

# How we belong

A qualitative study of 19 journeys  
to talent recruitment and beyond

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*“Knowledge is like a garden; if it is not cultivated, it cannot be harvested.”*

Proverb from the continent of Africa

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Bram & Hela

## Abstract

<b>Title</b>	How we belong in organisations – A qualitative study of 19 journeys to talent recruitment and beyond
<b>Authors</b>	Bram van Dongen and Hela Galvis
<b>Supervisor</b>	Marie Bengtsson
<b>Date</b>	May 25, 2021
<b>Background</b>	There is a talent mismatch in Sweden. Companies are limited by a labour shortage, especially in the digital sector, and available talent has a low rate of hiring. Therefore, this study is focused on understanding the underlying reasons for this talent mismatch understanding it from an absorptive capacity process of knowledge and diversity in the digital sector. This research structure approaches this study by investigating the attraction, recruitment, development, and retention of talent in companies through an absorptive capacity lens.
<b>Aim</b>	Broadening the understanding of why there is a mismatch between available talent and firms in Sweden.
<b>Methodology</b>	A qualitative study method was done for the data collection and data analysis. Two clusters were created to explore the research process divided into companies and students. A proposed model was utilised to analyse the data and provide the results that confirmed different factors of the absorptive capacity process and the influence of diversity that serve to identify new findings. The thesis demonstrates that the absorptive capacity process can positively or negatively affect the influence of diversity in organisations. The factors that lead to these different outcomes are described in the various phases portrayed by the proposed model. However, the absorptive capacity process describes how people, in general, are retained in organisations and how the sense of belonging to the organisations is fundamental for a positive absorptive capacity process that leads to talent retention.
<b>Findings</b>	Diversity related mechanisms that influence a match or mismatch between available talent and organisations.

### Keywords

Absorptive capacity process · Diversity · Employee life cycle · Knowledge integration · Science Parks

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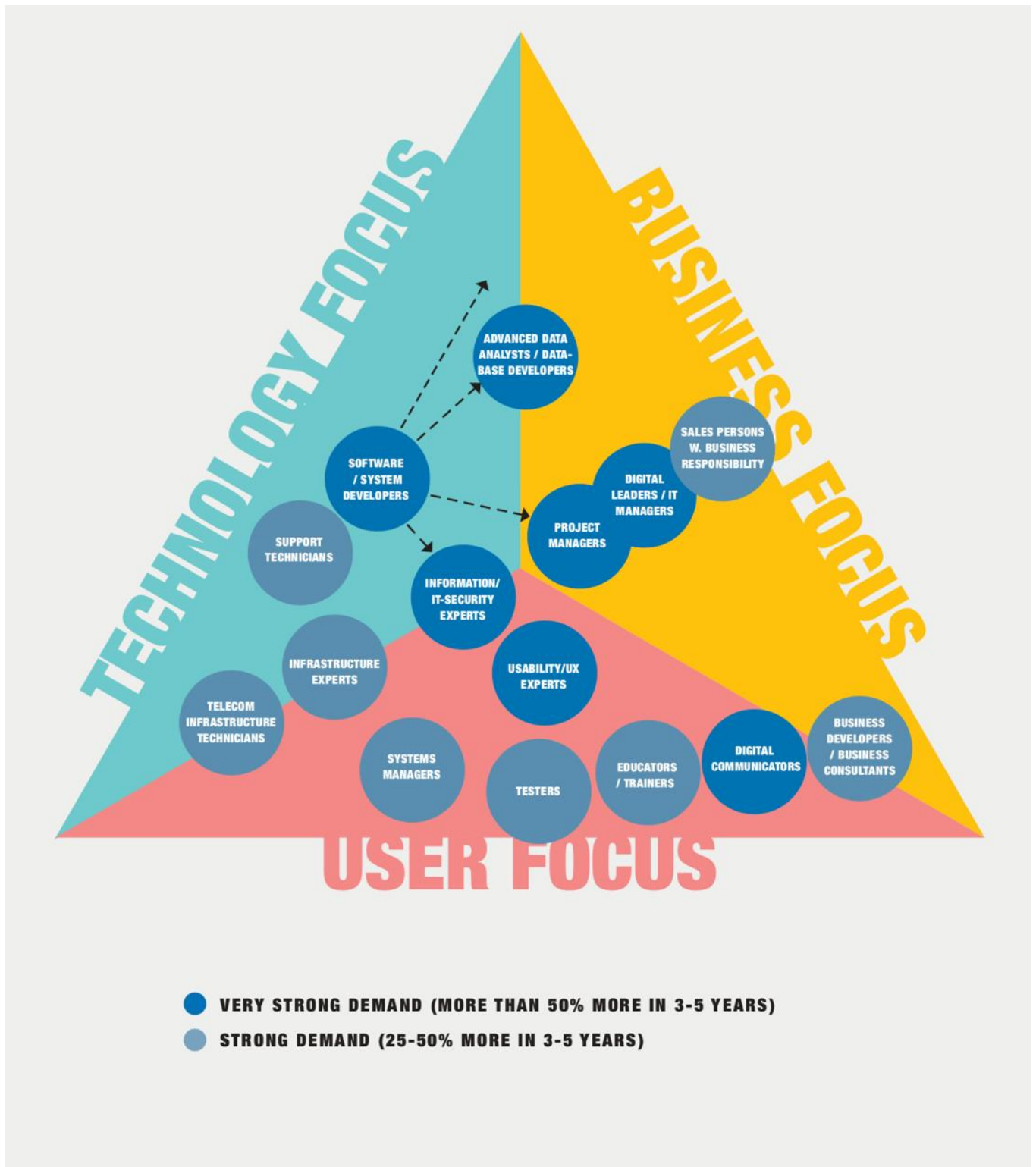
## 1.THE MISMATCH

Over the past years, there has been a difference in the employment rate between Swedish-born and foreign-born people that is still large, particularly negatively affecting women. Therefore, the Swedish Government (2020) identified this matter and proposed a bill to provide SEK 56 million to help new arrivals have a quicker entry into the labour market. Also, the public office of employment Arbetsförmedlingen (2019) set the following objectives to counter the impact of this situation between 2019 and 2020: 1) Counteract the lack of skilled labour, 2) increase the employment of foreign-born people - use their skills and 3) prevent long-term unemployment. Based on objective number 2, there are skills yet to be explored from foreign-born talent. Some of these skills could be better utilised in the current labour shortage that the digital sector is currently facing. See Figure 1 as an example of which occupational roles are in high demand within the digital sector.

Due to the global digitalisation process, new businesses have developed everywhere. Therefore, with this growth, multiple job opportunities in the digital sector have been created. According to Von Essen from the Swedish organisation IT & Telecom Industries (2017), these opportunities have also taken Information Communications and Technology (ICT) industries to become business's strongest force. The ICT industries are mainly part of the digital sector, known as all activities, related to any form of operative systems such as hardware or software, including suppliers and associated services (which is known as the IT and telecom industry). Furthermore, other activities in which the result is not IT products per se, but other goods and services in which computer hardware and software represent essential components, are also considered part of the digital sector.



Figure 1: Occupational roles distribution and demand of the digital sector (Von Essen, 2017, p. 20)



However, the rise of skills shortage within this industry has limited business growth in Sweden. By 2022, there will be a skill shortage of 70.000 workers in IT and Engineering within ICT industries and other related roles (East-Sweden, 2019). Therefore, various measures have been suggested to reduce this skill shortage, such as higher education efforts to train more students in the required skills in the labour market or offering lifelong learning to current workers and available talent.

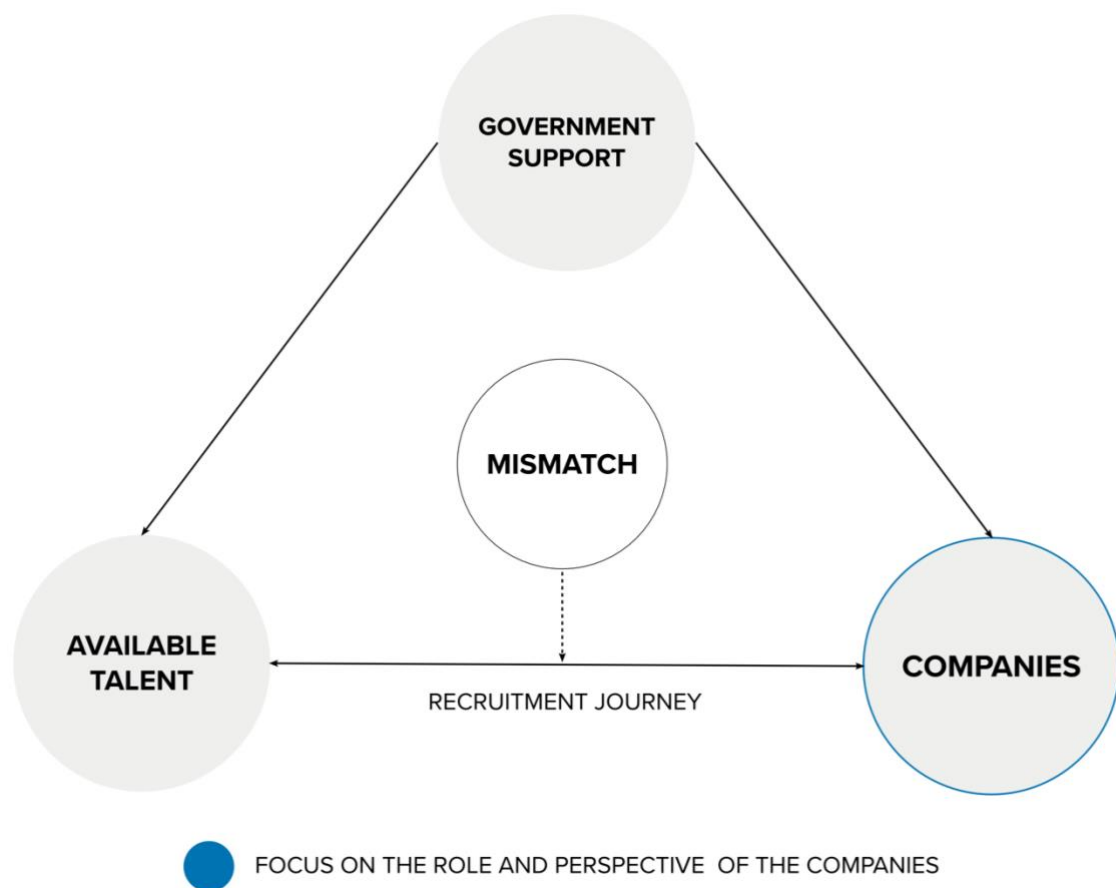
Also, attracting talent overseas and integrating at least 10.000 international students has been contemplated (Von Essen, 2017). However, landing a job and establishing in Sweden as a foreign-born is not an easy task. According to Region Skåne (2020), many immigrants who have post-secondary education in their background have skills that are not used optimally. After ten years in Sweden, only 15 per cent are qualified at the same level of the local education system. Therefore, Region Skåne (2020) concludes that if utilising and developing the skills acquired abroad, the structural labour shortage could be mitigated.

According to Tillväxtanalys (2018), Swedish higher education institutions also act as a tool to attract highly skilled labour from foreign countries. However, only around 20 per cent of the incoming students and doctoral candidates stay and work in the country on completion of their studies. Though, as previously mentioned, many are underutilised to supply the job vacancies (Tillväxtanalys, 2017). Considering that ICT firms and the digital sector, in general, are in high demand of skilled talent and that the possibility of exploring diverse and international talent pools is considered, the retention level of international students and foreign-born people is low. Hence, that Maria Rankka, former CEO of the Stockholm Chamber of Commerce, argues that Sweden must be more open and welcoming. She argues that despite Sweden is beautiful and admired around the world. This does not mean, however, that talents are lining up to immigrate to Sweden. *“Global talents that consider leaving their country of birth are rational actors. They weigh their options carefully before making the choice where to move. Every aspect of the process of settling in the new country matters”* (Rankka, 2015). One concrete example is that many high-skilled migrants see their work permit extensions rejected based on minor administrative errors made during their residency (Lindsay, 2019).

## 1.1 Research question and study scope

Based on the general context described above and the mystery of why the talent mismatch is happening, a general view to highlight the main research problem can be seen in Figure 2. The perspective of the companies in the digital sector will be the main focus of this study. This helps to better understand the research problem from a different perspective of the empirical information previously mentioned related to the industry and governmental sources. By listening and understanding the companies' perspective, this study pursues to clarify the needs related to talent, skills, and people that could describe some of the causes of this mismatch. This is relevant due to the current skill shortage and available talent that if improved, could help businesses grow and remain competitive.

Figure 2: Research problem



According to Näringsliv (2018), little research has been conducted in Sweden on attracting international students and their establishment in the Swedish labour market. International students and doctoral candidates are potentially an essential group for addressing the skills shortage, as many study Science, Technology, Engineering, and Mathematics programmes. Hence, according to Expressen (2021), there is a complex political debate regarding how resources should be implemented in labour support for immigrants while finding a job or settling in the country. Overall, the talent mismatch between available talent and companies creates labour-market inefficiencies and leads to untapped opportunities (Liu, 2021) that could be utilised by the digital sector, which has a high demand for skilled talent. However, the responsibility to fill this gap is not only laying on the government and the individual (talent) but also at the companies. Now, the firms' overall interactions due to their direct effect on innovation and performance of the firm are important for acquiring external knowledge (Caloghirou et al., 2004). Hence, making these overall interactions related to the acquisition processes of people's knowledge can be made through talent recruitment as an example of a knowledge acquisition process of the firm.

Ergo, one way to understand this mismatch is to see it as an absorptive capacity problem. By understanding these processes viewed from the firm's absorptive capacity, this study will explore; 1) what characterises positive or negative recruitment and retention processes are and 2) what mechanisms encourage diversity absorption in the firms. Harris and Yan (2019) describe the concept of absorptive capacity as the ability of firms to improve their productivity as they assimilate knowledge from the external environment in which they operate. Noting that if firms cannot learn how to assimilate knowledge from the external environment, they can still gather information from outside the firm but not effectively utilise it and affecting, therefore, their productivity. Furthermore, evaluating the influence of diversity in the culture and absorptive capacity of the firm can explain how the international and diverse talent pools affect the firms and the identified mismatch.

Moreover, considering that diversity has double effects in the firm (Mazur, 2010) with positive and negative contributions to organisational functioning is highly relevant to analyse these effects. Substantial literature argues that diversity has performance advantages over homogenous work structures (Cox et al., 1991). Therefore, multicultural organisations have an advantage in attracting and retaining the best talent. Nevertheless, under conditions of uncertainty and complexity, which may lead to confusion and frustration, diversity can make it harder to agree and end in cultural clashes that can create work disadvantages. Traditionally, cultural conflicts between majority and minority group members are usually resolved in favour of the majority groups (Cox et al., 1991). Therefore, according to Ariss and Guo (2016), when diverse teams are managed inappropriately, cultural diversity can be a source of counterproductive behaviours that can suppress innovative ideas, discourage cross-cultural collaborations and jeopardise the firm's competitiveness.

