

Submission to the Migration Advisory Committee's call for evidence on the salary threshold and points-based system (PBS) proposed for the UK's future skills-based immigration system

November 4, 2019

Overview

The British Academy of Management (BAM) and the Chartered Association of Business Schools (Chartered ABS) welcome the call for evidence by the Migration Advisory Committee into the salary threshold and points-based system (PBS) proposed as part of the UK's future skills-based immigration system. [BAM](#) is the leading authority on the academic field of business and management (B&M) in the UK. As a learned society, we support the community of scholars in this inter-disciplinary field and foster engagement with our international peers. We have around 2000 individual members, almost a quarter of whom are based outside of Britain, and who range from world-renowned thought leaders and top academics in our field to early career researchers and doctoral students. The Chartered ABS represents business schools across the UK.

Business and management research plays a crucial role in delivering UK growth, innovation, and prosperity. Business schools alone earn £5 billion and have a UK economic impact of £13 billion annually. Business and management schools and university departments also teach the [most popular](#) subject across UK universities, attracting [31% of international students](#) to UK shores. Most importantly, Business and Management research helps address major global and national challenges – from slowing climate change to raising productivity – as numerous [recent case studies](#) have shown.¹

The business and management research community has higher than average numbers of skilled international academic staff. Across all subjects, three out of ten academics at UK universities are of international origin,² employed for their unique expertise and global perspective. **At least 1 in every 3 business and management academics are of international origin.**³ As in many of the social sciences, these international staff bring with them number and data skills that are in short supply in the UK, and that would be difficult to replace from the current pipeline of UK post-graduates.⁴ Only 1 in 5 UK students enter university to study management, for example, with a post-16 maths qualification.⁵

The UK's future immigration system will therefore need to be flexible, simple, easily navigable, and welcoming, if the government wishes to ensure the continued vitality of the UK's science, research, and innovation system. It will need to foster an environment where higher education and research institutions are able to continue to recruit and retain the best and brightest global talent for all parts of this system, from research and teaching assistants to the most eminent professors and innovators of our time, as a [recent report](#) by the Campaign for Social Science has made clear, and as we have [long argued](#).

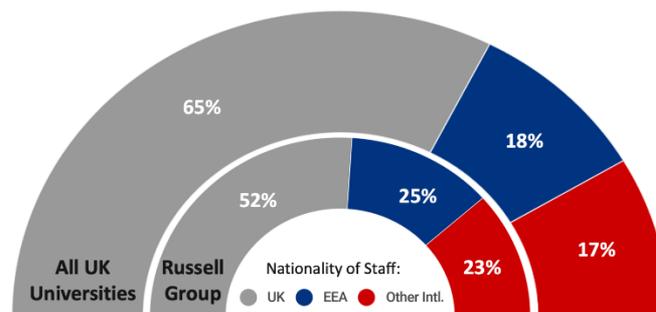
Removing the proposed £30K annual pay threshold for skilled migrants is but one key move needed to ensure that the future immigration system is fit for purpose – but it is an important move. Below we provide detailed evidence of the levels of international staff in the B&M community, including their regional and contractual composition, as well as examples of the types of roles that would be affected by current proposals. Together this evidence clearly highlights the negative potential impact that the proposed £30K annual pay threshold for skilled migrants could have on future retention and recruitment within the research system.

The Impact of the Proposed £30K Threshold on International Staff in Business & Management

By contract type

Of the 15,285 regular academic staff working in the ‘business & management studies’ cost centre at UK universities in 2016/17, 35% were of international origin, over half of which were from EEA countries.⁶ At the Russell Group universities that year, there were 3,390 regular academic staff in B&M, nearly half of whom (48%) were of international origin, and more than half of those international staff were from the EEA as well. This highlights not just a significant number of international B&M staff, but also a high level of EEA-origin B&M staff, who will require a visa for the first time under any new post-Brexit immigration system (see Figure 1).⁷

Figure 1. International Academic Staff in Business & Management Studies in 2016/17⁸



