will appear for more wide-reaching international activities and for the implementation of ideas requiring special expertise.

It is advisable to agree on the cooperation in writing. In international situations, the parties must check which country's legislation they must comply with. The cooperation can be funded with, for example, the above-mentioned funding elements provided by Business Finland. The party performing the work may also act as a private trader or light entrepreneur to invoice the organisation for the performed work. More information and contacts with other local companies can be obtained from regional innovation and business centres, start-up centres and chambers of commerce.

FOR THE EMPLOYER TO CONSIDER

- Which forms of support would be suitable for the organisation?
- Could the use of support forms be planned in advance for a period of a few years, for example?
- Is there experience of using the aforementioned forms of support in the organisation's networks?
- Could the organisation cooperate with others and, for example, share competence and workforce?
- How can the right to work and good working conditions also be ensured in a subcontracting chain, for example?

TERMINATION OF AN EMPLOYMENT CONTRACT AND LAY-OFFS

The termination of the employment contract and layoffs are not necessarily the first topics to be discussed
at the beginning of an employment relationship. However, it is advisable to inform international employees of
these issues, so that they know how the Finnish legislation and practices affect the situation. The topic can be
brought up, for example, in the material focusing on HR
matters. It is also essential to provide information on
support models, such as the transition security, and give
the employees the contact details of the local TE Office.

The Finnish lay-off system is quite unique in the world. In Finland, the employer can in certain situations <u>lay off</u> employees, whereas in other countries the employment relationship often has to be terminated. This arrangement and the related support forms and rights should also be explained to international employees. The employees may not have any experience of such a model, especially if they have only recently arrived in Finland. Telling the employees about the TE Services, <u>support models</u> and the employee's rights accentuates the employer's responsibility and lets the employees know that their well-being in different situations is important to the employer.

When an employment relationship ends, the employer is subject to a duty to explain. This means that the employer must inform employees who are dismissed on financial or production-related grounds of the employment services offered by the TE Office. The duty must always be fulfilled prior to terminating the employment relationship. The services to mention include employment services, career planning, career guidance and labour market training. The employer must be able to explain the topical services to the employee or arrange a representative of the TE Office to tell them about the services. In addition, the employer must take into consideration



that if the employment relationship is interrupted in the middle of the employment contract period and the employee's residence permit is based on a permanent or fixed-term employment relationship, the employer is obligated to notify the Finnish Immigration Service of the changed situation.

POSTPONING AND CANCELLING RECRUITMENT

Sometimes a planned recruitment process or employment relationship is not realised for unexpected reasons, such as due to the mobility restrictions caused by the COV-ID-19 pandemic. In such cases, it may be necessary to postpone the start of the employment relationship or even cancel the planned recruitment process altogether. If the employment contract has already been signed, it is worth knowing that there is no obligation to pay wages if the prerequisites for the employment relationship are not met. In other words, if it has been agreed that a person will come to work in Finland, but they cannot arrive in Finland to work at the time, the employer is under no

obligation to pay wages. Similarly, if a person does not receive a permit to carry out the work in question in time, the conditions of the employment relationship are not met, and the employer is not bound by the employment contract. Work cannot be started without a permit to carry out the work in question. This may be hard for the employee, but it is worth knowing for the employer. In such situations, it is advisable to check with an employment and labour law professional, as there may be special details in each case.



4. STARTING WORK IN FINLAND

EMPLOYEE ORIENTATION

It is hardly possible to over-emphasise the importance of orientation when taking up a new job. Anyone who has ever started in a new position knows how important it is to receive information on both the expectations associated with the task and the work community's operating methods and culture. In the case of an international employee, the importance of orientation is particularly highlighted, as the person may not have prior knowledge or experience of working in a Finnish organisation or work community. Even if the organisation's operations are international by nature, many operating methods may still be based on Finnish legislation and practices, the operating language in many everyday situations may be Finnish or Swedish, and the organisation's partners and customers may be primarily Finnish. The language and culture affect the everyday work and activities in many ways, which is why it is important to familiarise new employees even with practical matters that may seem obvious and self-evident. Moreover, the employer is obligated under the Occupational Safety and Health Act to provide new employees with adequate orientation.

The orientation to a new position and work community can already be started before the work begins by, for example, inviting the new employee to participate in social events and giving them more information about the duties and the organisation. The orientation is best carried out while working. All practical tools and equipment should be checked and made ready before the new employee arrives. Moreover, it is advisable to prepare some kind of a welcome package for the employee and appoint support persons who will help the new employee to learn the job and answer any general questions that may arise. In addition

to the supervisor, it is recommended that also other members of the work community participate in the orientation by, for example, telling the new employee about their own work and its connection to the new employee's tasks. It is advisable to agree with the team on the implementation of orientation already before the new employee begins work.

It is advisable to give the new employee any and all information related to the work and the work community that may be of assistance when starting work and getting settled in the work community. It is worth remembering that while the trial period is a time for the employer to ascertain that the new employee is suitable for the task, the new employee can also use the period to see if the workplace is suitable for them. A good start lays the foundation for a long employment relationship. Even the tiniest things can have a major impact on how quickly a new employee can adjust to the work and find their place in the new work community. For example, if everyone has brought their own indoor footwear and coffee mugs to the office, the team tends to meet weekly for breakfast or a game of floorball, or if they have a habit of sharing interesting news through an instant messaging service, it is a good idea to tell the new employee about these customs right away.

As there are plenty of details and things to remember when starting a new job, it may be a good idea to organise the orientation over a period of several weeks. The new employee may not necessarily remember everything that is said at the beginning due to the massive amount of new information they receive every day. The orientation should be started by discussing the tools used in the work and other everyday matters. Many organisations have their own orientation programme, which may consist of instructions,

texts, videos and checklists. The following links provide additional information and examples regarding orientation:

Finnish Institute of Occupational Health: Orientator's TOP 10 checklist

Finnish Institute of Occupational Health: A functional work community

The Centre for Occupational Safety: Work orientation checklist

The Centre for Occupational Safety: <u>Employee</u> <u>orientation and guidance</u>

Occupational Safety and Health Administration: <u>Instruction and guidance</u>

Orientation checklist:

- equipment (computer, telephone, keys, access permits, workstation etc.)
- essential tasks
- key systems, communication tools, data banks etc. (including instant messaging services, databases and the e-mail system)
- contact details of the contact persons (HR, caretaker, supervisor etc.)
- · team representation
- · tour of the workplace
- presentation of the organisation's activities, partners, customers and other important parties
- designated support persons (work tasks, employment relationship matters, work community)

- · opportunities for training and development
- employment benefits
- everyday matters (lunch places and times, working hours, house rules etc.)
- language and cultural issues (training, observations for the specific work community)

FOR THE EMPLOYER TO CONSIDER:

- What kind of things enable a new employee to succeed in their work?
- What kind of things best support the new employee's adjustment to the new work community?
- Does the organisation have an orientation programme? If not, could one be developed?
- Who provides support as a new employee begins work, both in terms of the actual work tasks and operating in the work community in general?
- What is the organisation's main language in everyday work and in internal and external communication?
- What are the main features of the activities, and how would you describe the work community's way of working, cooperating, leading teams and performing tasks?
- How can you ensure that the work community welcomes the new employee?

WELCOMING TO THE WORK COMMUNITY

The way the work community welcomes a new employee forms an important part of a successful work start. A good team spirit and the feeling of inclusion promote well-being at work and the successful management of work tasks. As mentioned earlier in the guide, international employees may have little or no experience of working in Finland. Moreover, they may not necessarily have a social network in the area, and the work community may be the best and most natural opportunity to create one, especially at the beginning. Engaging colleagues in the orientation process is a good way to introduce the members of the work community to a new employee. By inviting the new colleague to joint lunches, events and meetings, everyone in the work community gets an opportunity to get to know each other and learn from each other's work.

In a work community, orientation and other activities can also be addressed by, for example, establishing common operating methods and internal procedures with regard to the working language, means of communication, break practices and so on. One or more languages that everyone can understand should be selected as the working language of the organisation. Provisions on the use of the working language may be laid down in an agreement to which all the members of the work community must commit. The agreement may specify, for example, the language in which employee relationships are communicated, which language is used in meetings, and which language is spoken during breaks.