Ergo, the absorptive capacity process and the influence of diversity as a double-edged-sword (distinguishing diverse knowledge and people), and its effects in the knowledge acquisition of the firm can provide a new perspective to the research problem: the talent mismatch. Therefore, the purpose of this study is the following:

<b>Why is there a mismatch between available talent and firms?</b>
--------------------------------------------------------------------

In order to address this issue, two research questions have been formulated:

- 1) What characterises the positive or negative recruitment and retention processes of the talent and why?**
- 2) What mechanisms encourage diversity absorption in the firms?**

To answer these research questions, this study investigates the attraction, recruitment, development, and retention of talent within **companies**. The stories of workers and students (in other words **available talent**) with relevant work experience and/or skills in the digital sector are also considered. Likewise, an overview of the general management and higher education has been consulted in order to evaluate the broader efforts and to reduce the skills shortage. All of this has been done during 19 qualitative interviews that describe this process in detail and, through their narrative, help us understand the recruitment journey from available talent to becoming employees that will remain with the firm. For this reason, the results are considered as an aid to better explain the underlying reasons for this talent mismatch. Lastly, an analysis of these journeys is made, and a conclusion is reached explaining why "the feeling of belonging" to an organisation is vital to have the desired match between talent and companies.

## 1.2 Thesis structure

CHAPTER 1: THE MISMATCH	Research problem and gap that leads to research question and scope of the study.
CHAPTER 2: KNOWLEDGE PACKAGES	Theoretical concepts related to the research problem through a literature review.
CHAPTER 3: STUDY DESIGN AND METHOD	Research approach and process expressed in the sample selection, data collection and analysis.
CHAPTER 4: STORIES AS PARADOXICAL DATA	Interviews as data turned into stories, codes and themes based on the proposed theoretical framework. With each story, an analysis will be made related to the theoretical framework.
CHAPTER 5: DISCUSSION - NARRATIVE AS THEORY	Answers the research questions. A generative mechanism is described to explain the influence of diversity in the absorptive capacity process.
CHAPTER 6: CONCLUSIONS - HOW WE BELONG	Synthesis of the study and final learnings are stated. Theoretical and practical contributions.

## 2. KNOWLEDGE PACKAGES

A knowledge-based view of competition suggests that continuous renewal on the ability to combine and recombine organisational and individual knowledge into new and creative products and strategies gives firms competitive advantage (Grant, 1996a; Kogut & Zander, 1992). Grant (1996b) argues that *"If the strategically most important resource of the firm is knowledge, and if knowledge resides in specialised form among individual, organisational members, then the essence of organisational capability is the integration of individual's specialised knowledge"* (Grant, 1996b, p. 375). Therefore, it is critical strategic structures that provide the organisation with a competitive advantage which is achieved by managing the processes of creating, acquiring, sharing, transferring, replicating, storing, and retrieving knowledge (Grant, 1996b). Now, absorptive capacity is the defined name for the more specific process that describes how organisations manage their process of acquiring, assimilating, transforming and exploiting external knowledge into their organisation. The absorptive capacity creation has, according to Knudsen (2001), in organisations two faces. Access to external knowledge and utilisation of the knowledge. A prerequisite for absorption is openness towards knowledge sharing in the innovation process, but also that the proper prior knowledge is available. Hence, managing this process in order to maintain a high level of absorptive capacity is a required but not sufficient condition for the utilisation of external knowledge. Overall, the process of building absorptive capacity can be, according to Knudsen (2001, p. 2), described as:

*"Openness towards knowledge sharing is a precondition for knowledge access; This access broadens the absorptive capacity as well as creates new knowledge; Absorptive capacity opens up for the utilisation of knowledge;*

*These steps each have a positive impact on the innovative performance of the firm."*

Knudsen (2001) argues that the process of building absorptive capacity should be surveyed, presumably through process studies in the companies. This research considers absorptive capacity as a filter to knowledge access and utilisation or the ease with which learning can occur.



Chapter 2.1 will review and give an outline of the definitions that are used to describe the absorptive capacity process. However, our research fits the original definition from absorptive capacity. This is *“the ability of a firm to recognise the value of new, external information, assimilate it, and apply it to commercial ends”* (Cohen & Levinthal, 1990, p. 128). Overall, much of the literature assumes, more or less explicitly, that a "knowledge base" or "intellectual capital" exists in the organisation. This can be either as individual specialised knowledge, i.e. (Grant, 1996a; Tsoukas, 1996) or rather as collective knowledge, which is embodied in group routines and in systems and structures, i.e. (Nonaka, 2007; Nonaka & Takeuchi, 1995; Zahra & George, 2002). Both are focusing on how to identify and make the best use of this dispersed and often tacit knowledge (Erden et al., 2008; Haldin-Herrgard, 2000; Lubit, 2001; Rohana & Jusoff, 2009). Tacit knowledge or implicit knowledge is knowledge that is difficult to express or extract and thus more difficult to transfer to others by means of writing it down or verbalising it. This can include personal wisdom, experience, insight, and intuition (Rohana & Jusoff, 2009; Venkitachalam & Busch, 2012)

Overall, according to Simon (1991), all learning takes place inside individual human heads. Hence, an organisation learns in two ways: (a) by the learning from its members, or (b) by ingesting new members who have knowledge the organisation did not previously have (Simon, 1991). This is then also where the role of diversity of knowledge in the life of an organisation comes into play. Looking at the absorptive capacity process, we see diverse packages of external knowledge going through different phases, which in this case is embodied in a person. This package will enter an organisation and then needs to be 'unpacked' by the organisation in order to access and use the knowledge. Therefore, when looked upon the absorptive capacity process, it is important to focus not only on the technical aspects of the process but also on the package, the person who holds the knowledge. In a more diverse case, the package can be represented in a newcomer to an organisation.

Firstly, according to Simon (1991), what an individual learns in an organisation is very much dependent on what is already known to (or believed by) other members of the organisation. Secondly, it depends on what kinds of information are present in the organisational environment. Therefore Simon (1991) argues that an essential component of organisational learning is internal learning. Internal learning can be explained as transmitting information from one organisational member or group of members to another. This transmission of information is therefore not an isolated phenomenon but very much a social one.

Simon (1991, p. 132) argues that *“two cases must be distinguished: (1) The learner is presented with an appropriate problem representation and has to learn how to use it effectively. That is essentially what is involved when organisations, already formed, ingest new members from an alien culture. (2) The organisation is faced with a totally new situation and must create a problem representation to deal with it, then enable its members to acquire skill in using that representation. In the extreme case, a new organisation is created to deal with a new task. A new problem representation, that is to say, a role system, is created”*.

Ergo, this is then also why, on an abstract level, the absorptive capacity process exists for organisations and why this is an iterative and continuous process. Therefore, part of our research will focus on how organisations are acquiring and unpacking this box with knowledge in order to utilise the knowledge. This ultimately to understand our main research purpose of "Why is there a mismatch between available talent and firms?" We know that the talent mismatch between available talent and companies creates labour-market inefficiencies and leads to untapped opportunities (Liu, 2021). We also know that these opportunities could be utilised by the digital sector that has a high demand for specialised talent. Hence, by focusing on how organisations are unpacking these diverse packages in order to utilise their knowledge, this research aims to understand how the absorptive process varies in organisations of the digital sector. Ergo, researching which unpacking processes end in positive retention of the talent (and therefore knowledge) and why. Furthermore, researching what the mechanisms are that encourage organisations to also unpack more diverse knowledge boxes and how diversity influences the absorptive capacity process of organisations.

In order to create more insight regarding this topic, chapter 2 is divided into the following sub-chapters:

*Table 1: Outline chapter 2*

<b>Sub-chapter</b>	<b>Purpose</b>
2.1	Review of the definitions of absorptive capacity.
2.2	Review of the process and its linkage to knowledge integration indicators in order to understand the absorptive capacity process better.
2.3	People's knowledge and the absorptive capacity process.
2.4	The review from the previous chapters will be used to combine the absorptive capacity process and employee lifecycle, which will lead to our own proposed model.
2.5	The diversity dilemma when integrating new external talent will be discussed.

## 2.1 Absorptive capacity review

The concept of absorptive capacity is embedded in the debate on dynamic capabilities, i.e., (Helfat et al., 2007; Helfat & Winter, 2011; Schoemaker et al., 2018). The concept of dynamic capabilities originated first from the research of Nelson & Winter (1982) on the evolutionary theory of the firm. Dynamic capabilities enable companies to respond to changes in the business environment. They avoid a so-called "competency trap", in which competencies become irrelevant due to changes in the business environment (Teece, 2007).

Absorptive capacity was defined originally as *"the ability of a firm to recognise the value of new, external information, assimilate it, and apply it to commercial ends"* (Cohen & Levinthal, 1990, p. 128). Since the original definition, various conceptualisations of absorptive capacity have emerged (Gebauer et al., 2012). While the early conceptualisations focused on R&D issues, i.e. Lichtenthaler (2010) broadened the concept to developing absorptive capacity at the organisational level. According to Gebauer et al. (2012, p. 58), the existing conceptualisations describe absorptive capacity as *"the independent variable and innovation performance as the dependent variable"*. Meaning that these conceptualisations also entail moderators, which can either strengthen or weaken the relationships between absorptive capacity and innovation outcomes. De Boer et al. (1999) stating that having a first-mover strategy yields advantages for building up absorptive capacity. The concept of absorptive capacity has later been redefined to *"a set of organisational routines and processes by which firms acquire, assimilate, transform, and exploit knowledge to produce a dynamic organisational capability"* (Zahra & George, 2002, p. 186). Lack of absorptive capacity will represent an obstacle to the construction of entrepreneurial competencies, making proactive behaviour in the firm more difficult (De Boer et al., 1999).

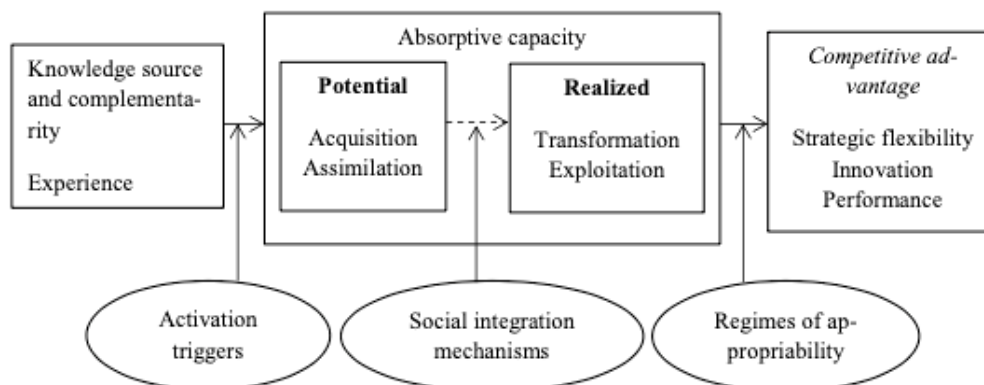
Looking towards the concept of absorptive capacity on an organisational level Zerwas (2014) argues that a knowledge-friendly organisational culture is the main influencing factor of absorptive capacity. This because people's behaviour can be better coordinated through implicit values and norms than through structural coordination instruments (i.e., departmentalisation, formalisation and standardisation of processes, planning, and formalised output- and behavioural control), which results in a better acquisition capability, assimilation capability, transformation capability and exploitation capability.

Therefore, Zerwas (2014) characterised a knowledge-friendly organisational culture by six unique dimensions: trust, collaboration, openness, autonomy, learning receptivity and care. However, according to Zerwas (2014), research has so far been limited regarding the organisation's overall behaviour in the context of external knowledge absorption. Meaning that the influence of the relation between the organisation's overall behaviour and their ability of acquiring, assimilating, transforming, and exploiting external knowledge into their own organisation is not fully explained. Therefore, referring towards the mismatch, which is the catalyst that started this research, it is important to investigate in detail how the organisation's overall interactions influence the firm's absorptive capacity. This since absorptive capacity describes the process of how already formed organisations can ingest new members from an alien culture, or better formulated the external knowledge package and 'unpack' this newly acquired external information, assimilate it, and apply it to commercial ends. Which ultimately leads towards an increased competitive advantage.

## 2.2 Absorptive capacity as a process

The original work of Cohen and Levinthal (1989 and 1990) explains that the absorptive capacity processes act as a vehicle for innovative activities or be a mediator of lock-in to an underdeveloped competence-base. However, as mentioned in the absorptive capacity review, several issues remain largely uncovered, especially regarding the influence of the organisation's overall behaviour in the context of external knowledge absorption. Absorptive capacity is considered a filter to knowledge access and utilisation or the ease with which learning can occur. Hence, organisational antecedents may have differing effects on dimensions of absorptive capacity and subsequently lead to different performance outcomes. Zahra and George (2002), for instance distinguished among four dimensions of absorptive capacity that constitute *potential* and *realised* absorptive capacity (see also Figure 3).

Figure 3: Absorptive capacity according to Zahra & George (2002, p. 192)



*Potential* capacity comprises knowledge acquisition and assimilation capabilities, and *realised* capacity centres on knowledge transformation and exploitation. Zahra & George (2002) argue that firms need to successfully manage these absorptive capacity dimensions to obtain superior performance. Jansen et al. (2005) complement Zahra and George (2002) by revealing in their research the substantial and positive effect of connectedness on potential absorptive capacity or, in particular, the assimilation of new external knowledge relative importance of organisational mechanisms associated with socialisation capabilities in enhancing realised absorptive capacity.

The absorptive capacity process works by getting an initial internal trigger that starts their talent attraction processes. During the *recruitment* and *onboarding* processes, organisations use their *potential* absorptive capacity to acquire and assimilate knowledge. However, this does not guarantee a successful *transformation* and *exploitation* of these new and diverse "knowledge packages". In order to transform and exploit the newly acquired knowledge, companies are relying on their capacity to leverage the knowledge that has been absorbed. In order to leverage the *potential* absorptive capacity towards *realised* absorptive capacity, it is vital for companies to have suitable social integration mechanisms. Social integration contributes to knowledge assimilation, occurring either informally (e.g., social networks) or formally (e.g., use of coordinators and technical systems to make the knowledge tacit) (Zerwas, 2014). This leverage is gained during the employees' development and retention time. If an organisation cannot retain the acquired person, this package of knowledge will then exit the organisation.

No matter how sophisticated or straightforward some solutions are, the road from *potential* absorptive capacity to *realised* absorptive capacity is difficult. This due to the complex social integration mechanisms (see also Tables 2 and 3). Therefore, clarification of knowledge integration by knowledge and organisational characteristics can help us to easier identify the pain points within knowledge activities. First of all, we need to separate the integration activities into leaky and sticky activities (Brown & Duguid, 1991), as shown in Table 2. The usefulness of the sticky/leaky distinction in this context is to point to the counterintuitive role of organisational culture in segregating knowledge inside one organisation while unifying it across different organisations. This is in contrast to the common wisdom, which suggests that culture ties all the members of an organisation together through a shared vision and beliefs regardless of their practice, whereas cultural differences across organisations separate even those individuals who share the same practice (Haddad & Bozdogan, 2009).

*Table 2: Knowledge Integration over Insulated and Porous Boundaries (Haddad & Bozdogan, 2009, p. 22)*

<b>Knowledge Characteristics</b>	<b>Boundary Characteristics</b>	<b>Knowledge Integration Characteristics</b>
Leaky	External porous (e.g. program-function)	Communities of practice, networks of practice, social networking
Sticky	Internal insulated (e.g. program-program)	Job rotation, moving experts, shared or integrated systems, liaison devices, boundary objects, team meetings
Sticky	External insulated (e.g. prime-supplier)	Site visits, co-location, taskforces, shared systems

Haddad & Bozdogan (2009) identified and classified the main strategies, practices, channels and mechanisms for integrating knowledge in practice, summarised in Table 3 below.