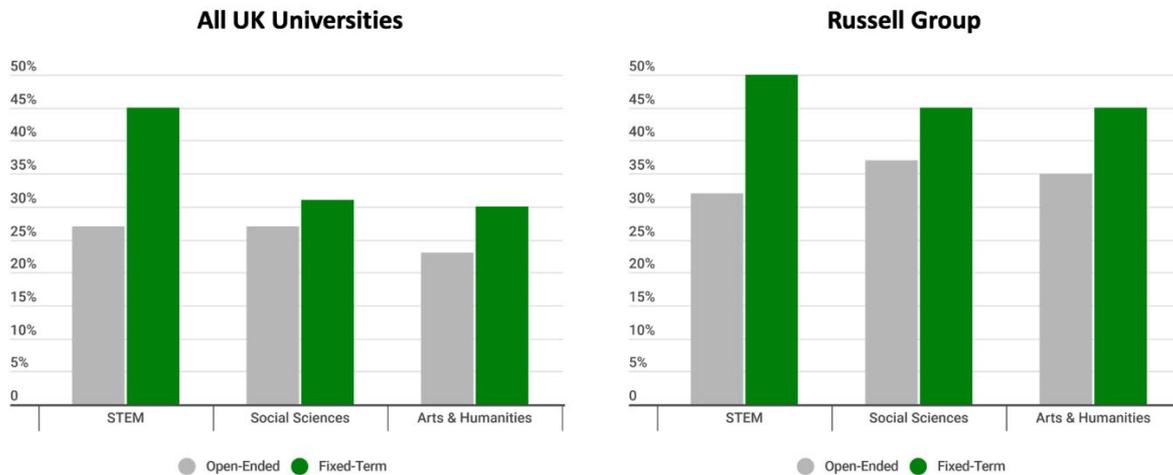
There are many academic staff in teaching roles with salaries that fall under the £30,000 threshold. This can be seen through a simple search on the jobs.ac.uk website, which often shows a number of teaching roles in business & management with a salary of up to £29,999 or below. The same is true of research.

But in order to understand the true impact that the proposed salary threshold will have on the retention and recruitment of international staff in the business and management research community, it is important to understand what types of contracts these international staff are on, and the types of positions that they are likely to hold at universities. When we refer to ‘regular academic staff’ we mean those on both *open-ended/permanent* contracts (who range from full professors to earlier career researchers on the track to professorship) and those on *fixed-term* contracts (who range from lecturers hired for courses to those on multi-year teaching or research contracts).⁹ Data on staff with both of these types of contracts are collected from universities at the same time and in the same manner, making them directly comparable.

Academics on fixed-term contracts are among the most likely regular academic staff to be affected by the £30K annual pay threshold proposed in the government’s white paper. Annual pay scales for research and teaching assistants, for example, can hover just below this threshold, especially outside of London and the Oxford-Cambridge corridor. A fixed-term position for a research assistant at the Russell Group’s Newcastle University Business School, for example, was recently [advertised at £27,831 to £29,515 per annum](#) to work on a collaboration between the Newcastle University, Sheffield University and the University of Oxford mapping and facilitating the ‘Internet of Things.’ Newcastle university also recently advertised a post for an assistant research officer on a full-time fixed-term contract at [£25,941](#) to help conduct the annual Farm Business Survey. It should also be noted that even when we look within the prosperous Oxford-Cambridge corridor, such positions still start at a lower wage, often just barely scraping the 30K threshold for the most experienced applicants. Cambridge University’s Judge Business school [recently advertised](#) a position for a full-time fixed-term research assistant at £26,715 to £30,942 to conduct data analysis and interpretation. **If the £30K**

threshold is adopted, it may be harder to recruit those with business and management expertise who also have the number and data skills needed for such posts, and which are in short supply in the UK.