The so-called working language may be the same as the official language of the organisation or some other language. For example, the organisation may have Finnish and English as the working languages and, in addition, Swedish as the official language. Moreover, the working languages of different departments and teams may also differ from each other depending on what is deemed reasonable and necessary. It is advisable to be flexible with

regard to the use of foreign languages. Not everything needs to be translated from start to finish into a language that an international employee can understand. The key is that everyone can do their work well, get information on matters concerning them, and participate in the work community's activities in a language they can understand and produce.

Orientation for the work community

When a new person joins a community, it always has an impact on that specific group. In the case of international recruitments, especially the first foreign employee's entry into the work community may stir interest and excitement. The internationalisation of everyday work and the so-called internationalisation at home generate a wide range of opportunities for developing the skills needed in the work community, communication activities and social situations. Members of a work community can improve their language skills, learn more about different cultures and prepare to understand and take possession of a new market area, for example. The employer can support this process by offering training and various forms of operational support, such as presenting multiculturalism through work or everyday affairs, introducing information and tools that increase cultural knowledge, and organising visits and different joint activities with other international communities.

It is essential to understand that everyone's actions affect the functioning of the work community and the smooth flow of work, and thus the performance of the organisation. The diversification of the work community is best achieved when all members actively promote a good team spirit and strive to develop themselves so that they can support each other as well as possible in their work. To put it another way, the receiving work community must also examine its own activities and possibly modify them, so that the international employee can fully participate in the work community and in promoting joint success. It is unreasonable to assume that inter-



national employees themselves could take responsibility for all of this and merge into a group by quickly learning the language and unspoken cultural rules without the support of the community. At best, starting an international recruitment process is a joint decision of the work community, and everyone believes it will take the organisation and each person's own work and career forward.

To support a diverse and multicultural community, various types of training programmes are available online and through different service providers. For example, the ELY Centre provides financial support for organising customised training programmes.

LANGUAGE AND CULTURAL TRAINING

Language skills and cultural knowledge are important skills in both social and working life. As a rule, employees in Finland can cope well in English, but also in other languages. Employers can hope that the employees can also speak one of the official languages of the country, especially if the organisation primarily operates in one

of these languages. Cultural knowledge and a good command of the country's official language play an essential part in successful integration and promote a good life across the board.

The language and cultural training of international employees should be supported. As a result, they will have better chances of succeeding in their work and of being a more diverse resource for the organisation. It is great if a fluent command of Finnish or Swedish is not a requirement for the recruitment. This significantly increases the chances of finding a qualified expert for the position in question. According to the statistics of the Ministry of Economic Affairs and Employment, there were 44,526 unemployed foreign-language jobseekers living in Finland in November 2020. This group of potential employees includes, among others, foreigners who have received their education and degree in Finland, as well as employed persons' educated spouses who have moved to Finland for family reasons.

The employer can support language learning and the development of cultural competence with, for example, ex-

isting or customised materials and courses. Language proficiency is best enhanced by using the language, and the work community can encourage language learners to practise their skills by having discussions with them in the target language during breaks and in unofficial situations, for example. Colleagues can also support each other in learning different languages by, for example, forming language couples, and thus practising the different languages with each other. For example, if someone wants to practise their English skills and another improve their Finnish, they can support each other with their goals. The language couples can, for example, read the same book, watch a movie or listen to songs in different languages and discuss them. They can also take part in language café activities or form their own language group in which they can have free-form discussions in the selected languages. When a language learner feels they are ready to use a new language also in meetings and other work situations, it is important to encourage and support them with their effort.

The TE Services provide employers with <u>financial support</u> to cover the costs of orientation, and the ELY Centres help companies organise <u>language training</u> customised for the organisation. The employer can receive financial support for 30–50 per cent of the costs of the training. Several educational institutions, such as open universities and adult education centres, offer different-level language courses all over Finland. In addition, the selection of online courses is constantly increasing. More information on the available courses is available <u>online</u> and from the local <u>TE Services</u>, ELY Centre and educational institutions.

In this context, cultural education refers to, for example, education that provides additional information on the Finnish culture and working life, the special features associated with them, and possibly their comparability with similar cultural factors in other countries. Examples of issues discussed in the trainings include management and communication methods, the appreciation of compe-

tence gained through education and work, work community skills, and the coordination of personal and working life. For example, the International work community training provided by the ELY Centre supports the interaction and communication of international work communities and helps new employees to adjust to their work. Moreover, many private education providers also organise cultural training, both on site and online.

Paid trainings and courses offered by the employer are considered a tax-free <u>benefit</u> for employees when the training benefits the employer. For example, language and culture training that improves an employee's ability to perform well in their work is, therefore, a tax-free benefit for the employee. The employer may also make a <u>deduction on the expenses of training</u> provided by the employer. If the training is also offered to the employee's spouse or family, the part of the training expenses that concerns the family members is regarded as taxable income for the family members. Possible <u>deductions</u> will be taken into consideration in personal taxation.

Your first EURES job support (recruitment of employees aged 18–35 years)

International work community training, including <u>video</u>

<u>Training in workplace Finnish and Swedish,</u> including <u>video</u>



5. RELOCATION IN FINLAND AND OTHER SERVICES

RELOCATION SERVICES

If they wish, employers can purchase relocation services to support a new employee and their family. There are many companies that offer relocation services in Finland, and it is well worth the effort for the employer to map out the service providers in their area. There may be differences in the service providers' pricing, and some smaller companies only operate in a specific area. Many larger relocation companies are able to support companies all over Finland. Moreover, the larger relocation companies have standardised processes and the most common quality certificates. If the organisation has no previous experience of using relocation services, it is important to request a quotation from several service providers.

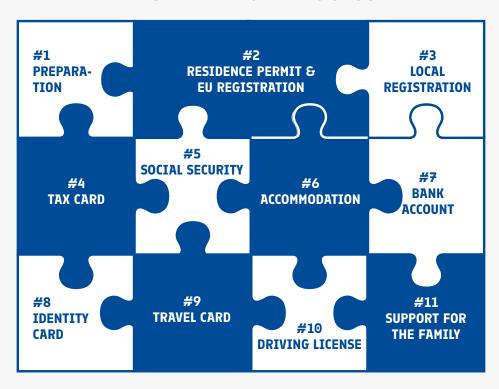
Many employers only need relocation services for new employees occasionally, but even in these cases it is advisable to request a quotation from a few companies. There may be some differences in the price and content of the service, which is why the employer should carefully determine what services they are ordering for the new employee. In situations where workforce is continuously recruited from abroad, it may also make sense to consider launching a competitive tendering process for the service. The pricing of the relocation services is often also based on the annual order quantities, and tendered prices are often more affordable than in the case of individual orders. When thinking about purchasing a service, it is advisable to come back to the overall recruitment budget (see section **Budgeting**) and make a decision based on what is reasonable in terms of the working hours and overall economics.

The use of relocation services is particularly advisable in high-profile recruitments, in which the new employee will most likely not have the opportunity to handle all the matters related to relocation themselves. Moreover, the use of a service provider should be considered in mass recruitments, as the service provider can arrange, for example, tax cards for a larger number of employees at once. In many cases, the HR expert or supervisor involved in the recruitment does not have the time to support the arriving employee as intensively as would be necessary, and especially employees with families may have a lot of questions even before moving to Finland. If the employer is unable to provide the employee with relocation services directly, it is also possible to reimburse some of the costs as benefits, or at least provide information on the availability of the relocation services in the event that the employee would like to purchase the services privately.

Services available from relocation service providers:

- support for applying for residence permits and verifying the right to work
- help with local registration, applying for a tax card and filling in Kela applications
- applying for a foreigner's identity card
- opening a bank account
- · finding temporary and permanent housing
- finding places in day-care centres and schools
- supporting the spouse's employment
- · mapping out hobby opportunities

INSTALLATION PROCESS



FOR THE EMPLOYER TO CONSIDER

- Can someone in your organisation help the new employee with all relocation issues?
- Would it be cost-effective to purchase the services from an external specialist?