Table 3: Knowledge Integration by Organisational Characteristics (Haddad & Bozdogan, 2009, p. 32)

Knowledge Characteristics	Org. Boundary Characteristics	Knowledge Integration Characteristics
Tacit Explicit	--	Face-to-face communication, group interaction documents, information systems
Sticky Leaky	Internal, External  External	Site visits, co-location, liaison devices, boundary objects  Networks of practice, individual social networks
	Syntactic Semantic Pragmatic	Database repositories  Standardised forms  Models/prototypes, drawings, simulations, maps
	Direct Indirect	Team or individual meetings face-to-face Social or organisational networks
	Formal  Informal	Teams and taskforces, liaison devices, meetings, information systems, boundary objects, mediators  Personal networks, online communities of practice
	Vertical  Horizontal  Lateral	Integration between subsystem-system teams, prime-supplier  Intra-program, program-program, peer-peer integration  Program-function integration
	Firm  Network	Organisational culture, infrastructure  Network identity, facilitator groups, rules

These knowledge integration processes interact with combinative capabilities, which describes how an organisation systematises, socialises and coordinates knowledge (Zollo & Winter, 2002). Since systematising, socialising and coordinating can either contribute to or hinder learning processes and the corresponding level of absorptive capacity (De Boer et al., 1999). Simply put, the main difference between knowledge management, and therefore knowledge integration processes are that knowledge management is a field of action, and absorptive capacity is described as a competence of an organisation. Absorptive capacity can be measured by the input (organisational knowledge, formalisation and social integrations mechanisms), the throughput (e.g. knowledge transfer) and the output of an organisation (e.g. innovation, learning, performance) (Vera et al., 2012). Gebauer (2012) argues that increasing the level of external knowledge does not always enhance innovation. Overall, the absorptive capacity competence of a firm is higher when knowledge management is successful (Lichtenthaler, 2009; Zerwas, 2014).

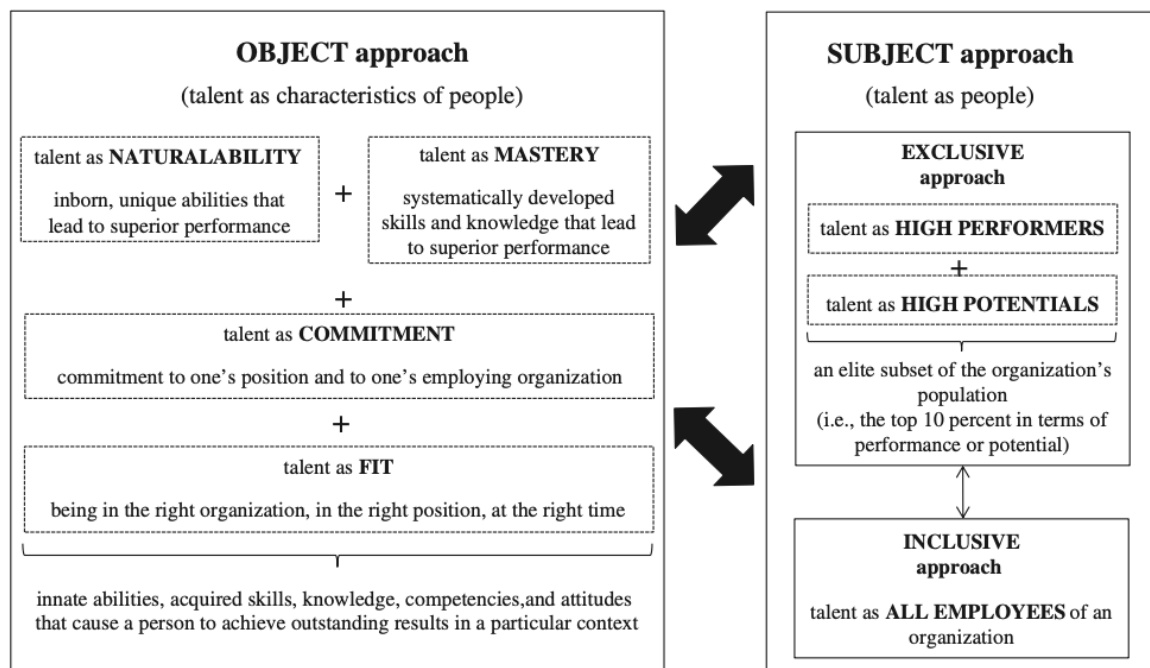
Therefore, a dense network within units may motivate employees to assist each other and allow two-way interaction that helps to interpret and understand new external knowledge (Cohen & Levinthal, 1990; Jansen et al., 2005). Furthermore, Jansen et al. (2005) argue that besides establishing ties with external sources of new knowledge (Hansen, 1999), establishing dense networks of ties within units is needed for units to assimilate, transform, and exploit new external knowledge. This can be done via creating cross-functional interfaces, such as liaison devices and cross-functional teams, which positively influence the acquisition and assimilation of new external knowledge. Moreover, formalisation strongly increases the level of a unit's realised absorptive capacity. An important note is that the individual units in firms may use various rules and procedures that differ in design and content. Which results in a different executed formalisation and developing idiosyncratic systems capabilities (Jansen et al., 2005). With this in mind, we will focus our attention now on the talent lifecycle as a process. In this next sub-chapter, the focus is to understand how talent represented in knowledge packages is acquired and integrated within organisations.

### 2.3. Identifying people's knowledge and becoming part of the organisation

According to Cattermole (2019), the employee lifecycle has six key stages: attraction, recruitment, onboarding, development, retention and separation. In basic terms, a person is attracted to an organisation thanks to the firm's brand or work opportunities. Then the recruitment process starts after the application is sent and, if successful, will go through an onboarding and development process. The company will then look to retain the top talent, keeping the knowledge and experience within the company. Naturally, there will be a time when the employee either seeks new challenges or opportunities for development or retires. It is often said that the biggest asset of a company is its people. Therefore, a mindful employee lifecycle is key to ensure adequate talent management in the firm. By careful management, companies can optimise recruitment, onboarding, and retention processes to keep the skills and knowledge within the company that leverages the company's competitive advantage.

Gallardo-Gallardo et al. (2013) did an in-depth review of the talent concept within the specific context of the world of work and proposing a framework for its conceptualisation which can be seen in Figure 4.

Figure 4: Framework for the conceptualization of talent within the world of work (Gallardo-Gallardo et al., 2013, p. 297)



Within the object approach, talent is conceptualised as exceptional abilities and attitudes demonstrated by an individual. Gallardo-Gallardo et al. (2013) note, however, that the different sub approaches of the object approach identified in the present review (i.e., talent as natural ability, talent as mastery, talent as commitment, and talent as fit) are to be seen as complementary, rather than supplementary. Since in particular, commitment and fit will never be used as sole indicators of talent but always as complementary to measures of ability (Gallardo-Gallardo et al., 2013). From an etymological meaning of talent, the object approach to talent fits better compared to the subject approach (i.e., talent as people). However, the subject approach seems to be much more prevalent in organisational practice (Iles et al., 2010). Hence, according to Gallardo-Gallardo et al. (2013), it remains unclear to what extent an inclusive approach to talent makes sense. This due to the fact that considering its etymology, the term 'talent' inherently implies above-average ability or performance. The overall conclusion of Gallardo-Gallardo et al. (2013) is that regarding the subject approach, the inclusive and the exclusive approach to talent each both have their own merits and drawbacks.

In more practical usages, Thompsen (2010), who also argues that talent (human capital) is in short supply, therefore, presents this practical model (see Figure 5). This talent life cycle model encompasses a range of strategic and tactical considerations which leads to core business issues and effects on all three elements to company success which Thompsen likes to call the "Triple Win". The three elements are customers, organisations, and their employees. Thompsen (2010) argues that the human capital cycle tends to lead to a "Triple Win" due to its dynamic, comprehensiveness, and strategic significance compared to the traditional defined definition of talent management.

Figure 5: Talent lifecycle according to Thompsen (2010, p. 26)



The diagram above represents the ultimate goals of the employee life cycle which consists of six equal parts. Each component should be considered as an individual stage in the employee life cycle. The centre of the illustration encompasses the changing dynamics of today's business world. The model can be interpreted as a spinning model that perpetually scans both the internal and external environment of the organisations that sets the model in motion (Thompsen, 2010). With having an enriched scope on the background on how people or "knowledge packages" are recruited and the phases they go through from attraction to departure, the next chapter will reflect upon the absorptive capacity process as a talent process in organisations.

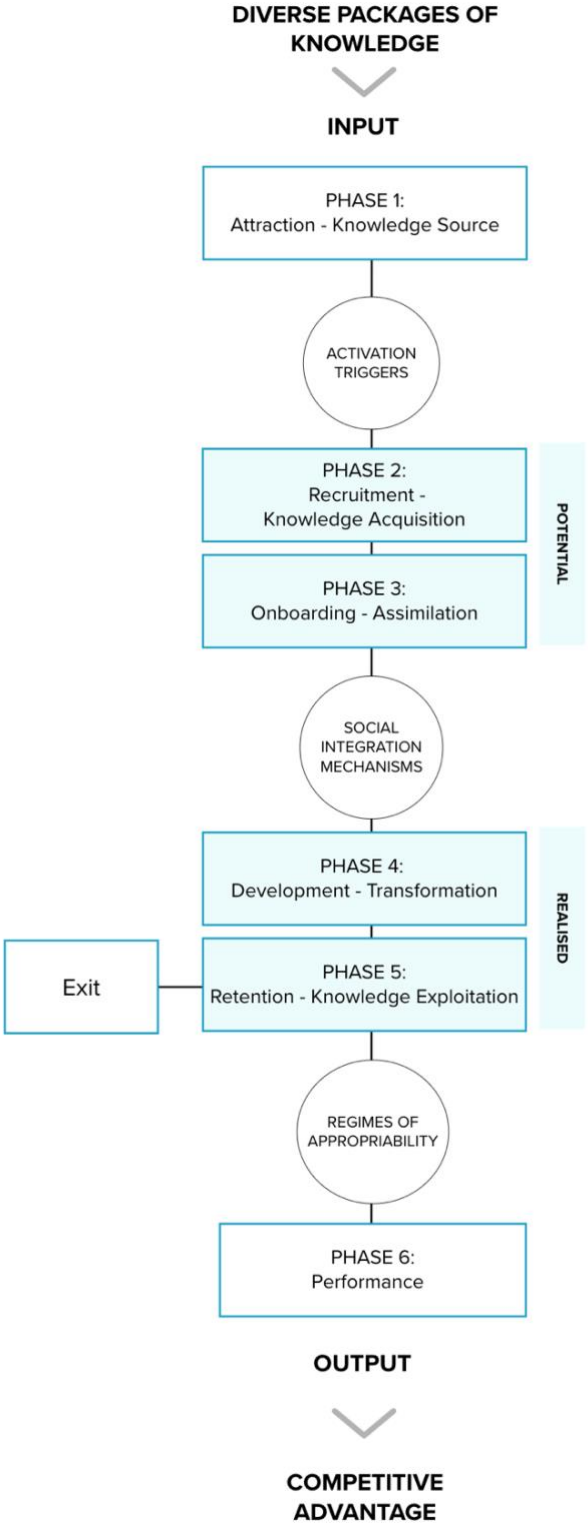
## 2.4 Absorptive capacity as a talent process in organisations

Since this study aims to investigate why there is a mismatch between available talent and firms, understanding how the talent/employee lifecycle processes works were necessary. Via the aforementioned background on the absorptive capacity process and the employee lifecycle, we know how human capital is attracted and integrated into the firm. The integration depends on the interactions of people, therefore, is the onboarding process established in the talent management cycle. The quality of these interactions is going to help to develop knowledge. Therefore, if the employee and the organisation end in a successful cycle, the retention and continues exploitation of knowledge will happen. If not, the employee will probably exit the organisation, and the knowledge, if not made tacit and transferred before, will be lost.

Therefore, based on our initial research, we decided to integrate the absorptive capacity process and the employee lifecycle together in a new model. Based on this structure, the influence of diversity within the absorptive capacity process would be evaluated by comparing the combined phases of the absorptive capacity process and the employee lifecycle with the actual practices of organisations. Regarding the employee lifecycle, we took as base the ideas of Cattermole (2019) and the model that Thompsen (2010) proposes. Since organisations and specifically HR are using these six defined steps, we decided to integrate this diagram with the existing absorptive capacity model of Zahra & George (2002) to understand better where the mismatch at the absorptive capacity process is precisely happening when hiring new talent.

Ergo, based on the theoretical background on absorptive capacity and the employee lifecycle, we propose our model, as shown in Figure 6. As explained previously, we analysed and compared the employee, talent lifecycle and the absorptive capacity process in organisations. Thus, the similarities in the processes were associated and merged into specific phases that enable the analysis of talent and absorptive capacity at the same time. Lastly, according to the research study, the diversity component was selected to understand how it develops in the entire process within the organisation.

Figure 6: Proposed model based on our interpretation of the absorptive capacity process combined with the talent lifecycle  
- The Absorptive Capacity Lifecycle



This model is primarily based on the previous research done by Zahra & George (2002) and the employee lifecycle as mentioned by Cattermole (2019), Thompson (2010), and Arris (2014). Our model highlights external sources of knowledge and experience as key antecedents of absorptive capacity; it also suggests when specific triggers activate absorptive capacity. With experience, we mean the past experiences organisations had when searching for knowledge. Our model indicates that both potential absorptive capacity and realised absorptive capacity differentially contribute to competitive advantage.

On the other hand, we connected based on Cattermole (2019), Thompson (2010), and Arris (2014) the lifecycle steps with the absorptive capacity process. When in the input phase of the model, which is in our case, the external sources of knowledge and experience as key antecedents can be translated as we would like to call "knowledge packages" that are waiting for organisations to be absorbed. During this initial talent attraction phase for organisations, we expect specific activation triggers to moderate the impact of knowledge sources and experience on the absorptive capacity development. When we talk about these triggers, we mean that these are events that encourage or compel a firm to respond to specific internal or external stimuli. Therefore, i.e., an internal trigger could be in the form of organisational crises, such as performance failure, or other significant events that redefine a firm's strategy. An organisational crisis is obviously an adverse event for an organisation. However, this crisis can intensify a firm's efforts to achieve and learn new skills and develop new knowledge that increases absorptive capacity (Zahra & George, 2002).

During this initial internal trigger, organisations start their talent attraction processes. Amid the recruitment and onboarding processes, organisations use their potential absorptive capacity to acquire and assimilate knowledge. However, this does not guarantee a successful transformation and exploitation of these new and diverse "knowledge packages". In order to transform and exploit the newly acquired knowledge, companies are relying on their capacity to leverage the knowledge that has been absorbed. In order to leverage the potential absorptive capacity towards realised absorptive capacity, it is vital for companies to have the right social integration mechanisms. Since social integration contributes to knowledge assimilation, occurring either informally (e.g., social networks) or formally (e.g., use of coordinators and technical systems to make the knowledge tacit) (Zerwas, 2014). This leverage is gained during the employees'



development and retention time. If an organisation cannot retain the acquired person, this package of knowledge will then exit the organisation.