Figure 2. International Academic Staff in Business & Management Studies in 2016/17, by Contract Type¹⁰



As in many disciplines across the UK higher education sector, the proportion of international-origin academic staff in business and management studies on fixed-term contracts is higher than those on open-ended/permanent contracts – a situation that is even more marked at the Russell Group universities (see Figure 2). In the STEM sciences, for example, 45% of the 38,320 regular academic staff on fixed-term contracts across all UK universities in 2016/17 were of international origin. At the Russell Group universities alone, 50% of the 23,730 regular academic staff on fixed-term contracts in the STEM science were from abroad.¹¹

In business and management studies across all UK universities, 17% of the 3,920 regular academic staff on fixed-term contracts came from the EEA alone in 2016/17, with 36% originating from outside the UK in total. Similarly, 34% of the 11,365 regular academic staff in B&M on open-ended contracts were of international origin, with just over half of these international staff originating from the EEA. At the Russell Group Universities, 56% of B&M regular academic staff on fixed-term contracts are of international origin in total – with 26% coming from the EEA and 29% from further afield.

Figure 3. Origin of Academic Staff in Business & Management Studies in 2016/17 by Contract Type¹²

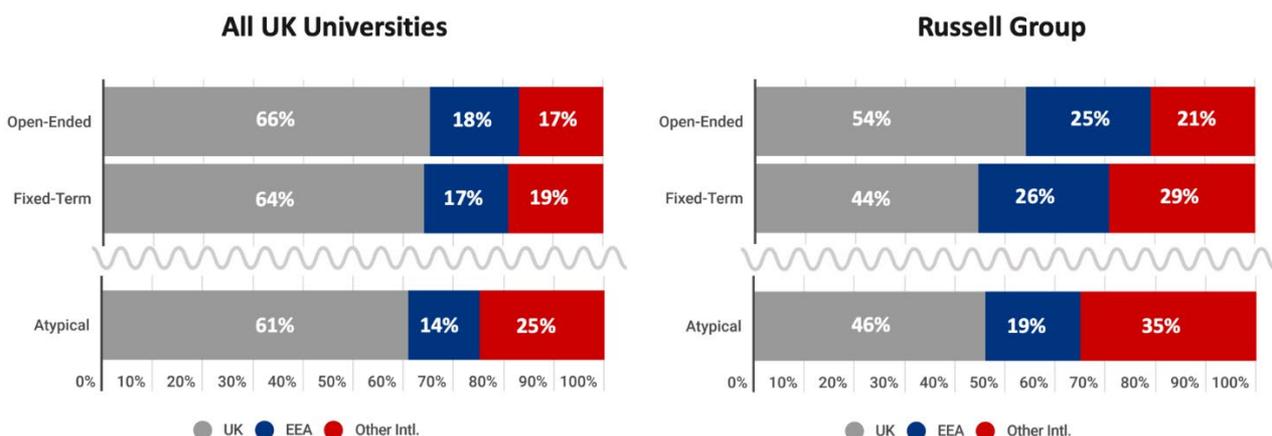


Figure 3 also shows the high proportions of international-origin staff in business and management studies on atypical contracts, who will be deeply impacted by the proposed 30K threshold. Almost 2 in 5 (39%) of the 4,020 B&M academics on atypical contracts come from outside the UK, and at Russell Group universities well over half (54%) of the 1,525 B&M academic staff on atypical contracts are of international origin. *Atypical academic staff*¹³ cover those from early career researchers to senior visiting academics or practitioners¹⁴ who carry out myriad of important functions for the research system as a whole, from ‘visiting lecturers, expert consultants or industry professionals’¹⁵ to academics organising conferences or projects, to hourly-paid teaching staff and course tutors, and those on zero hours contracts.¹⁶ Data on atypical staff is collected by HESA at a different time from that of regular staff and reporting is not compulsory, meaning that it is not directly comparable to data on regular staff.¹⁷ Yet, this data is still valuable, and we thus provide the available information on the international composition of atypical B&M staff separately on Figure 3 above, as they often fill important roles at UK universities and may be most affected by the changes to the UK immigration system.