MOVING SERVICES

People moving to Finland from abroad are often in need of international moving services, and there many companies around the world that offer such services. Those who are not familiar with the field may find it difficult to choose between different companies, and the employer can support new employees arriving from abroad by at least giving them the names and contact details of a few reliable moving companies. It is highly recommended to use international moving companies that have an office in Finland, as well. Companies operating in Finland

have good and recognisable insurance policies in Finland or some other Nordic country, and, therefore, the investigation process is easier to carry out in the event of damage. Insurance policies purchased abroad do not always cover all situations, and an insufficient insurance policy may lead to unfortunate surprises. There are several companies in Finland that offer international moving services and have established practices and clear instructions for the client, also in Finnish and Swedish. In addition, companies operating from Finland have extensive international networks, and moving is possible through subcontractors from all over the world. It is advisable to find out more about the range of services and service providers in advance. Companies offering international moving services can easily be found online by searching for "moving services".

Similar to relocation services, the costs of moving services can be compensated for employees, and this should be included in the budget already when planning the re-

cruitment (see <u>Budgeting</u>). If the employer is paying compensation for moving services, the employee must be informed of the type of move for which the compensation is available and of the value of the benefit. Even if the invoice is paid by the employer, the employee needs information about the benefit for their tax return.

The move can be carried out via air or sea freight or a combination of these. Air freight is always significantly more expensive than sea freight, but also significantly faster. An estimate of the price of the move must always be requested from the service provider in writing. The moving quotation is free of charge and does not obligate the client to make an order. In addition, the cost assessment for the move can be made either on-site or remotely using the camera on a phone, computer or tablet. In the assessment, the moving company calculates the volume and value of the goods to be moved and provides the employee with information on customs regulations. The employee should be aware of what they are allowed to bring to Finland and what kind of costs may be incurred when importing certain goods. For example, the import of vehicles also involves an import tax, the amount of which can be determined in advance. In addition, the price of the insurance policy obtained for the move is generally added to the price, and it is approximately 2 per cent of the total price of the move. The overall offer must always be approved in writing, just like all other official matters concerning the move. The moving companies appoint a coordinator for each move to act as a liaison. Moreover, some companies have electronic systems in place to make communicating with the customer easier.

REGISTRATION IN THE POPULATION INFORMATION SYSTEM AND THE RIGHT TO A MUNICIPALITY OF RESIDENCE

Registration in the Population Information System is part of the initial-stage official services for an employee and their family moving from abroad. The registration is made at the nearest office of the Digital and Population Data Services Agency (formerly the Local Register Office) in the municipality defined by the employee's home address. The registration must always be done in person, and an official identity card is required for identification purposes. In addition, the employee's spouse and children must also visit the Digital and Population Data Services Agency in person before they can be registered.

In connection with the registration, the employee arriving from abroad must provide proof of the duration of their stay and of family ties if the family is also moving to Finland. The employee can verify the duration of their stay by presenting the original employment contract and the family ties by presenting, for example, a marriage certificate and birth certificates for the children. All of the certificates must be original documents, translated by an authorised translator, and legalised by the authorities. There is no need to legalise official translations made in Finland, but translations made abroad must be legalised. The employer should instruct the new employee on the preparation of the documents in their country of origin before arriving in Finland, as the legalisation of documents usually requires a personal visit to the authorities of the country that originally issued the certificate in question. The legalisation instructions provided by the Finnish authorities must be read carefully before the employee initiates the process in the country whose authority has issued the certificate. This way, unnecessary delays in the registration process can be avoided. Successful completion of the registration process will affect, for example, the granting of a foreigner's identity card and ticket prices in the local transport services.

The information collected from the person to be registered includes, at minimum, their full name, nationality, native language and address in Finland. The stated address cannot be to a hotel. In addition, information on the place of birth, children, parents and spouse can be



collected in connection with the registration. It is recommended for the employee to report the details of their spouse and children, at least if the family is also moving to Finland. This makes it easier to combine the family data and to verify family ties also in the future.

The registration form can be printed out from the Digital and Population Data Services Agency's website and filled in before vising the authorities. Each adult to be registered shall fill out their own form, but under-age children are entered into the Population Information System on the guardian's form. The registration decision is made either immediately on site or within approximately one week of the identification at the service point. Each person registered in the Population Information System receives a registration certificate, which can be issued immediately during the visit to the service point or delivered by post to the person's home address. The certificate will state the person's identity code and, at the very least, a permanent or temporary address in Finland. The registration in the Population Information System is a precondition for obtaining a municipality of residence in Finland. The registration process is free for all.

EU/EEA nationals

EU/EEA citizens must register with the Digital and Population Data Services Agency whenever their intended stay in Finland exceeds the period of one (1) year. Citizens of an EU/EEA country who intend to stay in Finland for more than one (1) year are entitled to obtain a municipality of residence in Finland. To prove that their residence in Finland continues for the minimum period of time, a person can present the authorities with an employment contract or proof of family ties. A stay of less than one year is always labelled as a temporary stay.

The stay of an EU/EEA citizen's family member is regarded as permanent if the employed family member's stay in Finland is considered permanent on the basis of an employment contract. If the spouse is a third-country national, their stay will be considered to be permanent in accordance with the provisions on third-country nationals.

Third-country nationals

Third-country nationals must register with the Digital and Population Data Services Agency when their stay in Finland is intended to last more than a year. The authority

will register the stay on the basis of a temporary or permanent residence permit, an employment contract or documents confirming the family ties. The residence permit of a third-country national is marked either as permit type A (continuous residence permit), B (temporary residence permit) or P (permanent residence permit). If the person has permit type A or P, a permanent address and municipality of residence can be registered for the person. In these cases, the documents presented to the Finnish Immigration Service have already verified the permanent nature of the stay. If the person has a type B permit but intends to stay in Finland for more than one year, they may obtain a municipality of residence if their stay can be assumed to be permanent. When the family members are nationals of a third country, the obtaining of a municipality of residence depends on the duration of the employment relationship of the employed spouse. Whenever a person's residence in Finland cannot be interpreted as permanent, it will be labelled as a temporary stay. In all cases, the decision is always made by the authorities.

Nationals of the Nordic countries

Citizens of the Nordic countries must register at an office of the Digital and Population Data Services Agency within one (1) month after arriving in Finland if their stay is intended to last for more than six (6) months. Nordic citizens can only belong to the Population Information System of one Nordic country at a time. Between the Nordic countries, the authorities exchange information efficiently and notify each other of new registrations. If an employee or a family member works or travels between two Nordic countries and the family's permanent ties are clearly located in a Nordic country other than Finland, it is possible to keep the registration in the country of origin instead of Finland. The decision is made by the authorities in all situations.

Determination of the municipality of residence and the related rights

The municipality of residence of a person residing in Fin-

land is determined in accordance with the Municipality of Residence Act. As a rule, the municipality of residence is the municipality in which the person resides permanently. The municipality of residence determines each permanent resident's right to social welfare and health care services, such as childcare in a municipal day-care centre, as well as their right to vote in municipal elections, membership in the local parish and municipal taxation. A stay of under one year in any municipality is considered temporary and does not give a person living in the area the rights of a permanent resident. The same rule also applies to persons who do not have a previous municipality of residence in Finland. Employees arriving from abroad must be able to prove the permanent nature of their stay in order to obtain the rights of a municipal resident.

PERSONAL ID CODE

For a new employee and their family, obtaining a Finnish personal identity code is one of the most important matters to be handled in the early stages of their stay in Finland. The employee can obtain a personal identity code from several different authorities, and it is important to know which authority to contact when starting work in Finland. A personal identity code can be issued by the Digital and Population Data Services Agency, the Finnish Immigration Service and the Tax Administration. For example, in short-term projects in the construction sector, in which the employee needs a personal identity code only for tax purposes, a personal identity code issued by the Tax Administration is perfectly adequate. It should be noted, however, that in this case the person cannot be granted a municipality of residence in Finland and, therefore, they are not entitled to use the services provided by the municipality. If the person is looking to obtain a municipality of residence in Finland in addition to the personal identity code, it is advisable to apply for the identity code directly with the Digital and Population Data Services Agency. Unemployed family members must apply for a personal



identity code at the Digital and Population Data Services Agency's office if they have not received one in some other connection.