The reason why an organisation wants to acquire and realise these packages of knowledge is ultimately to keep its competitive advantage. However, one factor that can affect that is the so-called "regime of appropriability" that dominates its industry (Zahra & George, 2002). According to Zahra and George (2002, p. 196), the regime of appropriability refers to "*the institutional and industry dynamics that affect the firm's ability to protect the advantages of (and benefit from) new products or processes*". Hence, suggesting that organisations can sustain performance differences under different regimes of appropriability. In a more concrete sense, this means that in industries with low appropriability regimes, organisations must exert more effort into building their absorptive capacity to develop their own innovation capabilities. This differs from high appropriability regimes where organisations can depend upon information disclosure and possible knowledge spill overs from other organisations.

Due to the fact that organisations still are having a mismatch between the knowledge/talent they need and the knowledge/talent they can have access to, we believe this model might shed some light on this particular problem. Ergo, our focus is on how diversity (the diverse packages of external knowledge) impacts the absorptive capacity process in relation to the talent lifecycle, which is more commonly used in the HRM and talent management practices. Therefore, our primary focus will lay on the input until the exploitation/exit phase and less on the output of actual competitive advantage.

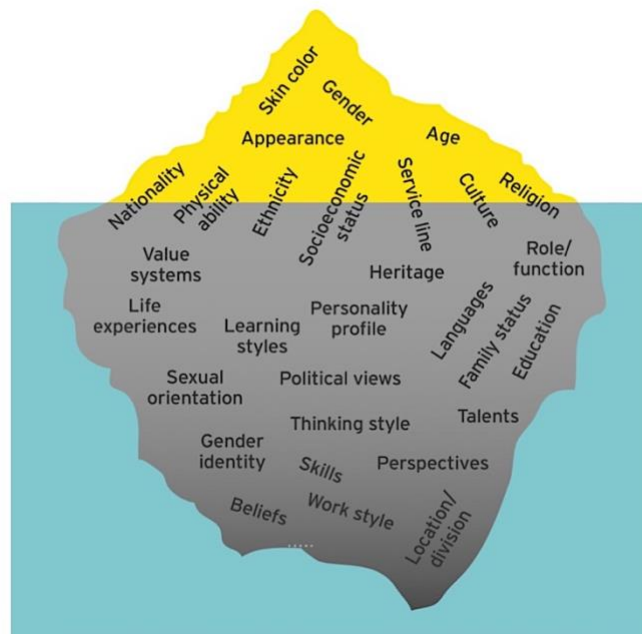
Via this model, we hope to understand firstly *which hiring process ends in positive retention of the talent and why*. This will be done by investigating the activation triggers, the potential- and realised absorptive capacity process in combination with the organisations existing social integrating mechanisms and comparing this with the organisation's organisational talent lifecycle process. With this information, we then expect to form an insight of which *diversity mechanisms influences the absorptive capacity process of the firm*. With the answer to our research questions, we expect to give a new insight on knowing *what the mechanisms are that encourages diversity absorption*. Which will ultimately lead to new insights towards the current mismatch between talent and organisations. The last sub-chapter will explain the amplitude and scope of diversity in

our research. Then the diversity dilemma will be further explained and will though upon the double-edged sword of diversity in organisations.

## 2.5 The diversity dilemma

To simplify the diversity dilemma and explain our exact breadth (scope) of when we talk about diversity, we mean differences in race, ethnicity, language, nationality, religion and sexual orientation. But also having certain disabilities, ergo being represented differently within a community (organisational culture). Our view on diversity, especially in this cultural breadth, can affect the workplace in numerous ways. Adverse effects can include miscommunication, the creation of barriers, and dysfunctional adaptation behaviours. Positive effects can include building a sound knowledge base with in-house talent, making for smoother integration of the organisation into foreign cultures (Martin, 2014). When discussing diversity in this thesis, the analogy of an iceberg comes to mind in the face of these potentially endless dimensions. This, since diversity has not an universally agreed-upon definition and can be seen in various sizes and scopes. An example of how this iceberg could look like is shown in Figure 7. In order to keep the breadth of our thesis manageable, only the apparent characteristics of nationality, ethnicity, gender, age and disability has been taken into consideration, but this only relates to the small, visible portion of the iceberg.

*Figure 7: Example of a diversity iceberg that shows the different identity aspects (EY, 2017, p. 3)*



To explain the diversity dilemma and how we came to our defined breadth, it is imperative that the background of diversity is explained. According to Stirling (1998), diversity is variously argued to be *“(i) a key factor in the promotion of beneficial forms of innovation and growth; (ii) a means to hedge against exposure to strict uncertainty and ignorance in decision making over alternative technological strategies; (iii) a tool for mitigating the adverse effects of institutional ‘momentum’ and ‘lock-in’ in long term technological trajectories; and (iv) a way of accommodating the disparate array of interests and values typically associated with social choice in modern pluralistic industrial societies”* (Stirling, 1998, p. 37). Therefore Stirling (1998) argues that no matter where it is found, the concept of diversity relates *“to the nature or degree of apportionment of a quantity to a set of well-defined categories.”* (Stirling, 1998, p. 38). Via this qualitative characterisation of diversity, it can be split into three main properties of 'variety', 'balance' and 'disparity'. Variety refers to the number of categories into which the quantity in question can be partitioned. Balance refers to the pattern in the apportionment of that quantity across the relevant categories, and disparity refers to the nature and degree to which the categories themselves differ (Stirling, 1998). Nevertheless, this entire qualitative characterisation of diversity has been given without addressing one important and obvious question raised at the outset of this paragraph. How exactly are we to define the concept of diversity in our research?

Since we are talking about diversity in relation to knowledge integration (absorptive capacity), it is necessary to envelop our view and definition on diversity in relation to knowledge integration. When Grant (1996b, p. 380) refers to knowledge integration, he defines the scope as *“...the breadth of specialised knowledge”* and argues that *“...the wider the scope of knowledge being integrated (and, hence, the greater the diversity of the individuals involved), the lower is the level of common knowledge, and the more inefficient the communication and integration of knowledge.”* Hence, that Åman et al. (2017, p. 58) argues that *“if this lack of commonality is the case, then understanding the meaning and implications of the scope (also referred to as breadth or span) of knowledge is important because it can affect design efficiency and effectiveness, which can influence in turn the competitive advantage of a firm.”*

In particular, this research focuses on the mechanisms of diversity on the absorptive capacity process in organisations. Åman et al. (2017) argue that research on knowledge integration rarely examines the epistemology (i.e., the nature and scope) of the knowledge being integrated. Instead, most research tends to focus solely on the integration process itself. Just as the research of Åman et al. (2017), this thesis tends to take a step back and, in this case, look to the nature of the absorptive capacity process and the relation with diversity instead of solely focusing on the integration process (the social mechanisms) itself. Åman et al. (2017, p. 68) explain that *"the bias toward technical aspects of knowledge results in an insufficient focus on human experience, meaning, and symbolic communication, leading to an underestimation of the complexities of the design processes. Non-trivial design always involves the integration of both knowledge of a technically rational kind (with efficiency as motor) and knowledge of a human and socio/cultural kind (with meaning as motor). To be effective, design must fully represent this duality"*.

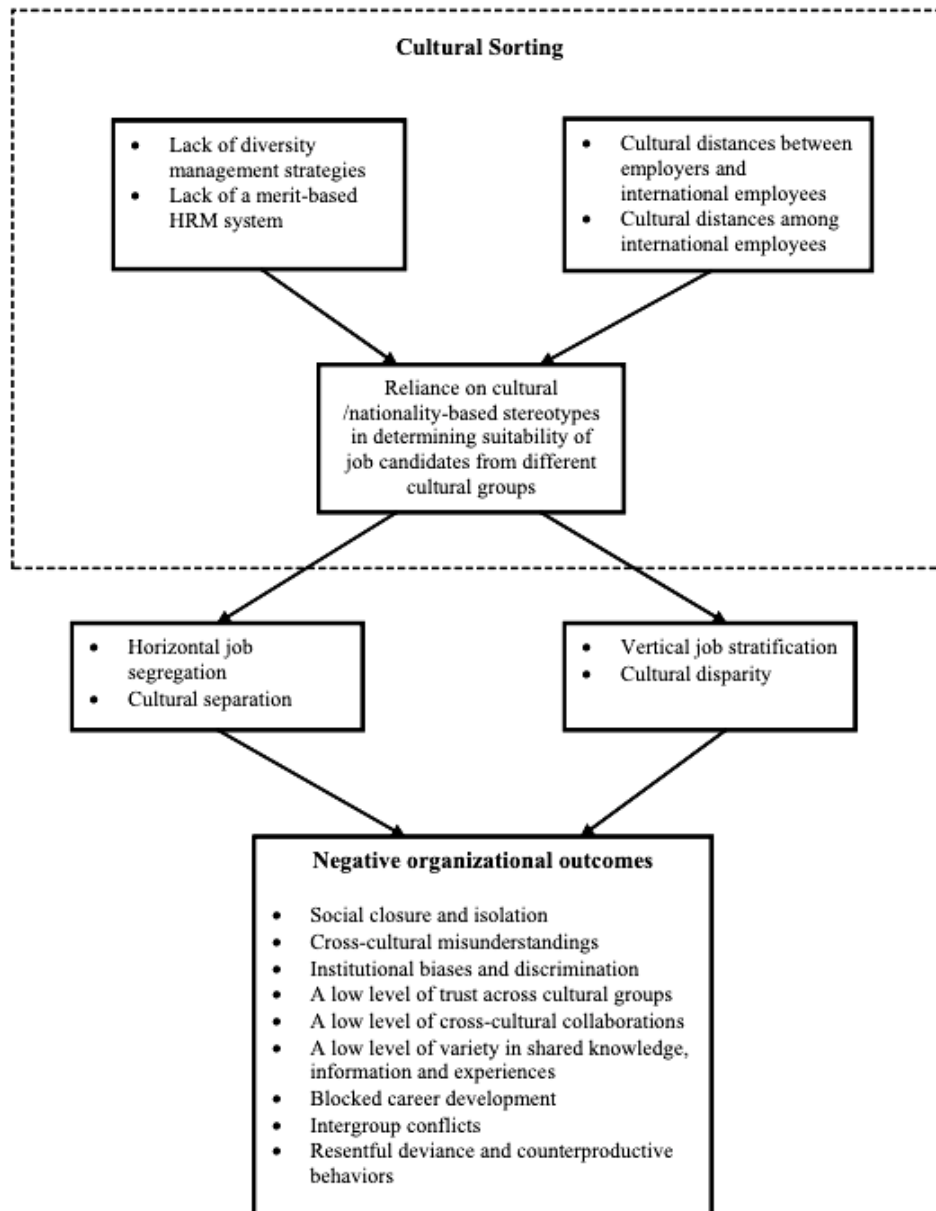
Therefore, our view on diversity in the scope of knowledge integration is not to investigate the technical aspects of diversity on knowledge integration but to focus more on human experience, meanings, and symbolic artefacts. Organisational artefacts are materials, buildings, symbols, names, images, logos, catchwords that make sense to all the stakeholders of an organisation; they, therefore, have meanings and do not just exist. Artefacts demonstrate the culture, norms, and values of those in the organisation and all its stakeholders. In a nutshell, it is a medium of communication between the members of the organisation and those outside the organisation; it makes statements (George, 2012).

After explaining the used definition of diversity, this topic will now be related to the absorptive capacity process. According to Ariss & Guo (2016), earlier studies pointed out that cultural diversity provided firms with diverse experiences and knowledge, promoted team creativity and innovation and facilitated decision making. Ariss & Guo (2016) argues that cultural diversity is ideal for the knowledge integration process. This line of argumentation is based on previous work from Ariss (2010) that argues that the mainstream literature regarding diversity shows that global work experiences are critical to developing international employees' career capital.

Therefore, international employees are viewed as an important part of the global talent pool, contributing to the competitive advantages of global organisations. Though, despite the perceived value of having a culturally diverse workforce and hence organisations often actively pursuing this idea, organisations do not want to have diversity in their organisations due to the challenges and issues associated with it. This is then also visible in Sweden since establishing as a foreign-born is not an easy task (Aliti, 2014; Bevelander, 2005; Dahlstedt, 2017; Farchy & Liebig, 2014; Grand & Szulkin, 2002; Grip, 2020; Ulku & Muzi, 2015). Most organisations operate under conditions of uncertainty and complexity, which may lead to confusion and frustration. Ergo, reducing risks is necessary.

Ariss & Guo (2016) findings indicate that most organisations lack effective diversity management strategies for dealing with challenges and issues associated with a high level of cultural diversity. This can then partially explain why organisations do not want to have diversity in their organisations due to the inability to deal with the challenges and issues associated with a high level of cultural diversity. He calls this the misalignment of cultural sorting. This misalignment creates several adverse organisational outcomes, as shown in Figure 8. Factors such as the management strategies in human resources to handle a cultural workplace and ensuring an appropriate environment in the organisation culture and structure are necessary to prevent adverse organisational outcomes. Therefore, finding factors and mechanisms that can turn diversity into a valuable organisational asset and opportunity for advancing the firm and the career of international employees is highly necessary.

Figure 8: Negative outcomes due to the misalignment of cultural sorting (Ariss & Guo, 2016, p. 585)



Most of the studies have focused on the competitive benefits of absorptive capacity but have been ignoring the organisational antecedents (Jansen et al., 2005). As aforementioned, there is not a clear understanding of the process of absorptive capacity. Hence, Volberda et al. (2010) conclude in their research that there is not much understanding of how absorptive capacity arises. Furthermore, it is not clear how this process exerts its influence on innovation and competitive advantage. Absorptive capacity works by influencing what individuals know and can do and by influencing their interaction.

Organisational antecedents may have differing effects on dimensions of absorptive capacity and subsequently lead to different performance outcomes. Hence, Zahra and George (2002) distinguished four dimensions of absorptive capacity that constitute potential and realised absorptive capacity. They argued that firms need to manage these dimensions of absorptive capacity successfully to obtain superior performance. Jansen et al. (2005) complement Zahra and George (2002) by revealing the strong and positive effect of connectedness on potential absorptive capacity in their research. In particular, the assimilation of new external knowledge relative importance of organisational mechanisms associated with socialisation capabilities enhances realised absorptive capacity.

However, despite the relevance of the literature related to knowledge acquisition and integration in organisations, there is a literature gap regarding the influence of diverse talent in the absorptive capacity process. This gap is based on the review on the literature regarding absorptive capacity and diversity expressed in talent in this study. If the mechanisms that encourage diversity can be identified and the influence of diversity on the absorptive capacity process can be explained, explaining why the talent mismatch exists can be made. Ultimately understanding these mechanisms can be used to formulate a strategy for organisations on how to mitigate the adverse side effects of diversity in the absorptive capacity process. Having positive retention of diverse talent can lead to better competitive advantage for organisations and help close the current skill shortage. To sum up, in chapter 2, the literature review shows that identifying the influence of diversity as a valuable asset for organisations and employees in the absorptive capacity process is highly relevant to explore how to reduce the current skill shortage.

### 3. STUDY DESIGN AND METHOD

This chapter provides the methodological reasoning and choices employed in the research process of this thesis. In Table 4 below an outline for the subsequent sub-chapters and purpose is given.

*Table 4: Outline of chapter 3*

<b>Sub-chapter</b>	<b>Purpose</b>
3.1 Selection of study method and research process	Detailed explanation regarding the selection of our study methodology based on the research problem: the talent mismatch.
3.1.1 A mismatch in the system	Explanation of the context where the research takes place.
3.2 Research design	Specific details of how the research was conducted.
3.3 Clusters sampling	Description of clusters and sub-groups.
3.3.1 Selection of representative actors	Explaining how we came towards our representative actors in relation to the research problem.
3.4 Interview setting	Detailed explanation of how the interviews were conducted.
3.5 Data analysis	Explanation of how the gathered data from the interviews has been analysed.
3.6 Validity	Notion regarding the validity of our research.
3.7 Reliability	Notion regarding the reliability of our research.
3.8 Ethical considerations	Notion of the ethical considerations that has been taken into account while conducting the research.