Finally, the proposed immigration system is unclear about how it will handle migrants on one of the many fixed-term contracts (above and below the £30K annual pay threshold) that are only offered part-time and thus pro-rata of the annual salaries quoted for these positions. For example, a fixed-term position for a Teaching Fellow in Sustainability and Consultancy at the Russell Group’s University of Leeds was recently [advertised](#) at £33,199 to £39,609 per annum to teach on the MSc in Sustainability and Business – but the position was offered half time, meaning that the pro-rata annual salary would be well below the £30K threshold at £16,600 to £19,805. Similarly, Essex Business School, at the University of Essex, [recently advertised](#) for a fixed-term Research Assistant in Entrepreneurship pro rata of the £26,715 to £30,046 per annum pay scale, again taking it below the 30K threshold. **It will be therefore be important for government to closely examine how many positions reported by universities at the £30K annual pay grade are actually offered full time, given the high numbers of international staff on fixed-term and atypical contracts.**

By region

The potential negative impact of the 30K threshold for the UK science and research system will be a UK-wide issue that will affect each region of the UK, especially in relation to the retention and future recruitment of international staff on fixed-term and atypical contracts. The data discussed above represented academic staff reported by universities under the cost centre of business and management studies. But data is also collected by the specific discipline in which academics locate themselves, and as we have this data by region and contract type, we include some of it below to highlight our point that this is a UK-wide issue.

Management studies and business studies are the two largest subjects within the broader discipline of ‘business and administrative studies.’ With 3,915 and 3,955 academic staff each in 2016/17, together these subjects account for over half of the academic staff in the wider discipline. **Roughly 1 in 3 researchers in both subjects come from outside the UK.**¹⁸ Specifically, 35% of the academic staff in business studies, and 32% of those in management studies, were of international origin in 2016/17.¹⁹ In management studies, 17% of regular academic staff were of EEA origin, as were 18% in Business Studies (see Figure 1).²⁰

At the research-intensive Russell Group universities, the proportion of international staff are again higher, showing that this phenomenon holds whether we examine the data by discipline or cost centre. **50% of all regular academic staff in business studies at Russell Group universities are of international origin, as are 42% of those in management studies.**²¹ The figures below show the international composition of staff by specific subject and region at Russell Group universities, and are reproduced below with permission from the Campaign for Social Science report [A World of Talent](#), which analysed the 2012/13 to 2016/17 HESA Staff Record.

Management Studies

At the Russell Group (RG) universities, international staff accounted for more than a third of the regular academic staff in management studies in 8 out of 11 UK regions for which there was reportable data in 2016/17 – and for more than half of academic staff in three regions. Global talent clearly accounts for researchers across contract types, representing high proportions of staff on both open-ended and fixed-term contracts (see Figure 4). EEA-origin staff alone account for more than 20% of regular academic staff in management studies at Russell Group universities in 8 out of 11 UK regions, and for more than a third of all regular staff in three regions (see Figure 5).

Figure 4. Total Proportion of Regular Academic Staff in Management Studies at Russell Group Universities in 2016/17 that are of International Origin, with Breakdown by Contract Type²²