In Finland, the personal identity code is widely used for identification in different services. With the help of a personal identity code, it is possible to identify a person even more precisely than only on the basis of a name, and this also safeguards the fundamental rights of each individual. There may be more than one person with the same name, but there are no two identical personal identity codes. The personal identity code consists of the person's date of birth and four numerical identifiers or a combination of numbers and letters. The personal identity code is used in the systems of different authorities and in data transfers between authorities. In addition to the authorities, the personal identity code is also used for identification purposes by private sector actors, such as banks and insurance companies. Furthermore, private health care service providers use the personal identity code to verify each customer's identity.

It is advisable to remind new employees arriving in Finland to submit their personal identity code also to the employer, as it is required for the employment contract and for paying wages. The employee should also be reminded that the identity code should not be written down, e-mailed or kept with you in situations where it may end up in the wrong hands.

IDENTITY CARD

Employees arriving from abroad may apply for a foreigner's <u>identity card</u>. The identity card can be used for <u>identification</u> in Finland, but it is not suitable as a travel document. To obtain a foreigner's identity card, the employee must have Finland stated as their permanent country of residence in the Population Information System. An identity card can be obtained by EU/EEA citizens and third-country nationals whose residence in Finland is deemed permanent in the Population Information System (see Registration in the Population Information System and the right to a municipality of residence).

The identity card is issued by the police, and submitting an application always requires personal identification at a service point. It is not necessary to fill in any forms in advance for the application. Instead, the official at the service point will enter the applicant's data directly into the police's systems. The issued identity card will be sent by post to the applicant's nearest post office, or it can be retrieved from a police station. The updated instructions for applying for an identity card must always be checked on the website of the police.

Each person receiving an identity card is also granted a Citizen Certificate which they can use to identify themselves in e-services. The certificate contains the person's first and last name and an electronic client identifier. In addi-

tion, a bank may grant the holder of an identity card the right to use an online banking ID to identify themselves in online services. Without an identity card issued by a Finnish authority, banks cannot grant rights that require strong identification (such as opening a bank account).

SOCIAL SECURITY

When arriving in Finland, new employees should check their right to Finnish social security. Persons working in Finland usually belongs to the Finnish social security system based on their work. The right to Kela's benefits is determined during the process of granting a benefit. The decision on a Kela card application determines the person's right to health insurance compensation, such as a direct reimbursement for medicines. When applying for a benefit for the first time after starting work in Finland, a notification on the move to Finland must be attached to the application.

The application for a benefit or a Kela card and the notification on the move to Finland can be submitted through the online service of the Social Insurance Institution of Finland (Kela in short), in a Kela office or, alternatively, by post. The decision on the benefit and/or the Kela card will be sent by post to the applicant's home address. Persons with a possibility to identify themselves with, for example, an online banking ID, can check their own information in the Kela eServices. Up-to-date instructions and forms for applying can always be found on the authority's website.

The right to Finnish social security coverage is determined on the basis of employment or permanent residence. As a rule, employees coming to Finland to enter an employment relationship are entitled to Finnish social security coverage. The factors affecting the decision include, among others, the country from where the person is moving, the duration of the employment relationship, and the amount of pay. The eligibility of a family member

for social security coverage always depends on the duration of the spouse's employment relationship. If the stay is temporary, the family member is usually not entitled to Kela's benefits. For example, a person who has moved to Finland as a jobseeker or a trainee is not considered a permanent resident in Finland. In addition, asylum seekers are not eligible to receive Kela benefits during the processing of their application.

If an employee's permanent country of residence is not Finland, they may possess a certificate of being covered by the social security system of another country. For example, an employee posted from an EU/EEA country or Switzerland is often covered by the social security system in the posting country. In many cases, the social security coverage of cross-border workers is also determined on the basis of the country of employment, even if the country of residence is Finland. In such cases, the employee must submit a certificate (A1 certificate in, for example, the EU/EEA area and Switzerland) to the employer, and the employer shall ensure that the social security and pension contributions deducted from the employee's wages are paid, in accordance with the instructions provided on the certificate, to the country indicated on the certificate (see Working abroad). If the employee does not have a certificate issued by the authorities of another country, the employer must deduct the social security and pension contributions from the employee's wages and pay them in Finland in accordance with the standard practices.

APPLYING FOR A TAX CARD

An employee working for a Finnish employer shall primary apply for a tax card at a Tax Administration office. When applying for the first tax card, it is advisable to visit the office in person to submit the first tax card application, as the personnel can provide answers to questions related to personal taxation and thus help to make sure that the employee obtains the correct tax card. In addition, it

is not possible to apply for a tax card through the online services without a Citizen Certificate or an online banking ID issued by a bank for strong identification (see <u>Identity card</u>). In general, the employee will receive a tax card during the visit, or the card may be delivered to their home address. The tax card must be submitted to the employer for the payment of wages.

As a rule, employees pay taxes to Finland on work carried out in Finland. The tax rate depends on the duration of stay in Finland and the employer's home country. In addition, taxation may be affected by the employees' fixed ties, such as their family or living in an owner-occupied dwelling, income in another country, and international tax treaties. Persons moving to Finland, such as international employees, will generally become taxpayers if they have a permanent residence and home in Finland, or if they reside in Finland for more than six (6) months. Resident taxpayers who are generally liable to pay taxes have, for example, an obligation to notify the Tax Administration of all their income and, similarly, the right to different deductions. If the residence in Finland ends before the date of the tax return, the employee must ensure that the relevant authority has the correct contact information. A person is deemed a non-resident taxpayer with restricted liability to tax if their country of employment or permanent residence is some other country than Finland, or if the person resides in Finland for less than six (6) months. Tax at source is the final tax, and the person cannot apply for separate deductions nor do they need to submit a tax return. The person may also demand the use of a progressive tax scheme, in which case they must estimate the income for the entire tax year, including income earned both in Finland and abroad. The Finnish Tax Administration's website contains instructions on the taxation of employees coming to Finland from abroad and on applying for a tax card.

The tax card is usually either a tax-at-source card or a tax card for progressive taxation. If an employee's period of

residence in Finland lasts less than six (6) months, the Tax Administration usually grants the employee a tax-at-source card. A person residing in Finland for more than six (6) months becomes a resident taxpayer, and their tax card is determined based on progressive taxation. If the income level of the person applying for a tax card exceeds the monthly level of EUR 5,800 (without fringe benefits) which was the valid limit at the time of writing this guide, the person may be entitled to a key person's tax card. The key person's tax card must always be applied for as the first tax card, and the benefit cannot be implemented at a later time. For key employees, the tax, and the final taxation decision, is source tax at a 32-per cent rate.

Employees who work for a foreign employer and whose employment in Finland lasts less than six (6) months do not usually pay taxes to Finland. If the employment relationship lasts over six (6) months, even workers employed by foreign employers must pay taxes to Finland. Foreign employers who form a permanent establishment in Finland are directly comparable to Finnish employers.

FINDING AN APARTMENT

The employer can support a new employee's search for housing in many ways. The employer can either purchase help for the new employee to find a temporary or permanent apartment or help the employee themselves. The employer can also offer the employee temporary accommodation or pay the rent for an apartment either in part or in full. If it is not possible to use relocation services or pay the employee's rent, the employer can still offer, for example, written assistance in the form of a guide on finding an apartment . In addition, some municipalities provide apartment seekers with telephone guidance in English. The employer can also support the apartment seeker by, for example, allowing them to visit open houses during the working day.