### 3.1 Selection of study method and research process

Based on the research problem identified as the mismatch between talent and organisations, we aim to identify various recruitment processes represented in journeys from attraction to the retention of related actors. This is done considering diverse perspectives from companies and available talent. In order to do this and considering these journeys as personal and unique processes in a specific context, a qualitative process study is selected as the research method. According to Rynes et al. (2004), qualitative research often studies phenomena in their natural environment. Through diverse actors and their experiences those studies give meaning and creates a world representation around them. Therefore, it is hard to identify due to the flexible and emergent characteristics of the phenomena, such as the talent mismatch.

Furthermore, Langley (1999) states that one of the main reasons for taking a qualitative process approach is precisely to consider the context that leads to the consideration of multiple levels of analysis that are sometimes difficult to separate from one another. Therefore, searching empirical cases related to the recruitment journey by conducting in-depth interviews with representative actors of the research problem is how qualitative data is gathered in this study. Then, based on these results it is possible to determine which cases are a match and/ or mismatch based on the interviews journeys and why.

After gathering the qualitative data, the interviews were turned into stories narrated by the main actors that serve as the original evidence of the results. Then a journey map that synthesis the related interviews and findings from specific interview groups is made to showcase the main insights. Through a visual comparison across narratives, a theoretical analysis can be made on a more abstract level. This theoretical analysis is mainly made through the proposed model, the absorptive capacity lifecycle.

To sum up the research process; first, the structure of the interviews was constructed from talent attraction to talent retention or exit (the recruitment journey). Secondly, we set two clusters; companies and students that have different perspectives regarding this journey. Thirdly, we selected different actors that participated in the story from their own view. Here we interviewed CEOs, managers, students, and employees. Fourth, we focused on diverse experiences and people with positive and negative outcomes (a match or mismatch), according to the interviewees. Fifth, it is relevant to mention that all this information was researched in the context of Linköping's Science Park and Linköping's University. Lastly, with these findings and theoretical analysis, an answer to the main research question of this study is made and can potentially explain why this talent mismatch is happening.

According to Langley et al. (2013), a process theory should include five features in the story: (1) a clear sequence from the beginning, middle, and end in time, (2) focal actors who may play the protagonists or antagonists, (3) an identifiable voice reflecting some actor's viewpoint, (4) an evaluative frame of reference of what is right or wrong, appropriate, or inappropriate, and (5) other indicators of context over time and place. Therefore, we consider that this study fulfils these considerations based on the previously described research process.

### 3.1.1 A mismatch in the system

In order to understand the current mismatch of talent and firms in Sweden, this study will be made in a smaller context that gathers the research problem complexity. Linköping's municipality and with it, Linköping's Science Park serves to understand how the digital sector requires high skilled talent and how Linköping's University students can potentially supply this talent. Nevertheless, first, a brief definition and context of science parks will be made.

The concepts of science and technology parks (hereafter STP) have risen from the demand to create an environment where innovation can be translated into commercially viable enterprises. Various parties can meet on common ground to develop their ideas and businesses. Generally speaking, it implicates the bringing together of a university with well-functioning scientific and technological faculty and an active industrial facility (Kruse, 2014). The idea of innovation is often described as *“new and better ways to create value for society, businesses and individuals”* (Regeringskansliet, 2012). The International Association of Science Parks and Areas of Innovation (hereafter IASP) defines STPs as:

*“Science Park is an organisation managed by specialised professionals, whose main aim is to increase the wealth of its community by promoting the culture of innovation and the competitiveness of its associated businesses and knowledge-based institutions” (IASP, 2017).*

Over the years, STPs, in general, have developed and improved their processes to offer better support to their tenants and promote the growth of the region in which they are located (Ferreira et al., 2013). Since regional growth is closely associated with groups of talented people, science parks carry out various activities at the company or individual level to attract and recruit talent (Cadorin et al., 2017). In case of the Linköping Science Park, this varies from hosting AI-matchmaking events between students from various Swedish universities (i.e., Linköping University, Luleå University, Kungliga Tekniska Högskolan, Stockholms University, Lunds University and Blekinge Tekniska Högskola) and her tenants to hosting the "Pep in the park" or having a summer coding camp for children. Undoubtedly, STPs are driven by the regional development processes directly or indirectly involved in attracting and retaining different types of talent and fostering a

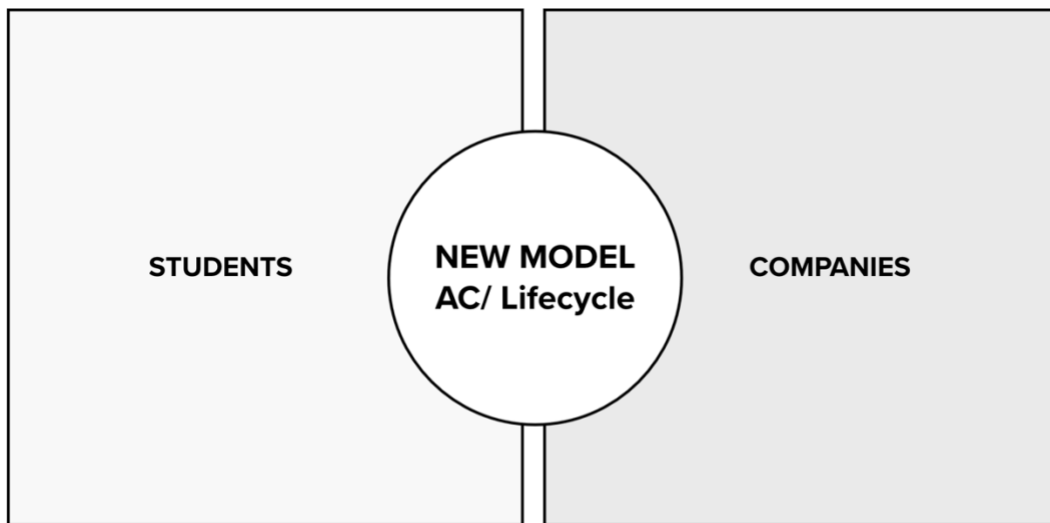
wider community. Talent recruitment at science parks is a multifaceted phenomenon (Cadorin et al., 2019). Many studies has pointed out that parks in general offer not only physical facilities but also network resources, such as access to funding and exchange of knowledge between firms and organisations in the region (Cadorin et al., 2017; Löfsten et al., 2020). Not least, a pool of well-educated and specialised labour. Ergo, a critical resource for the growth and development of firms, can be found at science parks (Albahari et al., 2018; Ferreira et al., 2013; Hommen et al., 2006). While there is extensive literature on Science Parks, and the significance of attracting talent is well known, there is limited knowledge on the talent attraction activities that occur within existing parks (Koh et al., 2005). In recent years, one aspect of Science Park development has run into some obstacles: how to attract and develop the talent needed to satisfy the growing needs of park tenants (Cadorin et al., 2021). Besides the fact that talent is considered a crucial human resource for the development and growth of companies (Barney et al., 2001; Holland et al., 2007), there is no consensus on how talent should be defined and the meaning of talent within the human resource context often taken for granted (Ariss, 2014).

Overall, Science Park talent attraction activities act as a mediating variable, which affects the informal and formal partnerships between students and firms/universities as well as how the park management can contribute to successful relationships. By attracting students, tenant firms can have a positive impact on their performance as well as Science Park development (Löfsten et al., 2020). However, there is only so much STPs can do for their tenants. In the end, the tenants need to absorb the attracted talent via their absorptive capacity process and convert it into a positive impact for their performance. Therefore, we believe it is valuable to investigate the impact of diversity as a new source of knowledge from the diverse available talent and the recruitment journey in relation to the firm's absorptive capacity processes in STPs. This means that in our research case, we will look from the most abstract level towards this problem as an interconnected system which comprises of the government. In more detail, the Linköping's municipality, Linköping Science Park and from there zoom in towards the tenants (firms). From this perspective, we narrow down and divide them in size/state of the respective firms are in. With start-up, scale-up and large as categories. This view we will compare with the same approach from the talent side, represented by students and alumni from Linköping University.

### 3.2 Research design

The core of this research design is the experiences and stories narrated from two main clusters: companies and students. Based on this setting and results, the theoretical analysis is made based on the narratives creating a paradoxical and dynamic tension between the stories related to the talent mismatch (See Figure 9).

*Figure 9: Research design based on 2 comparative clusters across the employee lifecycle*



To better understand the research problem and the general phenomena that is perceived as a talent mismatch, we decided to follow a case study approach based on Linköping. According to Gustafsson (2017), a case study can be defined as an intensive study about a person, a group of people or a unit based on real-life experiences, which is aimed to generalise over several clusters. This type of study also allows analysing how different units behave in a system. When there are several clusters bounded in a complex system, we can define them as cases over a period of time through detailed, in-depth data collection involving multiple sources of information.

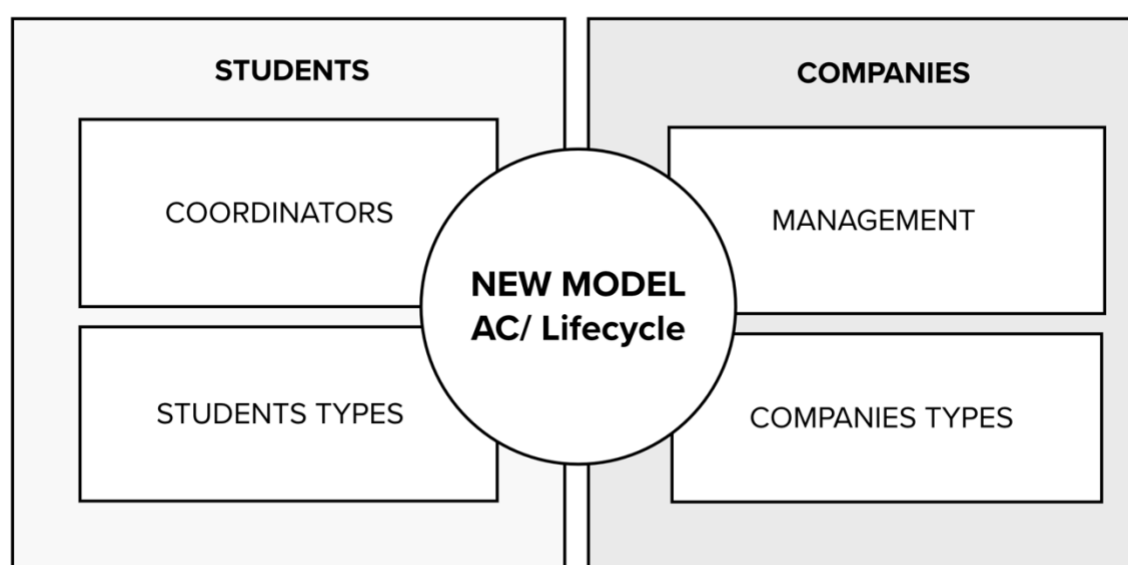
In this research, we study two clusters with sub-groups on the same context to understand the differences and the similarities between the cases and, more specifically, the stories related to the talent mismatch. Eisenhardt and Graebner (2007) state that a relatively complete and unbroken narrative of each case and cluster is likely for single-case research. However, this increases in difficulty as the number of collected data increases. Since it is generally not realistic to support every theoretical proposition with every story within a

text itself, the use of tables and figures that evidence the related narratives are central to the development of empirical grounding. This is made to increase the reliability and validity of the study through journey maps and data visualisations. The main result of this study aims to contribute with a grounded theory based on identifying narratives as data (Pentland, 1999), then patterns within a systematically collected and analysed empirical data through the proposed theoretical model. Hence, the outcome of this abstract analysis is the generative mechanisms that will help to understand the talent mismatch.

### 3.3 Clusters sampling

The aforementioned research design for this study is based on two main clusters on the same level. Now taking a closer look at the sub-groups within each cluster is necessary to understand the research sampling. These sub-groups are divided into management or coordinators and different types of students and companies. Then based on this sampling, the analysis is made with the proposed model: absorptive capacity lifecycle, as shown in Figure 10.

*Figure 10: Sub-groups of the study analysis*



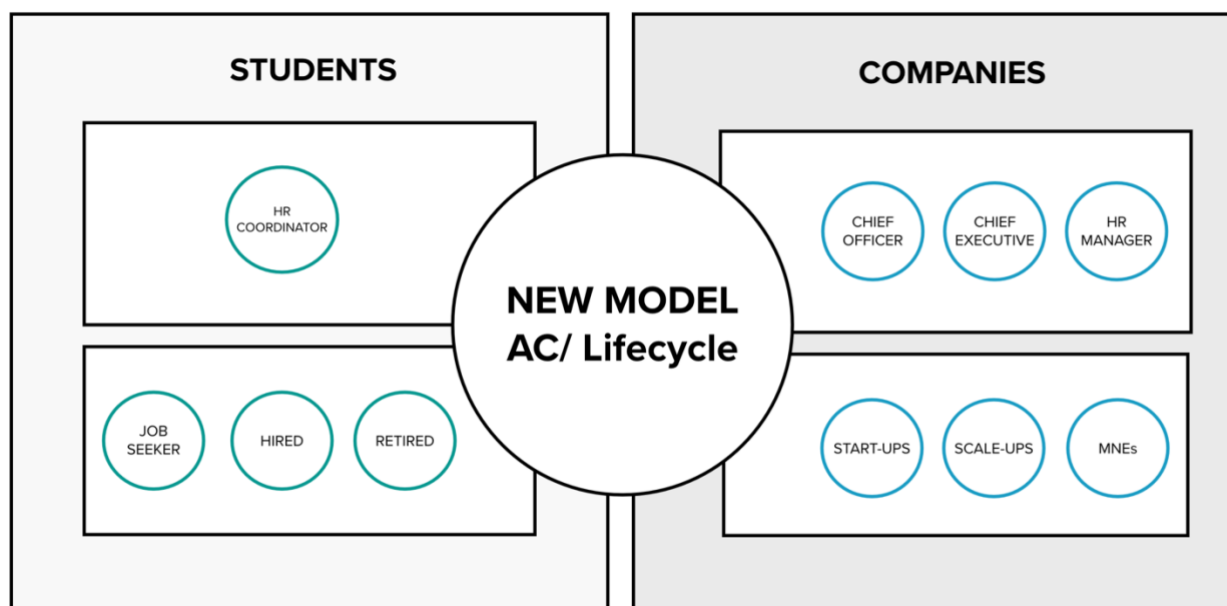
The primary analysis of this study is firstly based on the entire overview of both clusters. Then a closer analysis of the companies' cluster will be made followed by students' cluster.

Lastly, each group type will also be analysed more specifically to compare and contrast results that will lead to the main finding of this study.

### 3.3.1 Selection of representative actors

The selection criteria were made according to the research problem of the study. Overall, the conducted research is specified on the Linköping's Science Park environment where most companies are related to innovation in the digital sector environment in need of ICT skills such as software engineers and related occupations. Hence, Linköping's University is part of the Science Park system where most students gather to complete their higher education from a diverse background and also was considered highly relevant to gather representative actors for this study. Please find the specific sub-groups in Figure 11.