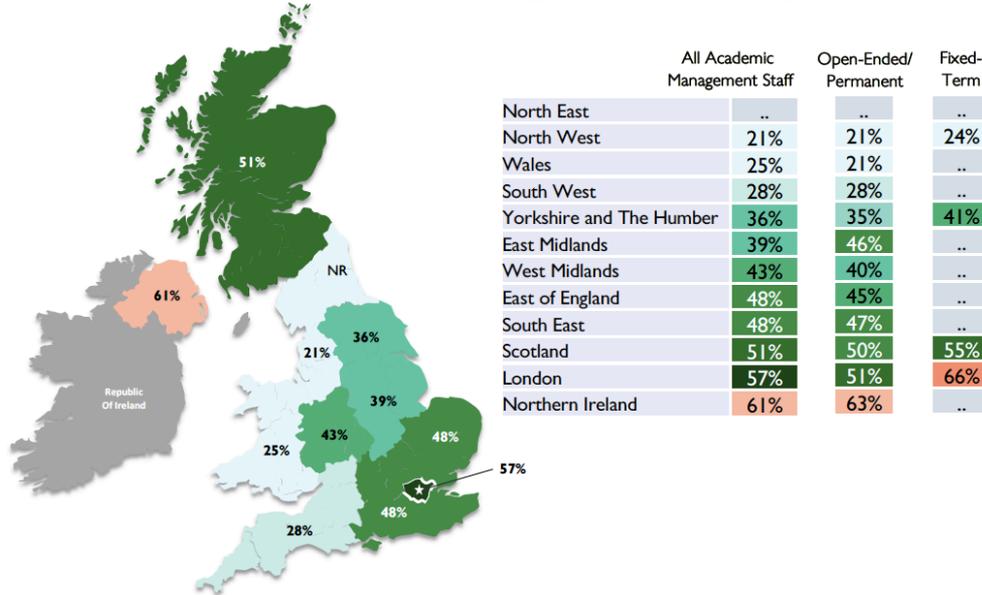
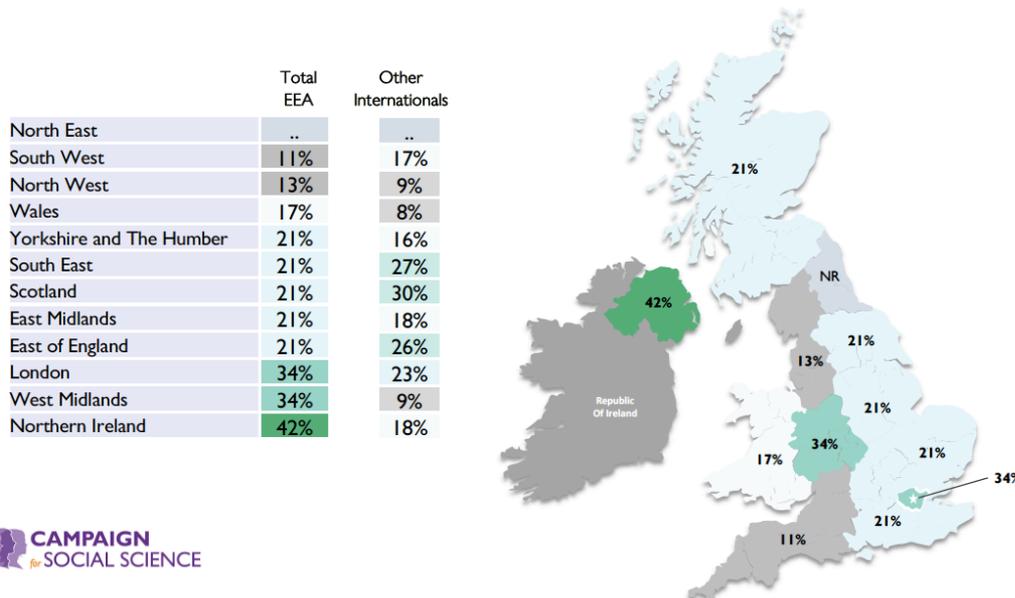


Figure 5. Total Proportion of Regular Academic Staff in Management Studies at Russell Group Universities in 2016/17 that are of EEA Origin or from Other Non-UK Countries²³



Business Studies

International staff accounted for at least a third or more of Russell Group academics in business studies across all 10 of the UK regions for which there was reportable data in 2016/17. In 5 of these regions, half or more of business academics were from outside the UK. As with management studies, global talent accounts for high numbers of researchers across contract types. EEA-origin staff account for more than a quarter of regular academic staff in business studies at Russell Group universities in 4 out of 10 UK regions, and for a third or more of all regular staff in two regions, for which there was reportable data.

Figure 6. Total Proportion of Regular Academic Staff in Business Studies at Russell Group Universities in 2016/17 that are of International Origin, with Breakdown by Contract Type²⁴