Before acquiring a permanent residence, the employer may offer the employee temporary housing. Usually a new employee is offered an apartment for a period ranging from a few weeks to three months. Some employers have company apartments for this purpose, but most prefer furnished apartments offered by accommodation services. In both cases, the rent may be covered either by the organisation or the employee. There are many companies in Finland offering accommodation services, and, therefore, it is advisable to get to know the local service providers. The use of accommodation services has some advantages, including a pre-furnished apartment and a rent which almost always includes water, electricity, an Internet connection and insurance premiums. As a result, the employee does not immediately have to buy many pieces of furniture or find out how to obtain all the necessary contracts from different service providers. A temporary apartment enables the new employee to get settled well during the first weeks in Finland and get adjusted to their new surroundings. It is also easier to start searching for a permanent home from a temporary residence.

When a relocation service provider is used to find a temporary or permanent residence, it is the relocation ser-

vice consultant's responsibility to map out the options available in accordance with the customer's budget and to arrange open houses. Relocation service consultants are experienced in negotiating the terms and conditions of a lease, and it is their job to ensure that the terms are clear to both parties. Moreover, the relocation service consultant checks the condition of the apartment when the employee is moving in and cooperates with the landlord to correct any shortcomings. The consultant is also responsible for organising water, electricity, Internet and insurance contracts for the apartment.

If an employee is independently responsible for finding an apartment, they may be instructed to search for a rental apartment on the private market via different websites and to submit apartment applications to companies renting apartments. For example, the websites <u>Vuokraovi.com</u> and <u>Lumo.fi</u> are available in English, and it is also possible to find notifications in English on other websites. Before browsing the websites, it is advisable to tell the new employee that in Finland the size of the apartment is indicated in square metres, and to clarify what the terminology related to the number of different rooms means in practice (for example, 2h+k+p). In many countries, the



size of an apartment is indicated by the number of bedrooms, and the floor space may not even be mentioned in the notification. The terminology used in Finland can also easily cause misunderstandings that result in wasted time in the apartment hunt. In addition, furnished apartments are quite common in many countries, but relatively few are available in Finland. Moreover, employees who have just moved to Finland would often like to be able to see the apartment before making the rental decision, but some landlords allow the tenant to see the apartment only once the resident selection has been made. This may come as a surprise for persons who seek housing in Finland for the first time.

When choosing a rental apartment, it is advisable to consider different residential areas and their characteristics. It is important to tell the new employee that, as a rule, apartments are more expensive in the city centre, but it is possible to get a lot more space for the same price from a little further away. However, living in the city centre may be a better choice for those who enjoy being close to services. In addition, the employee is often interested in

transport connections and, if they have a family, in the distances to day-care centres or schools.

If the employee is looking for an apartment independently, it is advisable to tell them that water fees are usually paid in connection with the rent, but other contracts and insurance policies must be obtained from different service providers. The other contracts can usually be concluded online with the person's date of birth or personal identity code, but a security deposit is required for internet contracts. The amount of the deposit varies between service providers from 200 to 400 euros. It is recommended to prepare for this cost in advance.

In cases where the new employee would be interested in buying an apartment, it is advisable to get to know the local residential areas before making the decision. Even just a few months will give the employee a better picture of the area as a place of residence, and, at the same time, they will have time to clarify the official issues related to purchasing an apartment. Real estate agents can provide a lot of information on the Finnish housing market and

on matters related to purchasing an apartment. Those interested in buying an apartment should be referred to the local real estate agents.

OPENING A BANK ACCOUNT

A bank account can be opened in almost any bank, but there are many differences in the English services of the different banks. In most banks, personal customer service is available in English by telephone and on site, but it is worth comparing the other services before selecting a bank. When selecting a bank, it is especially important to make sure that the online bank and the agreements signed with the bank are also available in English. The largest banks operating in Finland have well-functioning online banking services in English, as well.

There must always be a specific reason for opening a bank account, such as receiving pay or benefits paid by Kela. If there is no specific reason for the bank account, banks generally refuse to open an account. When opening an account for a family member, banks usually offer the possibility of a joint account known as an OR account. This means that the employed person opens one account which can also be used by a family member. It is usually possible to obtain a debit card for the bank account straight away, but before a credit card can be issued, banks want to see monthly transactions on the account

to ensure the customer's solvency. Banks also have different practices regarding service fees, and these should be explored separately for each bank. In many countries, banks do not charge user fees in the same way as in Finland, and the total cost of the service fees can therefore be surprising.

Many things in the Finnish society work digitally, and often services provided by authorities and private operators require identification with online banking credentials. However, banks do not automatically hand out online banking credentials for strong identification as there are detailed rules for granting them. As a rule, banks issue banking credentials for the payment of invoices and for viewing the client's own account information. If a bank client wants to obtain an online banking ID for strong identification, they must prove their identity with an identity card issued by a Finnish authority. The client can identify themselves with a Finnish passport or a foreigner's identity card issued by the police (see Identity card). After opening a bank account, the employee must submit the bank account number to the employer for the payment of wages. In addition, the account number must also be submitted to Kela for possible benefit payments.



6. MOVING THE FAMILY TO FINLAND

MUNICIPAL AND PRIVATE DAY-CARE CENTRES

Early childhood education and care (ECEC) is available for children under school age in both municipal and private day-care centres. Early childhood education and care entails pedagogically planned education, teaching and care. In Finland, early childhood education is provided for children aged 0–6 years by educated ECEC teachers and childcarers. ECEC teachers must have a higher education degree, and their work is strictly regulated. ECEC is available in municipal day-care centres in Finnish and Swedish, but private service providers can offer day-care services also in other languages depending on the municipality of residence.

Early childhood education and care is also offered by private day-care centres, and these include multilingual options as well, especially in the larger cities in Finland. There is a varying selection of language immersion and language-oriented day-care centres available, and the local private day-care centres and their language possibilities are usually listed on each municipality's website. Applications can be submitted directly to private day care centres, and no municipality of residence confirmed by the Population Information System is needed. Therefore, ECEC is generally available in private day-care centres also in cases where the family members of a new employee are not intending to stay in Finland for so long that they would be granted a municipality of residence. However, private ECEC services are supervised by the municipality in whose area the private day-care centre operates. This ensures the high quality of the education and teaching. In Finland, Kela can pay private day-care allowance for the fees of private daycare centres if the family has a municipality of residence in Finland but, for some reason, has selected a private service provider instead of a public day-care centre.

It is important to explain to those moving to Finland that a day-care centre is not a school and that no school subjects are taught there, as is the case in countries where children start school earlier. A day-care place for a child can be applied for in accordance with the instructions of the municipality of residence, and these can be found on the website of the municipality. The ECEC fees are specific to each family and depend, among other things, on the size and income of the family. It is important to tell families who have just moved to Finland that the day-care fee includes three meals per day. In many countries, families must prepare lunch or snacks for the children for the day or buy them separately. Children who have a municipality of residence in Finland are entitled to municipal day-care (see Registration in the Population Information System and the right to a municipality of residence).

PRE-PRIMARY EDUCATION

Pre-primary education is teaching provided for 6-year-olds in the year before they start school. Pre-primary education is mainly organised in day-care centres and schools. Pre-primary education is free of charge, and the child's guardian must enrol the child in pre-primary education before the teaching begins. If the child does not participate in pre-primary education organised in the municipality, the child's guardian must ensure that the child receives similar teaching in some other way. Pre-primary education may also include preparatory education, which means learning Finnish during the first year of education.