Figure 11: Specific interview groups



**Companies cluster:**

From the companies' cluster, different types of firms were selected mainly because they have very different human resources processes and can change the experience and stories from each manager and student. Ergo, we decided to create subgroups based on the size of the firms:

**Start-ups:** These are newly established businesses that has a small team. Most often the founders with a small group of collaborators. These are usually students or part-time employees.

**Scale-ups:** These groups were considered due to the growth readiness in the market. For scale-ups the foundation of the business itself has been achieved, and the capability to acquire an established group of employees is possible. Therefore, human resources processes start to be formalised.

**Multinational firms:** These groups have a presence in several countries, which means they already develop formal talent management processes across countries. Here the recruitment process is elaborated with established procedures among several units of the same firm.

**Coordinators:** From an overall perspective, we also wanted to consider human resources as the general management of the Science Park, where all the previous firms are embedded. Here the efforts for talent attraction and retention are united in fostering an overall development of the companies and the general growth of the city, and lastly, of the municipality of Linköping.

**Student cluster:**

From the student perspective, different groups of students and experiences were also considered. This sample is based on students related to ICT skills or other programmes currently working or linked to an ICT firm. All the samples are from current or previous students at Linköping University.

**Students that are jobseekers:** We approached students from engineering programs and asked them about their job search to understand their perspective.

**Students that were hired:** We also contacted students who were already hired by ICT firms in the region Östergötland and in region Stockholm, the leading talent attractor in the country, to compare the different views.



**Workers who changed jobs or continued with their studies:** This group consisted of students who entered work and resigned or workers who decided to continue their studies at Linköping University. Here our focus was on past experiences and future job endeavours.

**Coordinator:** From the student and university perspective, they are also key actors that try to reduce the skill shortage with diverse talent pools and create a bridge between students and companies. Here we interviewed the coordinator working at the university to introduce diverse students to the national labour market.

According to Eisenhard and Graebner (2007), a sample of cases should be selected if they are particularly suitable for illuminating and interpreting the relationships between multiple actors and serve for comparative narratives. Thus, the following criteria were made accordingly to the diverse companies to behold by the science park that served as an enabler to get in contact with the selected companies. According to the sampling criteria for qualitative research stated by (Marshall, 1996) a judgment sampling, which is known as a purposeful sample, was made by selecting the most relevant representatives to answer the research question. Hence, the chosen companies are part of the digital sector and are based in Linköping. Then a convince sampling, meaning selecting the most accessible subjects, was made to interview students, managers, and workers.

All qualitative sampling approaches aims to draw a representative sample from the population so that the results of studying the sample can then be generalised back to the population (Marshall, 1996). Therefore, saturating data ensures the replication of the narratives; this replication verifies and ensures comprehension and completeness of the results (Morse et al., 2002). According to Fusch and Ness (2015), to ensure that the data saturation has been achieved, a saturation grid where the major topics are listed on the vertical and interviews conducted are listed on the horizontal could be made with the coding of transcripts to ensure the saturation and reaffirmation of the answers. A separate table that summarised the evidence for each case based on main findings and conducted interviews can be found in Table 16 and 17 in the Appendix. There it is possible to see the saturation results thought-out all the conducted interviews.

Soon after conducting half of the interviews based on the sample criteria, we reached the saturation point. This was possible due to the systematic process of the interviews where the same questions and topics were discussed with the interviewees. Therefore, some answers became repetitive even between different clusters. Lastly, having a diverse sample with different sized companies operating in the same industry facilitated identifying the saturated results, indicating a reaffirmation on the saturation point.

In the following tables, there is a brief summary of the number of people contacted and the number of interviews conducted.

*Table 5: Cluster A companies' sample*

<b>Cluster A - companies' perspective:</b>		Contacted	Confirmed	Conducted
Firms	Start-ups	4	4	4
	Scale-ups	4	3	3
	Large multinationals	4	2	2
General Management	HR Management	1	1	1
	Chief Executive	1	1	1
	Chief Officer	1	1	1
Total		15	12	12

*Table 6: Cluster B students' sample*

<b>Cluster B - students' perspective:</b>		Contacted	Confirmed	Conducted
Students	Students Job seekers	2	2	2
	Students that were hired	5	4	2
	Workers that became students or changed job	2	2	2
General Management	Student Coordinator	1	1	1
Total		10	9	7

The background and role of each interview help to confirm the reliability and validity of the sample. In the following tables, there is a general view of the background and role of the interviewees.

Table 7: Cluster A companies interviewee details

Cluster A - companies' perspective:		Position	Years in the job	Studies
Firms	Start-ups	CEO	3	Applied Physics and Engineering
	Start-ups	CEO	6	Industrial Engineering
	Start-ups	CEO	3	Applied Physics and electrical engineering
	Start-ups	CEO	4	Engineering and biology (biotechnology)
	Scale-ups	CEO	7	Mechatronics and Engineering
	Scale-ups	CEO	7	Mechanical Engineering
	Scale-ups	HR-manager	4	Law
	Large multinationals	On-site Manager/ general manager of the location	8	Industrial Engineering and Manager
	Large multinationals	CEO	1	Telecommunications and Engineering
General Management	HR Manager	HR Manager	6	Human Resources
	Chief Executive	CEO	6	Marketing and communications
	Chief Officer	Municipality Representative	2	Ethics

Table 8: Cluster B interviewee details

Cluster B - students' perspective:		Program / position	Study or years of experience	Work experience in ICT firm
Students	Students Job seekers	BSc in environmental engineering and currently pursuing an MSc in transportation systems	5	Internship
	Students Job seekers	BSc in mechanical engineering and pursuing an MSc in machine learning	7	Internship
	Students that were hired	BSc and MSc in applied physics and electrical engineering	5	2
	Students that were hired	BSc and MSc in Business administration	12	2
	Workers that became students or changed job	BSc in information technology (innovative programming)	15	9
	Workers that became students or changed job	PhD student at LiU on AI	7	5
General Management	Student Coordinator	International coordinator	Two years of function experience	18 (Employment agency)

### 3.4 Interview setting

During the time of conducting this research, the world was experiencing a global pandemic, COVID-19. Due to the Swedish COVID-19 restrictions, all interviews were conducted through the online video communication platforms Zoom or Microsoft Teams. Besides that, the interviews were conducted in Sweden, and the interviewees were in Linköping or Stockholm. All interviews were held in English; however, it is not the native tongue of the company representatives or most of the students and employees. Two interviewees had English as their native language. One from the student side and one from the company side. The interviews from the company side lasted approximately 40 to 60 min. From the student side, the interviewees lasted approximately 20 to 40 min. Both researchers were present in every interview taking turns presenting the research topic, conducting the interview, and taking notes.

The data was collected by conducting semi-structured interviews since the interview was a combination of structured and unstructured conversations. The semi-structured method of interviewing applies open questions to generate deeper insights since interviewees can bring up aspects they personally find relevant (DiCicco-Bloom & Crabtree, 2006).

The interviews were based on an interview guide that followed the recruitment journey phases; please see the interview plan in Table 15 of the Appendix. Each cluster and subgroup had specific questions in the interview plan to evaluate each perspective. While conducting the interview through Zoom or Microsoft Teams, an audio and video recording was made to process the transcripts right after the interview. Before starting the recording, the intention of the interview was clearly mentioned and stated in line with current GDPR laws together with the interviewee's rights. After stating our intention, we asked for formal permission before starting the recording. All recordings via Zoom were automatically signed off by the interviewee and saved in a secure .csv file. The interviews were transcribed with Otter.ai by one researcher and manually by the other researcher immediately after each interview to prepare the data for the subsequent analysis and coding.

The questions were focused on sharing experiences and process of employees linked to the company. This included all the recruitment journey phases; please see the main focus of each stage in Table 9. The exact same process was made for the students and employees, based on their own perspectives. The interviews started with an introduction of the research topic. However, the interview guide was considered to be a guide for discussion rather than a script. Throughout the interviews, follow-up questions were made for understanding on a deeper level the most interesting answers we got.

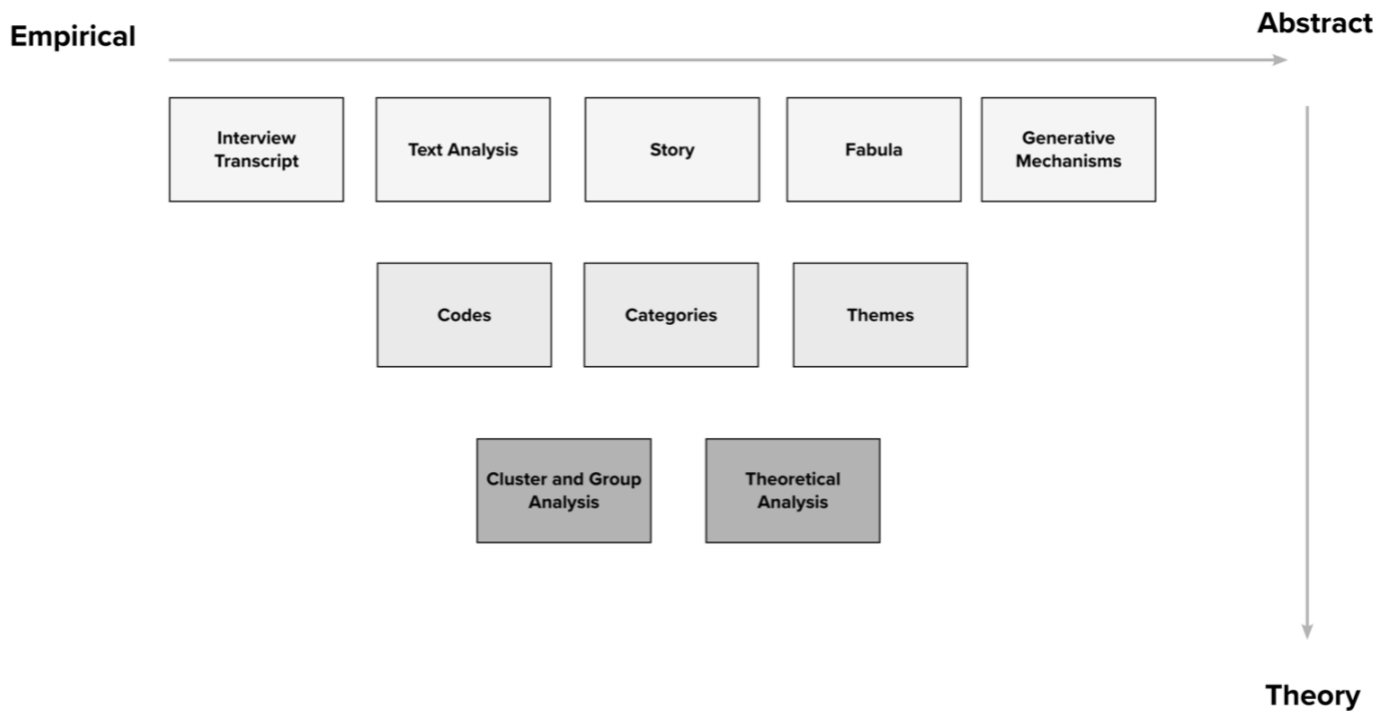
*Table 9: New model (Recruitment journey phases and Absorptive Capacity Process) and main interview focus*

Absorptive Capacity	Employee/talent life cycle stage	The main focus in the interviews
Activation Trigger and Acquisition	Attraction and Recruitment	<ul style="list-style-type: none"> <li>• Company branding and work attractiveness</li> <li>• Job ads and distribution platform</li> <li>• Job description and selection process</li> <li>• Interview and hiring processes</li> </ul>
Assimilation and Transformation	Onboarding and development	<ul style="list-style-type: none"> <li>• Welcoming and training</li> <li>• Team integration</li> <li>• Performance evaluation</li> <li>• Communication habits</li> </ul>
Exploitation and Performance	Retention or Exit	<ul style="list-style-type: none"> <li>• Employee's satisfaction</li> <li>• Retention challenges</li> <li>• Resigning reasons</li> </ul>

### 3.5 Data analysis

The interviews were transcribed and analysed following a qualitative inductive process method; please see Figure 12. Text analysis was made from the transcription to identify the key statements and take quotes directly from the transcription. Following this, a specific story was created, having the interviewee as the main character. Based on the central insights of the interview, some lessons were described through a fabula story. After that, a generative mechanism was described and then openly codified and organised in sub-categories and themes.

Figure 12: Data processing into categories and codes



Based on the categories' results according to the clusters and specific groups, the data was organised into similar topics and contrasted among different sub-groups and clusters. This resulted in distinct themes, which created the final chart shown in chapter 4. All of this process was performed at the same time by both researchers in order to minimise bias and missing information. The interviews' specific observations and impressions were also considered in the data processing highlights in specific notes taken while conducting the interview. The codes and categories were mainly maintained from statements and phrases taken from the interviews to ensure fidelity from the main narratives.

**Interview transcript:** All interviews were recorded and transcribed in Otter.ai. Repeating the recording while reading the transcript was done to be certain of the transcription quality.

**Text analysis:** The transcripts were read multiple times to highlight the most relevant answers, statements, and quotes.

**Story:** Based on the selected text, a story was created with the interviewee as the main character.

**Fabula:** Based on the story, some main lessons and insights were detected, and then a fabula was created.

**Generative mechanisms:** Merging all the previous analysis, some straightforward steps and insights were selected to create a generative mechanism of the story related to the interview plan, the employee lifecycle.

**Codes:** Based on the previous analysis, the main insights quotes, and statements were classified as codes that were considered highly relevant for this study.

**Categories:** Some codes that were related to each other were grouped into categories.

**Themes:** The categories were merged into final themes that reflected the main insights from each group and cluster.

**Cluster and group analysis:** Based on the final themes, different interviews were analysed considering the group type and cluster of the whole research design. The main purpose is to find similar and contradicting results among diverse groups. These outputs will serve as the narrative to be analysed with the conceptual theory.



### 3.6 Validity

The quality of the research is related to the generalisability of the results and thereby to the testing of the final theory to increase the validity or trustworthiness of the research (Golafshani, 2003). Therefore, a triangulation process based on multiple perspectives to compare and contrast the results from the same data collection was made by selecting several samples from the groups and cluster until reaching the saturation point. The validity in this specific study can be even further estimated by contrasting the results from the companies and student groups and comparing the results of related groups from the same cluster. Finally, the various levels of data analysed based on a hierarchical approach of the sample serve to compare and verify the study's final results from different levels of perspectives.

To ensure the relevance of the study, some limitations are necessary to take into consideration. Firstly, this study was carried out in collaboration with Linköping Science Park, which introduced the researchers to relevant ICT firms selected by the researchers. Also, from a broader perspective, the representatives of Linköping's Science Park and the city of Linköping collaborated with this study to clarify the influence of the region's talent attractiveness, and particular circumstances of the city. Secondly, through Linköping's University, the researchers approached students, coordinators and alumni that currently work or had professional experience with ICT firms in Sweden to complement the research findings. Thirdly, the study consulted secondary data such as Swedish official publications mostly in English and Swedish publications translated into English. Lastly, all the observations and interviews were made online due to the global Covid-19 pandemic restrictions. Therefore, it was not possible to visit the ICT firms and analyse their internal environment.