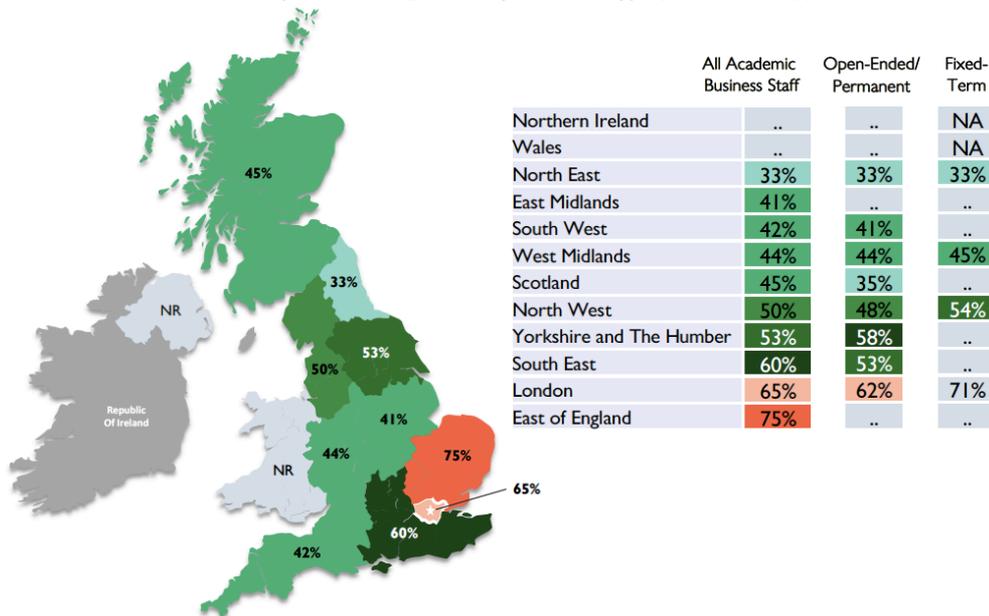
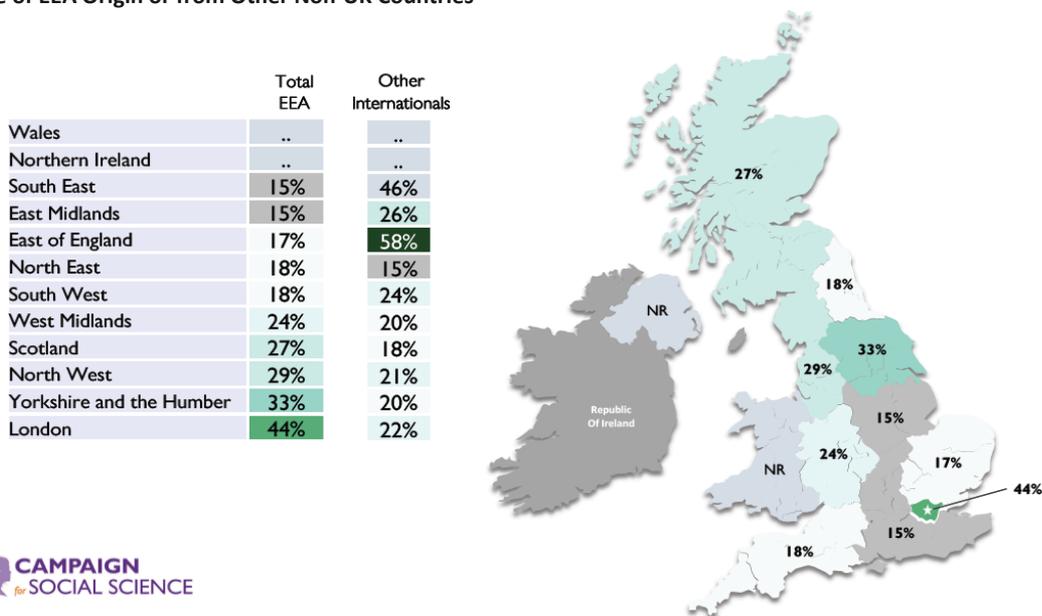


Figure 7. Total Proportion of Regular Academic Staff in Business Studies at Russell Group Universities in 2016/17 that are of EEA Origin or from Other Non-UK Countries



Source Note: Graphics Reproduced from Figure 15 in Lenihan & Witherspoon (2018). *A World of Talent: International Staff at UK Universities & the Future Migration System*. Campaign for Social Science, p. 14.

Implications

The business and management community has high levels (both in raw numbers and by proportions) of international academic staff across all regions and contract types. Moreover, EEA-origin staff account for roughly half of the international academics in our field, and they will need to acquire a work visa for the first time under the proposed new migration system.

Ensuring a stream-lined, flexible, and easy to use future immigration system that is fit for purpose, will thus be essential for the continued vitality of the business and management research and innovation community, just as it will for the wider science and research system as a whole. Given the importance of our field to the successful implementation of the UK Industrial Strategy and achieving prosperity for all, the ability to retain and recruit such global talent – from early career researchers to esteemed professors – in the post-Brexit environment will be vital.