SCHOOLS

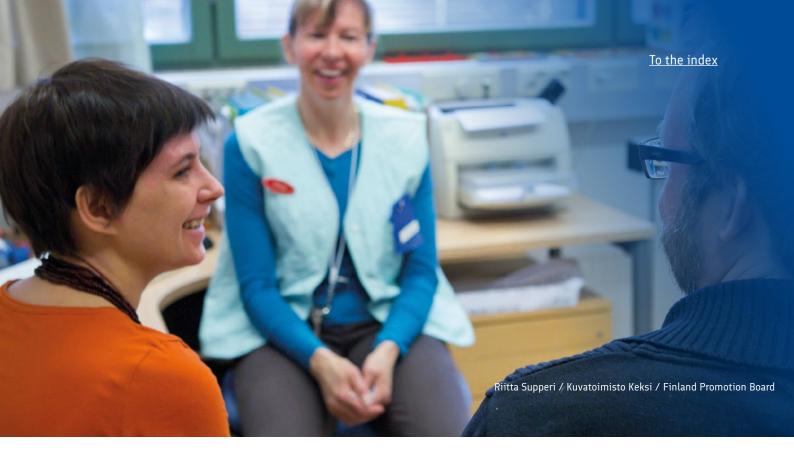
Many foreigners may be familiar with the Finnish school system because of the media attention received by the PI-SA results of Finnish schools. However, it is advisable to explain the practical implementation of the school system, such as the scope of compulsory education and the cost-free nature of teaching. Children living in Finland permanently have a statutory obligation to go to school. Compulsory education usually begins in the year when the child turns seven and ends at the age of 18 or when the young person has completed an upper secondary qualification. Comprehensive school education is meant for all children aged between 7 and 16 and it consists of school years 1 to 9. After comprehensive school, compulsory education is mainly provided in upper secondary schools or institutions offering vocational education and training. The compulsory education is free of charge for the pupil and includes, for example, school meals and textbooks.

In Finland, children start school relatively late when compared to many other countries, and this should be explained to all new employees with a family. Moreover, it is essential to discuss the educational opportunities well before the new employee arrives in Finland. In terms of schools, there are several options for families, such as transitioning to the Finnish comprehensive school system through preparatory education, international schools and language immersion classes. Language immersion classes are better available in smaller municipalities than international schools.

Preparatory education is available for children aged 6-17 who do not have the Finnish or Swedish skills required in Finnish comprehensive education. The teaching mainly consists of language studies and familiarisation with the school. The contents of preparatory education are determined by the child's age, and the child receives approximately 24–26 hours of teaching per week. In Finland, the school week is primarily from Monday to Fri-

day, and this should be mentioned to those moving to Finland as the practices tend to vary between countries. With the help of preparatory education, the child receives basic language skills that enable them to cope in comprehensive education. Preparatory education may end as soon as the child is able to follow the teaching in Finnish, but the maximum period for preparatory education is one (1) calendar year. The teaching is organised for children aged 6–9 in their own local school together with a school group of their own age. When the child is 9 to 17 years old, the goal is to find the school closest to their home that provides preparatory education.

International schools are available especially in the Helsinki capital region, but also in the largest cities around Finland. The international schools can be municipal or private schools, and the primary language of teaching is English. The municipal schools follow the Finnish core curriculum for basic education, even if the language of teaching at the school would be some other than Finnish or Swedish. In these cases, the curriculum also includes Finnish-language studies. In addition, some of the international schools operating in Finland follow the International Baccalaureate curriculum. The applied curriculum must always be found out on a school-specific basis either on the educational institution's website or by contacting the institution directly. When a new employee is looking for a school for their child, it is advisable tell them that municipal basic education is free of charge and that private schools are subject to a fee. Privately operating international or language-oriented schools collect tuition fees, and there may be rather significant differences between schools. It is recommended to explore the tuition fees and other costs well in advance. More information on the private and municipal language-oriented schools operating in the municipality can be found on the municipality's website.



MATERNITY AND CHILD HEALTH CLINICS AND HEALTH CARE SERVICES FOR FAMILIES

Families with children living permanently in Finland have access to excellent public health care services. Municipalities organise the maternity and child health clinic services, family centre activities and cooperation between different actors in their area. It is advisable to tell a new employee with a family about all these services, as many countries do not have such a comprehensive support network for families and the Finnish service selection may be a completely new experience to them. The municipal services for families with children are available to all those who have a municipality of residence in Finland (see Registration in the Population Information System and the right to a municipality of residence).

Municipalities organise family centre services for families with children. Family centres offer different services that promote the health and well-being of families under one roof. For example, the maternity and child health clinics in family centres organise health examinations to support parenthood, with the aim of assessing not only the child's health but also the well-being of the entire family.

If the family members have a municipality of residence in Finland, or KELA has issued them with a "Certificate of

entitlement to treatment benefits in Finland", they will receive treatment in the public health care services at the price of the user fee. In other situations, it is important to ensure that health care costs are covered by, for example, a separate insurance policy. Health, accident and other insurance policies are awarded by Finnish insurance companies to persons with a Kela card. In other events, the family can take out an international health insurance policy that is suitable for their own needs. There is an extensive selection of such policies offered even online by international insurance companies.

SOCIAL SECURITY AND BENEFITS FOR FAMILIES

Family members of a foreign employee living permanently in Finland are entitled to Finnish social security coverage and family allowances under certain conditions. The term "family member" refers to married spouses and partners who are cohabiting or in a registered partnership. Also regarded as family members are children under the age of 18 years, whether they are the employee's own children or the spouse's children living in the same household. Belonging to the Finnish social security system is mainly determined on the basis of work or permanent residence. The employer should note that the determination of social security coverage is influenced, among other things, by



the employee's nationality, the nationality of the employee's family members and the length of the stay. For this reason, it is not possible to give unambiguous instructions that would be applicable to everyone, and the situations of different employees should not be compared. Employees arriving from abroad are rarely facing similar, comparable situations, and, therefore, they should all be advised to contact the relevant authority.

When family members are citizens of an EU country, they usually receive benefits from the country in which they are permanently residing. In order to be covered by the Finnish social security system, they must move to Finland permanently. In some cases, the family may be entitled to medical care and family benefits on the grounds of a temporary stay, but the authorities will make this decision with consideration for the overall situation of the family. In all cases, only Kela can make the official decision. All persons arriving from outside the EU/EEA area must have a valid residence permit. If family members are moving from a country with which Finland has a social security agreement, they are primarily required to reside in Finland on a permanent basis in order to have access to the benefits provided by Kela.

SPOUSE'S EMPLOYMENT AND NETWORKING IN FINLAND

International employees may move to <u>Finland</u> together with their spouse and family. To an increasing extent, the

spouse is also a trained or experienced professional and wants to create their own networks and find employment in Finland. It is great if the employer can support the spouse by, for example, creating contacts with potential employers in their own network, providing language and/or cultural training, and involving the spouse and family in the social events of the work community. Just like the employee, the spouse may not have any pre-existing social networks in Finland. Supporting the spouse and family is not only decent, but also essential to ensure a successful recruitment.

Studies have shown that a significant portion of planned or implemented relocations abroad are interrupted for reasons related to family members. Furthermore, the spouses wish to be taken into consideration already during the recruitment process. Recruiting is expensive, it requires a lot of resources from money to time, and every short-lived employment relationship is costly for the employer. It is, therefore, very sensible for business to invest in the orientation of international employees, but also to help their spouse and family enjoy their stay and get settled in Finland. It is advisable to take the spouse and family into consideration already during the recruitment process by providing them with support and answers to possible questions, and also during their move and relocation to Finland. This topic will be discussed further in the section Moving the family to Finland.

Mentoring programmes are a great way to create networks and establish contacts with potential employers. Furthermore, social media groups and networks, such as LinkedIn and Facebook, are also highly active in Finland. There are several international organisations and social and mentoring networks operating in Finland. Certain cities, such as Helsinki and Tampere, also provide the spouses with support activities organised by the city, a higher education institution or some other party. More information on the different possibilities is provided by the public operators and international networks in the region, such as the cities, TE Services, EURES advisors, the international affairs services of higher education institutions, and the Finnish mentoring association Suomen Mentorit ry. A suitable partner can also be found by using the search words "spouse programme (region)".

Spouse Program

of the cities of Espoo, Helsinki and Vantaa

Hidden Gems programme of Tampere Universities

Partner's Path of Familia ry

The spouse's right to work depends on their nationality and the right of residence of the working spouse (the so-called 'sponsor'). If the sponsor has a valid residence permit in Finland or is a Finnish citizen or an EU citizen residing in Finland, their spouse has an unlimited right to work in Finland. In this context, 'spouse' refers to a married partner, a registered partner of the same sex, or a cohabiting partner with whom the employee has been demonstrably living for at least two (2) years or with whom the employee has a child in joint custody. The relationship must be proven with an official marriage certificate or some other equivalent document.