### 3.7 Reliability

According to Morse et al. (2002), the verification process of qualitative research is essential to ensure the reliability of the results. Therefore, the following verifications strategies are compliant with this study:

1. Methodological coherence: To ensure the reliability of this study, a methodological coherence can be verified by the reader to ensure congruence between the research question and the components of the method and research design.
2. Sample selection: The criterion of the sample corresponds to the main case reflected in Linköping Science Park's companies and students/workers related to ICT academic programs from Linköping University. Therefore, the sample represents a smaller context of a national phenomenon to investigate the research topic: talent mismatch.
3. Saturation point: A saturation point based on repeated answers by several interviewees from the same and different groups and clusters was achieved. These results are reflected in the codes, categories, themes, and generative mechanisms of the data processing.
4. Iterative and comparison process with theory: An iterative process of data related to theory has been done multiple times to ensure the accuracy of the results. Then a theoretical analysis was made based on the proposed model from a micro to a macro perspective and vice-versa to verify the consistency of the results, analysis, and theoretical findings.

### 3.8 Ethical considerations

Considering ethical measurements when it comes to the practice of conducting interviews is necessary. Therefore, the following general principles related mainly to the dignity and privacy of individuals, the avoidance of harm and the guaranteed confidentiality of research findings were made (Qu & Dumay, 2011).

1. Respect for the integrity of the interviewee and all the information related: A neutral approach from the research to conduct the interviews were performed. Therefore, no judgment or criticism was made to any interviewee.
2. No preference was given to any interviewee: The researchers evaluated all interviewees and respected the results in the same manner.
3. Disclosure of research intent: No sensitive data or information was disclosed or related to the interviewees.
4. Privacy and confidentiality: All data was anonymised, and files that linked any personal information was deleted after the research study was concluded.

## 4. STORIES AS PARADOXICAL DATA

The following chapter provides the results from the interviews expressed in the stories. Then a synthesis of the results of different clusters and sub-groups will be shown through journey maps. The main insights and learning from each story will be shared through fabula's that will lead to the analysis of the results. Lastly, an overview of the results will also be explained. In Table 10 below, an outline for the subsequent sub-chapters and purpose is given.

*Table 10: Outline chapter 4*

4.1 Stories overview	Explain the general structure of the stories and analysis of data.
4.2 Stories from companies and students	The stories of the sub-groups from companies and students are made. Then a specific analysis follows per each group.
4.3 The broader vision of a match or mismatch	The stories of the sub-groups coordinator and management are made. Then a specific analysis follows per each group.
4.4 General overview and analysis of the themes and proposed model.	The themes by the group are contrasts with the proposed theoretical model: Absorptive capacity lifecycle.

## 4.1 Stories overview

The following stories (see Table 11) presents the empirical results and are structured according to the research design based on cluster and group types in the proposed theoretical framework process. The different perspectives from companies and students will highlight different experiences, processes, and approaches to the main talent mismatch through these stories.

*Table 11: Stories as collected empirical data*

Stories	Group Type	Cluster
4.1.2 How do we know if it is the right person?	Multinational	Companies
4.1.3 Working as one	Scale-up	
4.1.4 The adventure of hiring talent	Start-up	
4.1.5 Finding your way in Sweden	Job seekers	Students
4.1.6 Building a career as an outsider	Hired students	
4.1.7 Changing paths	Changed jobs or studies	
4.2.1 The big picture of business development	Management	Companies
4.2.2 Being the bridge: labour market introduction	Coordinator	Students

Each story was selected and composed by relevance in the results of code saturation and significant findings. The original quotes of the interviewees are included, however not all the stories created from interviews are presented. Thus, to see a brief overview, the complete list of codes, categories, and descriptions associated with the interviews can be seen in Tables 16 and 17 of the Appendix (as mentioned previously). Also, journey maps and a final visualisation of the proposed model will help to compare the results based on the themes from stories that will conclude the significant findings highlighting similarities and contrasts in the data. This final overview will help to provide further clarity of the results from a broader perspective.

## 4.2 Stories from companies and students

Sometimes a macro-challenge such as the shortage of talent in ICT firms can be perceived on a smaller scale. In this research case, our smaller scale is Linköping's Science Park and Linköping's University. These dynamic organisations are pioneers in the digital sector, innovation, and business development. However, the denominated "biggest small town" of Sweden has a delicate balance of internationality and local feeling in the city. Not too big or small and not too diverse or entirely local (Int\_C7). Here we find a setting to understand the invisible match or mismatch of talent in different types of ICT firms in the exploration of diverse talent pools based on this study's interviews.

### 4.2.1 How do we know if it is the right person?

"... It is a lot of other things that must fit in.  
And how do you measure that?"

Says Int\_C2 / MNE Operations Manager

In his years of experience, the operations manager of a multinational firm has seen how new talent is recruited from all over the world. Attracting students or experienced workers is not an issue for his company in general. They need international talent to communicate and operate at a global level, therefore recruiting international and diverse talent seems natural for the company. On the contrary, the mismatch happens with the local talent.

**"We do not have any problems hiring international students.**

**That is not the case for us because we do it. Moreover, we get lots of international students applying for our jobs, and we hire them. We have like 40 nationalities on our site.**

**Our challenge is to get non-international students to be more willing to apply for jobs. Nevertheless, the main focus is to look for people that are very dedicated and really love the company."**

This issue is mainly due to the lack of attractiveness of the local region. In general, Swedish graduates prefer to live in the bigger cities such as Stockholm or Gothenburg. However, the talent competencies are the most relevant. Also, the level of engagement and love for the company is the priority for new hires. Therefore, there is a good investment in the marketing and branding of the company. Hence pretty much everyone knows this company in Sweden. However, finding the right match in the region is still a challenge.

**“It’s easier to get talent from Bangladesh, than someone from Stockholm moving to Linköping. That's the difference.”**

Nevertheless, besides the nationality, background, or any other particularity, having the right culture fit and adapting to the group while being competent for the role is the key to be adequately integrated into the company. Moreover, many times, that "right fit" is difficult to describe and to identify from the hiring process. However, this is tested when the onboarding process begins. Initially, several seminars and training are done. After that a "buddy" of the group in which you work is assigned and acts as a guide to know all the job details. Think hereby from the technical details to meeting new co-workers. Then when new employees become part of the team and have a good performance, conversations about talent development may arise. The direct manager of the group has a one-on-one conversation with the employee and discusses how the person feel at work and where they want to develop their career. If there is a match again with a new management position or in another role, the employee can be rotated. The feeling of gratitude and satisfaction is evident in the operations manager.

**"I'm pleased to have a good life."**

However, this is not always the case, and people leave the company. There has not been a specific reason or clear indicators; people come and go over the years.

**“Some people want new experiences, of course, maybe they can get the better payment in a consultancy firm, for instance, or maybe they could leave the region? I mean, people are moving between jobs. That is normal. I know that some time ago, we had interviews when people left but I don't think we have that anymore.”**

However, besides this, the operation's manager does not really consider that international talent is always necessary for all companies. This can create some discomfort for the local employees or company.

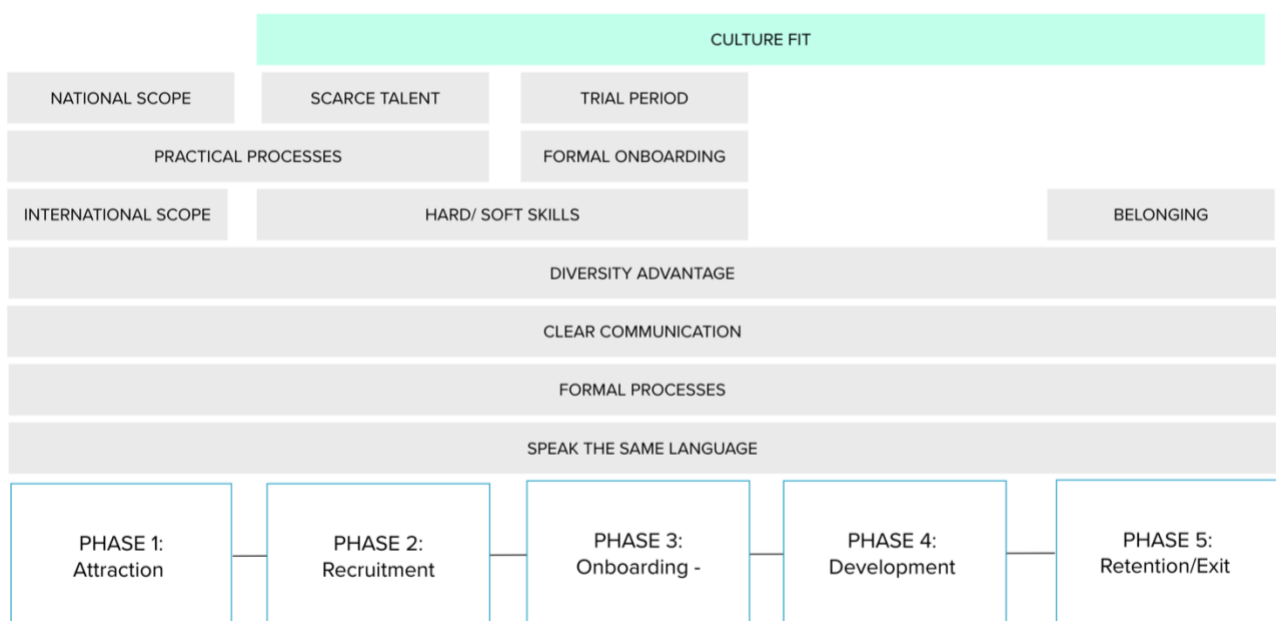
“Companies need to be international when they work on an international basis. I mean, a local company from any country: Swedish, Danish or from the Netherlands or Colombia, I guess, has bigger problems going international when it comes to hiring people because of the need of speaking the local language. So, if the company is working internationally, because you're working in an international setting, you have that in a natural way. And then it's not weird, strange or dangerous.”

#### 4.2.2a Fabula: Main insights

- Identified theme: **Culture fit**
- Local talent is a priority but the region is not attractive for many local students
- A global company needs to be diverse naturally
- Sometimes is difficult to describe what is precisely the "right fit"

#### 4.2.2b Journey map: Main focus

Figure 13: Main focus large firms





### 4.2.3 Working as one

“The mindset is more important than the CV in this case.

We have a very homogeneous company, who are primarily engineers, they have a similar background, and we are a very flexible team where everybody can shift all tasks with each other”

Says Int\_C6/ Scale-up CEO

A student from Mechanical Engineering from Linköping University decided to start his own company after working some years in product development. He realised that there was a new market opportunity in the manufacturing industry that no one was competing for. Today, he has a small team working in his company, and when it comes to recruitment, he has multiple connections with students that usually get involved to do their master thesis projects. Currently, all the employees are male, and into engineering programs, the women involved with the company decided to work in larger organisations.

**“Unfortunately, everybody's male. We had eight master students doing a master thesis for us during the years, I think half of them have been women, but they have all have gone to bigger companies. So, we have something that we are lacking in how to attract both genders.”**

The right mindset, relationship-building among the team, and work effectiveness are essential to evaluate a potential new hire. Summer internship tests and other hands-on tasks are the way to be evaluated to work in this company.

**"Not making hiring decisions on a CV on paper."**

Also, the philosophy of growing slow but steady is the primary goal of the company. A flexible mindset to solve problems creatively and having a long-term mindset when it comes to work seems like the right match for the company. Besides this, the language of the company is English and is made to be open to other cultures and people besides the local language. However, a balanced life between job and life is also highly relevant for the company. Most of the internal processes are informal and are not archived. In the end, the

CEO of the company makes the ultimate decision of hiring a new team member or not. On top of that, he involves at least one or two colleagues to evaluate the potential candidate. Furthermore, the main goal is finding someone that stays for an extended period of time and complements the team. The main questions that they discuss together before making a decision are:

**What do you think about this person?**

**Would he or she fit in the team? What do you think from a first impression?**

**What tasks can he or she make? Could they feel okay in the team?**

**Or is it just another one that does exactly the same?**

After making the hiring decision, the job in the beginning is about working like a shadow of a team member for the first three months. The new hires are free of responsibilities, and their main purpose is to learn about the job. Learning the software and how things work around the company is task number one. However, almost no one works alone for the first two years; all the team is very tightly connected, trying to have a safety net to resolve problems and having things done. This is how the onboarding process works; everyone learns from each other. Even new hires can learn new skills like coding or other competencies while they are working.

**“It's hard, I think the biggest lesson for me that I have usually been the bottleneck in many regards. I started alone with technician tasks, I'm not very good with human resources, I don't have that training. So, a lot of this I picked up on the road. I tried to hire people that is easy to work with, people who are good at the job and want something to compensate for my lack of coaching skills. I think it has worked very well. In other cases, it hasn't. I think the main challenge has been my lack of expertise in problem solving in the human resource area. I'm rather not enlightened on that area on what the schoolbook says, I'm more learning on the job.”**

Telling people what to do is not part of the working culture. Teaching each other in the team instead of micromanagement is the preferred way to operate and deliver every task. Although, expectations are high, and the team is very talented and has performed very well. Now looking at other areas of work could create a shift in the way of working in the company. Not all the talent required is from an engineering background. Nevertheless,

that is a new and good challenge to solve in the company. However, there are different employees' profiles.

“I see two types of persons. We can start with those that want to build a career and shift work often. And I don't think it matters what you do, then you will lose that person within two to four years anyway. And they jump to the next opportunity because it's a very good way of advancing. And then you have the person who is genuinely interested in what they do. And they tend to stay as long as it's interesting or convenient for them. So those are two different types. I think software developers tend to be the longer-term type who stay in software, they kind of hang around, as long as it's interesting and developing for the company. And I think a lot of these people, if they are pleased with the work, they are not going to look for other alternatives.”

Besides this, the CEO knows that keeping the best talent is the primary goal. It is necessary to keep the team satisfied. Good talent could get a job in no time if they wanted to switch jobs. So, making sure that the compensation for their work in general, like the salary they receive, is sufficient. It also is important to know that they care about the company and see good leadership that points the path and sets the direction to follow. Now, this company has always been open to diverse talent when they need to work in English. Therefore, there is not an explicit limitation to acquire diverse and international talent for the team.

“We started from day one with English as the base language for all our code, software or documentation because it felt like the obvious way to do it because you never know where the talent pool is. So, when we onboard a Spanish engineer three years ago, there was basically no limits for him to join our team. We try to get him to learn Swedish, because it helps with the Swedish clients, because he's a bit limited in which tasks he can take. But from a technology perspective, there's no limits at all.”