The £30K annual pay threshold suggested in the government’s White Paper on the proposed future skills-based migration system therefore poses an unnecessary barrier to the retention and recruitment of international staff across contract types after Brexit. Many fixed-term research and teaching contracts outside of London and the Oxford-Cambridge corridor do not currently meet the £30K threshold. It is also unclear how part-time contracts will be handled under the proposed system, potentially entrenching gender biases as well as making it difficult to hire global talent with the skills needed to fill the many research and teaching positions that are offered part-time on regular contracts or through atypical contracts. These positions are least likely to meet the £30K threshold, but nevertheless fill important functions for universities and the research base. Those in such positions may also face difficulties meeting the sponsorship requirements for skilled workers under the proposed new immigration system. As the National Academies recently joined together to say, the £30K threshold would, quite simply, ‘be detrimental for research and innovation.’²⁵

NOTES

¹ Case studies demonstrating the added value of B&M research to the UK’s economy and industrial strategy are available at: <https://charteredabs.org/research-impact/>.

² The percentage of regular academic staff of international origin equals the total number of international (i.e. – ‘other EU’ plus ‘other EEA’ plus ‘other non-EU’) academic staff divided by the total academic staff of a known nationality (i.e. – the total number of regular staff less those of an unknown origin at UK HEIs), excluding atypicals. Original source of data was the HESA Staff Record 2012/13-2016/17 as analysed in: Ashley Lenihan and Sharon Witherspoon (2018) *A World of Talent: International Staff at UK Universities & the Future Migration System*. Campaign for Social Science: London. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2018/10/A-World-of-Talent-International-Staff-at-UK-Universities-the-Future-Migration-System.pdf>.

³ No matter how we slice the data, at least one in three business and management academics are of international origin. The data in the HESA Staff Record can be cut by either the *cost centres* that UK universities use for own accounting purposes, or by the *disciplines* with which UK-based academic researchers self-identify. In the broad discipline of Business & Administrative studies, 33% of the 14,590 regular academic staff are of international origin and, similarly, across the cost centre of Business & Management studies 35% of the 15,283 regular academic staff are of international origin. We include detailed evidence from both perspectives in this report, because the cost centre data allow us to show academic staff by contract type, and the principle discipline data allow us to show regional dispersion of staff. Combined this data paints a compelling evidence portrait of both the UK- and system-wide impact of the proposed £30K threshold.

⁴ Ashley Lenihan and Sharon Witherspoon (2018) *Positive Prospects*. Sage: London. Available at: <https://uk.sagepub.com/en-gb/eur/positive-prospects/book263186>.

⁵ Hodgen, Adkins and Tomei (2017). *The Mathematical Backgrounds of Undergraduates: Interim Report*. According to Hodgen et al., these data cover the ‘mathematical attainment for all honours students from the English GCSE cohort of 2007/2008, who completed A-level between 2008/2009 and 2010/2011’ (pp. 4 & 5).