The spouse may be entitled to <u>employment services offered by the TE Services</u>. The integration services provided for immigrants include, among other things, <u>an integration plan</u> and language training. The right to the services and the applicable service selection should be checked with the local TE Services office. In addition, many non-governmental organisations and other opera-

tors, such as the Family Federation of Finland, offer support activities that are suitable for the spouses of migrant employees.

How to support the spouses:

- · language and cultural training
- inviting them to social events in the work community
- sharing networks and contacts
- providing information on mentoring programmes, social networks etc.
- giving them the contact details of the TE services

INTEGRATION SERVICES FOR IMMIGRANTS

A spouse who has moved to Finland with the employee may receive services that support integration and employment from the TE Office. A TE Office expert will support the spouse in the job search and provide a wide range of services. The initial-stage <u>integration services</u> offered to immigrants include, for example, guidance and advice, an initial assessment, an integration plan and integration training.

The integration plan sets out a scheme to take part in integration training, language training or perhaps a work try-out that promotes the spouse's working life skills. By participating in integration training, the spouse will get an opportunity to study Finnish or Swedish and to increase their working life competences. The training package also helps the spouse to acquire knowledge of the local society and culture. Moreover, a spouse participating in integration training also has the opportunity to receive unemployment benefits from Kela. The most upto-date information on integration services provided by the TE Services can be found on the TE Services website or at the nearest <u>service point</u>. In this guide, support forms for the spouse's employment are discussed in the section <u>Spouse's employment and networking in Finland</u>.

Key concepts of integration



7. WORKING ABROAD

In this guide, the basic assumption is that a foreign employee comes to Finland to work for a Finnish employer. However, it is also possible that the employee works outside Finland. For a number of reasons, the employment relationship may already begin before the person arrives in Finland. In some cases, it is, in fact, the original intention that the employee works fully or primarily abroad. In such cases, special attention should be paid to providing instructions for the employee's duties and supporting their start of work by means of, for example, video meetings and electronic orientation material. It should also be noted that the labour legislation of the country in question may differ significantly from Finnish laws and that obligations may arise for the employer in the country in question, especially if the employee is covered by the social security or tax system in said country.

The use of the terms "remote work" and "working abroad" differs slightly depending on the purpose. From the point of view of HR services and the employer, remote work can mean working in Finland or abroad at the request of either the employer or the employee. In situations involving work abroad, remote work is often referred to as a situation in which an employee wants to work abroad for family reasons, for example. In contrast, by this distinction, working abroad means a situation in which an employee who usually works in Finland works abroad on a fixed-term basis for reasons attributable to the employer and the employee's duties. This is called an international assignment, and the authorities regard employees on such assignments as posted workers. This is explained in more detail in the section Posted workers. A situation in which the employee is already abroad at the beginning of the employment relationship is called an on-site recruitment.

It should be noted that because the employer has the right to supervise work and the obligation to take care of the organisation's employees, employees cannot decide where they work. Work carried out outside the normal workplace – also work done abroad – must always be agreed upon separately. In addition, in the case of work performed abroad for a minimum period of one month, the employer must provide an account of the duration of the work, the currency in which the monetary pay is to be paid, the monetary remunerations and fringe benefits applicable abroad, and the terms for the repatriation of the employee. In fact, it is advisable to conclude a separate agreement with the employee on working abroad.

IDENTIFYING EMPLOYER OBLIGATIONS

If a new employee starts working abroad, the employer should immediately contact the relevant authorities and check which measures they need to take. In practice, the employer must in such situations usually pay the statutory social security contributions to the country of employment and also ensure that other statutory obligations, such as insurance coverage, are fulfilled. The employer may also subject to reporting and accounting obligations related to taxation. In addition, it must be verified that the employee has the right to carry out the work in question in the country of employment. It is also possible that, in the view of the authorities of the country in question, working creates a permanent establishment for the employer in said country. This so-called risk of a perma-

nent establishment should be explored as soon as possible with, for example, <u>the authorities</u> of the country in question or with a consulting company specialising in international employment.

The fulfilment of employer obligations to another country is also mandatory in situations where an employee presents a certificate of social security coverage in said country. These certificates, such as the A1 certificate, are issued by an authority and indicate the country in which the person is covered by the social security system. For example, a person who works for more than one employer in different countries may hold such a certificate. The employer may also be subject to obligations related to taxation if such provisions are laid down in the legislation of the country in question. A corresponding certificate must be requested from the Finnish social security authorities if an employee who has previously worked in Finland is going to work abroad either permanently or on a fixed-term basis.

The best way to find out the applicable employer obligations is usually to use local support, and the process always requires cooperation with the authorities, just like in Finland. In Finland, for example, the Finnish Centre for Pensions (ETK) maintains information on the pension systems of other countries, and the Tax Administration provides advice on taxation issues related to international working situations. These and the European Union's website contain the details of different foreign authorities who can be contacted for more information on fulfilling the obligations in the country in question.

Even if the employee is covered by a foreign social security and/or taxation system, it is worth discussing the key issues of the employment relationship with the employee. Both parties should know the local regulations and practices and also understand how the situation differs from working in Finland. According to Finnish labour legislation, employees must be treated equally. It should be

checked that the benefits and rights of employees working abroad correspond to the situation of the employees working in Finland. In some countries, the labour legislation may impose different obligations on the employer or the employee than in Finland. For example, the social security contributions may be even higher than in Finland. These details should also be investigated in advance to avoid potentially unpleasant surprises.

In practice, employees can only be covered by the Finnish social security system if they work and/or live in Finland. Therefore, it essential that the employee arrives in Finland at the beginning of the employment relationship, if the aim is to remain within the scope of the Finnish system. For example, a person living in the EU can only be covered by the social security system of one EU country. If the employee has also other employment relationships or ties to another EU country, they may be covered by the social security system in that country, even if they also work for a Finnish employer. When working in several countries, the employee must always contact the social security authorities in their country of residence and find out which legislation is applied. An employee living in Finland and their employer must contact the Finnish Centre for Pensions. Consequently, the employer can check, for example, what deductions should be made from the employee's pay, even if the employee is working in different countries.

Income earned in Finland is <u>taxable</u> in Finland when the work is carried out in Finland. Furthermore, income from Finland is also taxable in Finland in situations where a person works remotely from abroad or is on a foreign assignment of less than six (6) months. The Tax Administration guidelines cover, among other things, <u>income earned abroad</u> and <u>the compensation of travel expenses</u>. Taxation is also affected by tax agreements concluded with different countries. If the employee is liable to tax in another country, the employer must also check whether this causes special reporting or payment obligations

to the employer. In some situations, the employee may pay both the social insurance contributions and taxes independently. It is advisable to agree on the procedure in writing. It is possible that the employer may be responsible for ensuring that the statutory obligation is fulfilled, regardless of separate agreements.

ARRANGEMENTS, SECURITY AND COMMUNICATION

When agreeing on work abroad, features such as travel, accommodation and workplace arrangements, occupational health care and insurance policies should be agreed upon in advance. It is advisable to produce the reports, agreements and instructions in all the languages used by the organisation and at least in a language that the employee working abroad can understand. The employer can either manage the travel arrangements independently or use a specialised service provider. When arranging for accommodation and a workstation for the employee, it is advisable to contact local service providers or a company offering international mobility and relocation services. With regard to occupational health care and insurance coverage, it is essential to check the statutory requirements of both Finland and the destination country and to arrange matters in compliance with the provisions. Usually the employer's Finnish insurance company also offers insurance policies for short-term and long-term insurance needs. The employer can decide whether to extend the insurance coverage to the employee's family members. Certain costs arising from work abroad may be reimbursed to the employee as either fully or partially tax-exempt reimbursements.