- ⁶ Per footnote above, this data is for the wider Business & Management studies cost centre that UK universities use for own accounting purposes. Data sourced from: Ashley Lenihan and Sharon Witherspoon (2019) *Technical Annexes for A World of Talent II*. Campaign for Social Science: London, page 8. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2019/03/Technical-Annexes-World-of-Talent-II-FINAL.pdf>.
- ⁷ Ashley Lenihan and Sharon Witherspoon (2019) *Technical Annexes for A World of Talent II*. Campaign for Social Science: London, page 8. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2019/03/Technical-Annexes-World-of-Talent-II-FINAL.pdf>.
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- ⁹ Ashley Lenihan and Sharon Witherspoon (2019) *A World of Talent II: International Social Science Staff across the Higher Education Workforce*. Campaign for Social Science: London, page 3. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2019/03/World-of-Talent-II-20.02.19-ATL-FINAL.pdf>.
- ¹⁰ Ashley Lenihan and Sharon Witherspoon (2019) *Technical Annexes for A World of Talent II*. Campaign for Social Science: London, page 8. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2019/03/Technical-Annexes-World-of-Talent-II-FINAL.pdf>.
- ¹¹ Ashley Lenihan and Sharon Witherspoon (2019) *Technical Annexes for A World of Talent II*. Campaign for Social Science: London, page 8. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2019/03/Technical-Annexes-World-of-Talent-II-FINAL.pdf>.
- ¹² Ashley Lenihan and Sharon Witherspoon (2019) *Technical Annexes for A World of Talent II*. Campaign for Social Science: London, page 8. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2019/03/Technical-Annexes-World-of-Talent-II-FINAL.pdf>.
- ¹³ The complete definition may be found on HESA's 'Definitions' page for the HESA Staff Record from 2007/08 to 2017/18, under the 'Terms of Employment' section, available at: <https://www.hesa.ac.uk/support/definitions/staff#terms-employment>.
- ¹⁴ Ashley Lenihan and Sharon Witherspoon (2019) *A World of Talent II: International Social Science Staff across the Higher Education Workforce*. Campaign for Social Science: London, page 3. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2019/03/World-of-Talent-II-20.02.19-ATL-FINAL.pdf>.
- ¹⁵ See the Russell Group's statement from 17 November 2016 on 'Staff Contracts', available at: <https://www.russellgroup.ac.uk/news/russell-group-staff-contracts/>.
- ¹⁶ It is important to note that the extent of atypical academic staff on zero-hours contracts has been hotly debated over recent years, with some believing the numbers to be higher than officially reported. See: Simon Baker (2019) 'Official zero hours figures unlikely to stem 'casualisation' row,' THE (Times Higher Education), <https://www.timeshighereducation.com/news/official-zero-hours-figures-unlikely-stem-casualisation-row>; <https://www.timeshighereducation.com/news/zero-hour-numbers-still-unclear-despite-year-long-study>; https://www.researchprofessional.com/0/rr/news/uk/universities/2016/11/Zero-hours-contract-claims-misleadingsays-Russell_Group.html; and <https://wonkhe.com/blogs/analysis-atypical-academics-and-precarious-work/>; <https://www.hesa.ac.uk/files/C17025%20Staff%20Annual%20Update.pdf>.
- ¹⁷ See also HESA's 17 November 2016 'Statement on the use of HESA staff data', available at: <https://www.hesa.ac.uk/news/17-11-2016/statement-use-hesa-staff-data>.
- ¹⁸ In 2016/17 international origin staff made up 35% of the 3,955 staff on regular academic contracts in business studies (N1) and 32% of the 3,915 such staff in management studies (N5). Analysis is of data sourced from the HESA Staff Record 2012/13-2016/17, undertaken in: Ashley Lenihan and Sharon Witherspoon (2018) *A World of Talent: International Staff at UK Universities & the Future Migration System*. Campaign for Social Science: London, p. 9. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2018/10/A-World-of-Talent-International-Staff-at-UK-Universities-the-Future-Migration-System.pdf>.
- ¹⁹ See: Ashley Lenihan and Sharon Witherspoon (2018) *A World of Talent: International Staff at UK Universities & the Future Migration System*. Campaign for Social Science: London, p. 9. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2018/10/A-World-of-Talent-International-Staff-at-UK-Universities-the-Future-Migration-System.pdf>.
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- ²¹ See: Ashley Lenihan and Sharon Witherspoon (2018) *A World of Talent: International Staff at UK Universities & the Future Migration System*. Campaign for Social Science: London. Available at: <https://campaignforsocialscience.org.uk/wp-content/uploads/2018/10/A-World-of-Talent-International-Staff-at-UK-Universities-the-Future-Migration-System.pdf>.
- ²² Source Note: Graphic Reproduced from Figure 16 in Lenihan & Witherspoon (2018). *A World of Talent: International Staff at UK Universities & the Future Migration System*. Campaign for Social Science, p. 15.
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- ²⁴ Source Note: Graphic Reproduced from Figure 14 in Lenihan & Witherspoon (2018). *A World of Talent: International Staff at UK Universities & the Future Migration System*. Campaign for Social Science, p. 14.
- ²⁵ See: <https://www.thebritishacademy.ac.uk/sites/default/files/30k-immigration-threshold-explainer.pdf>