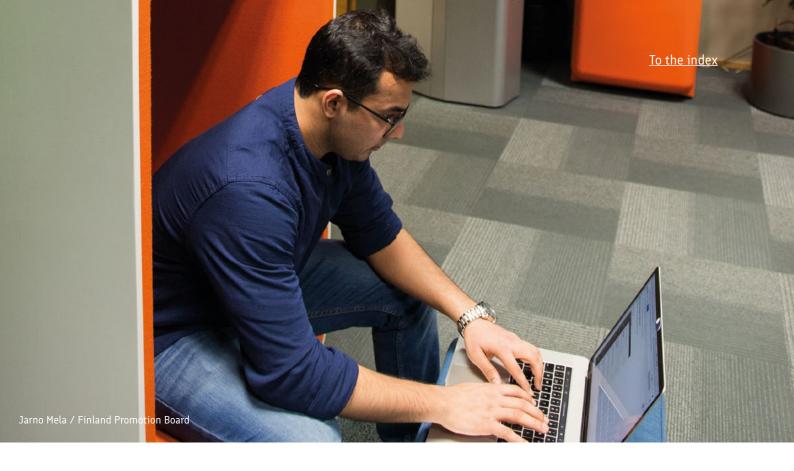
Security and safety are also important features to consider. The employer has a duty to take care of the safety of the organisation's employees and their conditions for working, even when the work is not carried out at the actual workplace in Finland. The safety situation at the foreign

working destination should be examined before agreeing on work abroad. The relevant safety matters include, for example, travel and housing arrangements, providing a workplace and insurance coverage, keeping in touch with the employee, and establishing an operating model for emergency situations. As a good starting point for the arrangement, the employee should have the same rights and support during their work abroad as they would in Finland. In practice, this can be challenging to organise, and in some destinations issues such as security factors require special measures. It is advisable to investigate the matters in advance and to use the help of an expert who is familiar with the conditions in the destination country. A separate checklist and operating instructions should also be established to support risk management and activities in different situations.

The safety situation in different destinations can be examined, for example, by means of <u>travel bulletins</u> published by the Ministry for Foreign Affairs and by checking the website of local or regional Finnish missions. Moreover, it is advisable to always submit <u>a travel notification</u> to the Ministry for Foreign Affairs on work-related travels abroad.

Communication between the employer and the employee should also be ensured during work abroad. Employees working abroad can participate in the everyday activities and discussions of the work community by means of, for example, instant messaging services and social media applications. Staying regularly in contact with the supervisor is also recommended because, among other things, the supervisor can monitor the progress of the work, and frequent contacts strengthen the employee's experience of their relevance and inclusion in the work community.

The email systems and instant messaging services used in the organisation are likely to work online all over the world. In contrast, some other systems may require a secure connection or other arrangements to function prop-



erly. A Virtual Private Network (VPN) protects the network connection and enables the use of multiple systems, even outside the organisation's own network. More information on recommended network connections and system requirements is best offered by the providers of network services and systems.

Issues to consider regarding work abroad

- ensuring social security coverage with the Finnish Centre for Pensions, the Social Insurance Institution (Kela) or the responsible authority in the country of employment
- determining the employer's obligations in the country of employment (e.g. statutory fees, registrations and reporting)
- taking out statutory insurance policies
- organising occupational health care services
- travel and housing arrangements
- communication and contacts during work abroad
- ensuring safety and submitting a travel notification
- recording the key terms and details in the contract on working abroad

POSTED WORKERS

In international business and cooperation, it is possible that an employee will come to <u>Finland</u> to work for a foreign employer or, correspondingly, an employee of a Finnish employer will go abroad to work for a local organisation. This is called an international assignment or <u>posting a worker abroad</u>. The posting of workers is administered by <u>national</u> and EU legislation.

In addition to an employment relationship, the posting of workers can refer to subcontracting work, temporary agency work and group-internal transfers. The receiving organisation, or the host organisation, also has obligations. For example, according to the Act on the Contractor's Obligations and Liability when Work is Contracted Out, the social security coverage of workers posted to Finland from abroad must be examined.

A notification of the posted employee must be submitted before the start of the international assignment. In addition, it must be verified that the employee has the right to carry out the work in question in the country of employment. A notification on employees posted to Finland from abroad must be submitted to the occupational safety and health authority using the Regional State Administrative Agency's form.

Foreign employers must take out statutory insurance policies and provide occupational health care services for the employees. If a posted worker holds a certificate of <u>social security coverage</u> in another country, the employer is obligated to take care of the necessary insurance policies in the country indicated on the certificate. It is also important to explain this to the employee so that they are aware of the deductions made from their pay in addition to taxes. In some countries, the social security contributions may be higher than in Finland.

Similar obligations may apply to Finnish employers if they post employees abroad. The employer must, among other things, contact the authorities in the destination country to find out in which situations and how a notification should be made of the posted employees. Further information on the topic can be obtained from, for example, the employer's aid service offered by Kela, the Finnish Centre for Pensions, and the Occupational Safety and Health Administration. See also the section Arrangements, security and communication for things to consider in relation to safety and communication.

Issues to consider regarding posted employees

- contacting the Finnish Centre for Pensions
- checking if the employee has an A1 certificate or other certificate of social security coverage in a particular country
- checking that the notification on a posted worker has been completed
- ensuring that the employee is insured and provided with occupational health care services
- travel and housing arrangements
- communication and contacts during work abroad
- ensuring safety and submitting a travel notification
- recording the key terms and details in the contract on working abroad



8. ACKNOWLEDGEMENTS

The purpose of this guide is to provide a summarised information package on important issues to consider when an organisation is thinking about recruiting an international employee. Hopefully, the guide has provided you with answers and new, useful information. Apart from this guide, there is a great deal of information and support available for employers and persons moving to Finland, foreigners already living in Finland, as well as for other international experts.

In addition to numerous established public services, the Talent Boost programme coordinated by the Ministry of Economic Affairs and Employment and several regional projects promote and support the internationalisation of organisations, recruitment of international experts, and integration. On the next page, you will find a summary of the different operators and websites that provide more information on the topic. Good luck with your international recruitments!

We would like to thank all the authorities and experts involved in the work carried out to complete this guide, the Talent Boost operators, and the companies and individuals who have test read the guide. This is a common and important issue for businesses, cities, public services, public authorities and individual workers alike. We extend a warm thank you to everyone who has contributed to this guide.

Best regards,

Course towards Finland/Kokka kohti Suomea project (ESF)





SUMMARY OF PUBLIC SERVICES

GENERAL

Ministry of Economic Affairs and Employment

- Talent Boost

Talent Boost Cook Book 2.0

PUBLIC SERVICES TO SUPPORT INTERNATIONAL RECRUITMENT

TE services – Recruit from abroad

ELY Centre – Labour mobility in Europe

EURES - European Job Days

Business Finland - For customers in Finland

TE-live web channel

HIRING A FOREIGN EMPLOYEE

Suomi.fi – Employee from abroad

TE services – Hiring a foreign employee

Finnish Centre for Pensions – Foreign employee in Finland

<u>The Social Insurance Institution of Finland – Assistant</u> for international work

<u>Ministry of Economic Affairs and Employment – Posted</u> workers

Ministry of Economic Affairs and Employment – Employment legislation brochures

Employment Contracts Act

E-services of Occupational Safety and Health Administration

<u>The Centre for Occupational Safety – Basics of occupational safety</u>

ILO quidelines for ethical recruitment

<u>Finnish Immigration Service – For employers</u>

Finnish Immigration Service – Ensuring the right to work

<u>Finnish Tax Administration – International situations</u>

<u>The Social Insurance Institution of Finland – Centre for International Affairs</u>

MOVING AND SETTLING IN FINLAND

International House Helsinki

International House Tampere

Turku Business Region

Talent Coastline (Ostrobothnia)

Oulu Talent Hub

Future Savo

<u>Infofinland – Working in Finland</u>

<u>Digital and Population Data Services Agency – Registration of a foreigner</u>

<u>Digital and Population Data Services Agency – Moving to Finland</u>

Kela – The right to social security for persons moving to Finland

<u>Finnish Tax Administration – Taxation of an employee arriving in</u> <u>Finland from abroad</u>

WORKPLACE DIVERSITY

<u>Finnish Institute of Occupational Health – Multicultural working life</u>

<u>TE services – Country of origin training workplace Finnish or Swedish</u>

TE services – International work community coaching

<u>Inklusiiv ry – Data bank</u>

Talent Boost Index



#FINLANDWORKS