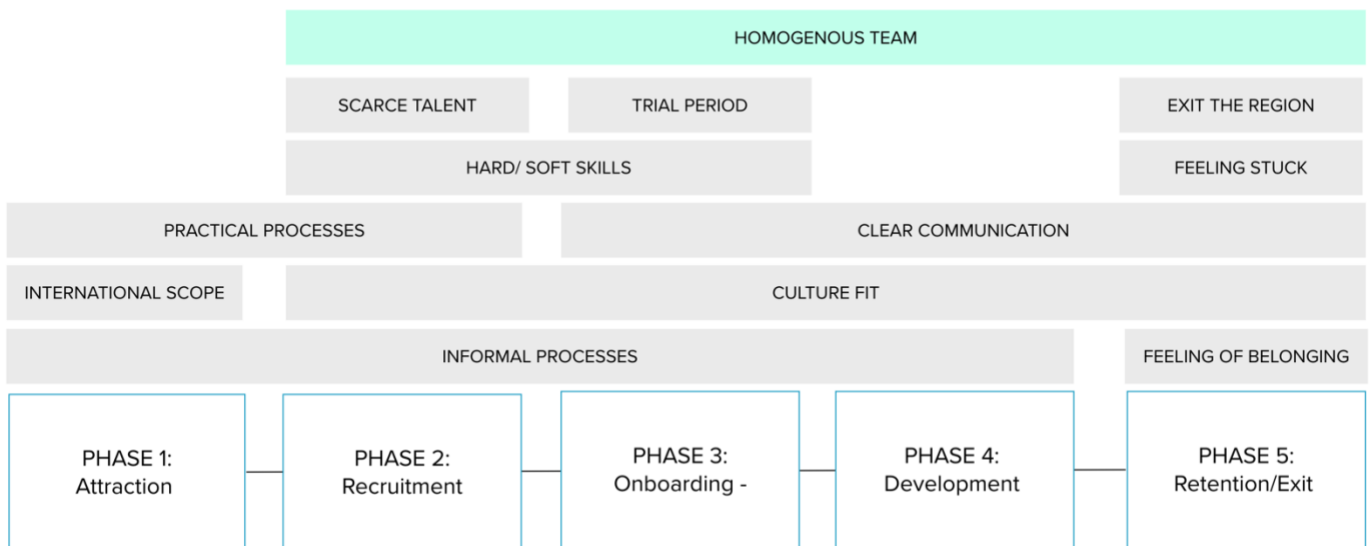
#### 4.2.3a Fabula: Main insights

- Identified theme: **Homogenous team**
- Informal hiring process based on working tests
- The right mindset of logic problem solving and teamwork is what is required
- Centralised decision making

- Relationship building is important to be one strong team

### 4.2.3b Journey map: Main focus

Figure 14: Main focus scale-ups



### 4.2.4 The adventure of hiring talent

"We do not have this very detailed list of things that the employees need to have.

We do not have super specific tasks that people should do..."

Says Int\_C8/ Start-up CEO.

A few years ago, a PhD student in Engineering decided to start his own company. He used the incubator of Linköping's University to get started. Over time and while structuring the company, he realised the fundamental role of each person that started working with him. Ultimately, finding the "right fit" for the company and the position was what he considered really mattered. If the person is from somewhere in Sweden or somewhere in the world is not what he considered. Simply finding the person with the right competence, experience and personality to work and build a company from scratch was what he looked for. Which in his own words are:

**"The hardest to find"**

He receives multiple applications from students for temporary positions. For example, summer jobs, but he cannot hire people yet. This is done through LinkedIn or the company's website. Also, the CEO has tried recruitment agencies, but the results from the applications are very different with or without scouting talent.

However, the feeling of becoming part of the team quickly is one of the primary considerations to accept a new person in the company.

Therefore, it is the team altogether that decide to hire someone or not.

**"The process has been more or less that people recommend this nice person to hire. And they will have just taken one or two interviews chatting and having coffee with them, just to see if is a person that we could work with. Are they fit for working in a start-up? Do they have the competence level they need? Do we work well in the team? I mean, it's extremely important that we like people that we can work with. And we thought a lot about this. So, if anyone in the main team has a sort of negative feeling about this person, we don't hire them. Getting the wrong person into the team could be complete disaster."**

Every recruitment you do as a small company is critical. The CEO considers that if they were already 50 people, the number 51 is important but not as critical as the 3<sup>rd</sup> member of the company. That is the main reason why getting the right person has to be very well thought. However, the culture of the company is very open. Any suggestions or diverse team can feel welcome to apply.

**"The strength of our team right now is that we are very good in knowledge about tech, of course, both me and our founder have done more or less PhDs in AI, machine learning and optimisation. And we are quite flexible and can approach the working environment in a start-up in a good way. Yeah, we are very agile and sort of problem solvers, that we can attack different types of problems even outside our core business. Personally, I love the uncertainty in working in a start-up but not everyone does so."**

However, micromanagement practices and continuously checking people's work is not part of the working culture. So, it is up to each team member to manage their own time and tasks. They do not need to be contacted or to report every day. They trust that the people that join the company is competitive and can solve any task that they need to do. Furthermore, when it comes to diversity, he mentions that you need to be ready for

different points of view, and you need to be open to that. If a company is scared to be told something different and do not have an open mind, they are not ready for diverse teams. This diversity readiness is very hard to measure, but one thing to start with is the common language at work. Speaking English for this start-up is not an issue. All the organisation's documentation has been done in English, therefore going global from the beginning from a business perspective has always been in the plan. Nevertheless, he prefers doing it on his own, not through an HR agency when it comes to talent recruitment. This is because he thinks that he has the best criteria to choose the talent and does not rely so much on recruitment agencies.

**“There are a lot of emotions and impressions that are very relevant to hire someone.”**

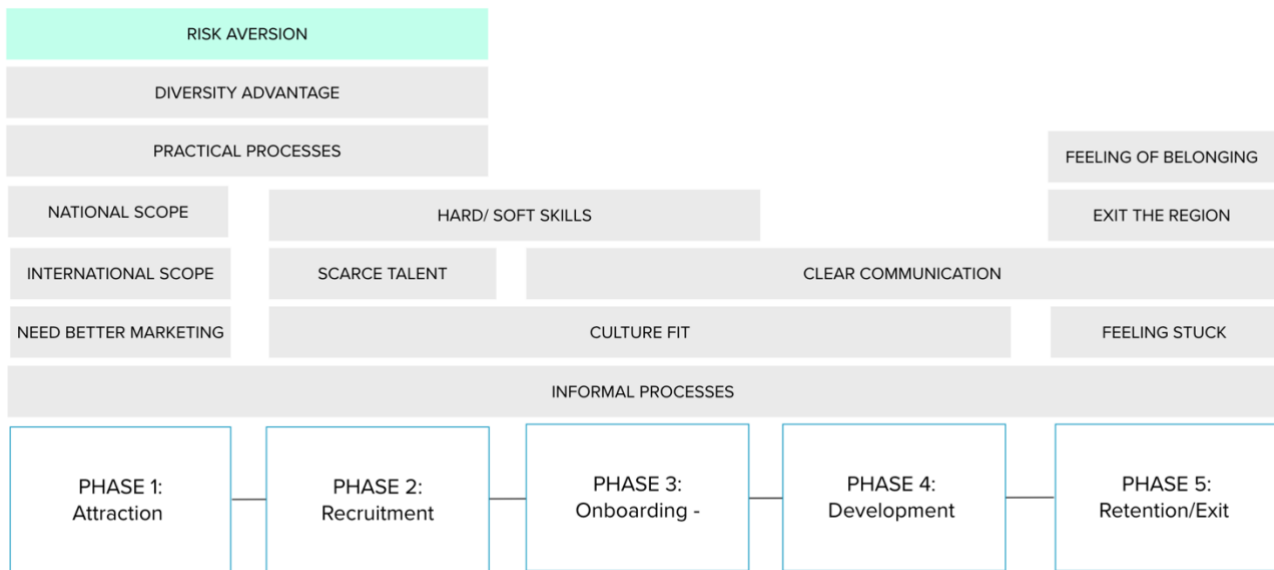
Now, looking at the reasons why people usually leave a company, he considers that the interest in new challenges can always be the reason why people resign. He does not think people can be hired for ten years anymore; people can get tired of the same tasks. Therefore, the challenge to solve a new problem in attack new tasks is necessary to keep employees engaged.

#### 4.2.4a Fabula: Main insights

- Identified theme: **Risk aversion**
- The first employees of a start-up are fundamental for the development of the company
- To have multiple skills, relevant working experience, and a hands-on attitude to take more responsibilities and face any situation is a must.
- The feeling of the team about the person is highly relevant to hire someone. Otherwise, it is better not to hire anyone.

#### 4.2.4b Journey map: Main focus

Figure 15: Main focus start-ups



#### 4.2.5 Finding your way in Sweden

"This is kind of my own personal hunch, but I think that even in situations where English is okay, as the language, there is still this expectation or maybe bias towards people who can speak Swedish. I mean, that can be understandable.

Nevertheless, if the job is supposed to be in English, sometimes I find that this is almost a hidden layer that they would prefer someone who can speak Swedish as well."

Says Int\_S2/ Jobseeker international student

A student who graduated from a program in Engineering is currently pursuing an MSc in Logistics at Linköping University. He/she is in the second year of studies and is looking for a job in Sweden. So far, he/she only has an internship experience in Germany and currently lives in Stockholm. However, he/she feels the stress of the migration paperwork that needs to be done to get a job.

**"My plan is to try and find a job here. I think the biggest obstacle even more so than sometimes the job is the migration office. It can be really nerve wracking to deal with them. And also, I don't know if this is just a foreigner's perception, but you have this feeling that it might be more difficult for companies to onboard you because you're**

**international and you put them through a visa process. I mean, this is always something I'm very anxious about in terms of even studying here and trying to find a job here."**

However, he/she thinks that the screening of CVs is more rigid in Sweden than in the USA, his home country. He would prefer living in Stockholm for the tech start-up feeling. However, he/she acknowledges that in Linköping and Norrköping, there is a good start-up development. He would like to apply to an engineering consultancy firm, but usually, these have global talent pool recruitment processes, and therefore, the job could be placed anywhere in the world. Now to get involved with the companies he likes, he/she usually uses LinkedIn or any other social media channel. However, he/she is going to start applying for jobs after graduation. At the moment he is too busy with school. Every time he/she sees a job ad, he is interested in understanding what kind of projects are described and what kind of teams are in the company. The actual brand of the company is not as important. A well-known brand helps to understand the company better but is more important the description of the job and what to expect of the role.

**"I really like the emerging tech scene that's growing in Sweden, especially in Stockholm at the moment, I think it's really interesting, there's a lot of energy going on here. And that's really exciting. And I think it would be a really good place to start a career. Also, personally, my partner is living here, and we're going to be here for a few years. So, I really am trying to find a job and start my career because I think it's a good for me personally and professionally."**

Working in big consultancy firms could be attractive. However, it is tough to find the right job in the country you want. Usually, the recruitment is global, and the positions can be placed anywhere in the world. Now he/she walked through the job fair once at the campus of the university and checked some companies. But he/she did not talk with the recruiters or hand in his CV.

#### 4.2.5a Fabula: Main insights

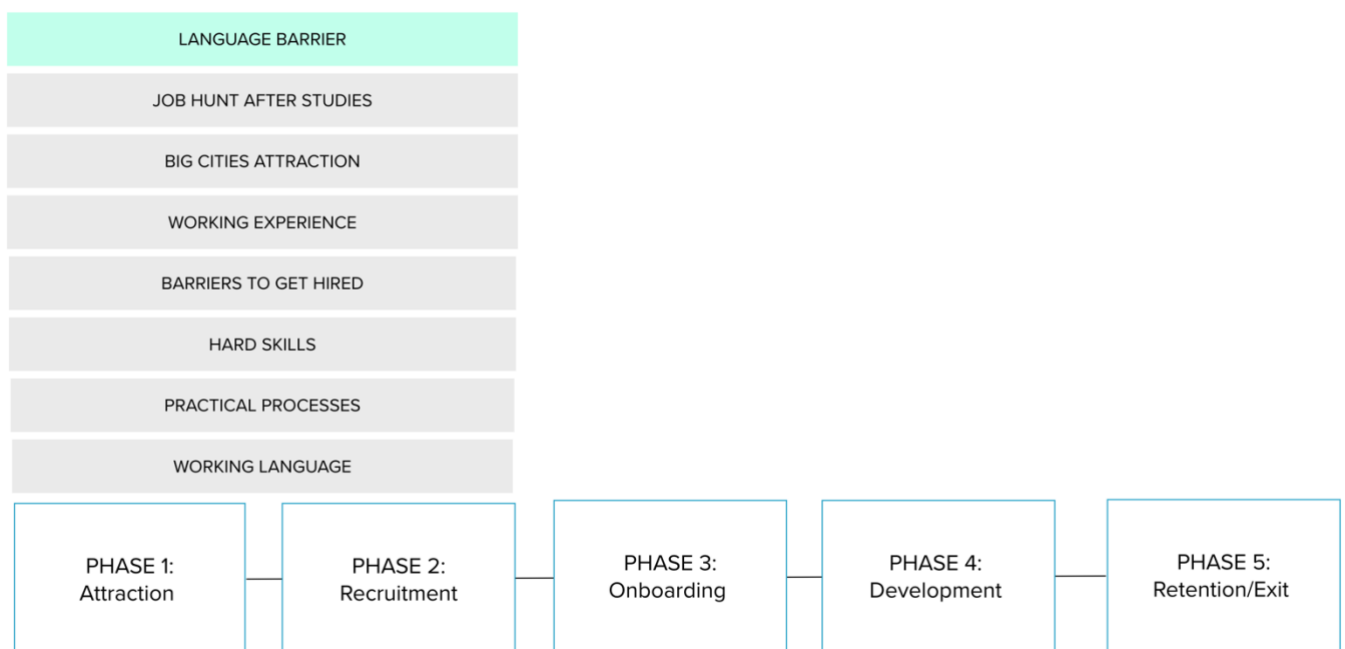
- Identified theme: **Language barrier**



- For the non-EU students, the uncertainty regarding visa processes is one of the main obstacles to work in Sweden
- The Swedish language is fundamental to get a job, even if the job requires only English
- Stockholm is the most attractive city where it is easier to find more jobs

#### 4.2.5b Journey map: Main focus

Figure 16: Main focus job seekers



#### 4.2.6 Building a career as an outsider

"Linköping is a small city with few opportunities. I tried to look for jobs in the area and could not find anything. That is why I decided to move to Stockholm.

To work in a smaller city is necessary to speak Swedish fluently."

Says Int\_S7/ Linköping University Alumni and employee of an ICT firm in Sweden

A few years ago, an international student who graduated with a master's in business administration at Linköping University decided to look for a job in Sweden. First, he tried in Linköping but felt that in order to get a job in Linköping it was necessary to speak Swedish fluently. Therefore, he moved to Stockholm as soon as he could and started to look for an internship. Luckily, he was offered a job and worked for five years in the same company. Then he was referred to a multinational ICT company, where he went through several interviews and eventually got hired.

**“Especially if you are also a foreigner having support from a reference can help through the whole interview process. Also, it's important, of course, to make sure that a new person has a good chemistry with everyone I work with.”**

That was the case for him; after he was referred to a large company, he started a recruitment process. He had different interviews with the HR personnel, the team manager and the line manager. Then he met some members of the teams. Everyone was welcomed to give feedback about his process. Especially in a large organisation, many people apply, so having extra checks is highly necessary. Ultimately, he was hired. Then he started an onboarding process by shadowing his direct manager. He acts as a mentor that had been working for years in the company.

**“So, they gave me enough time, they invested in me as well, including trips to some projects. So, I was mirroring or shadowing my mentor in the first week, and also with the travelled with him to meet customers or suppliers.”**

Over time he was successfully able to learn the language and adapt to the national and company culture. He feels that he was kindly integrated into his team, and most of the employees of the company are loyal and stay in the company for more than a decade. The team is the company; resignations are not very common among his colleagues. However, he discovered that other classmates from his programme had a hard time finding a job in Sweden during the years. Therefore, many left the country.

**“Well, I really like my team, because I also have a great manager. I've been learning a lot from him. In the rest of my team there is international people. So, we are a diverse and maybe half and half, half Swedish and international. In the team we have actually people**

that have been 10 or 20 years working for the company, and also others that had been for 2 years. And I think the company has a culture of transparency and trust. That's one of the biggest values that the company has. And this sense of being honest is really embedded from day one. That's how we also think we differentiate, of course, with other companies. So, in that sense, I will say that in the very strong description of our internal culture is quite open as well.”

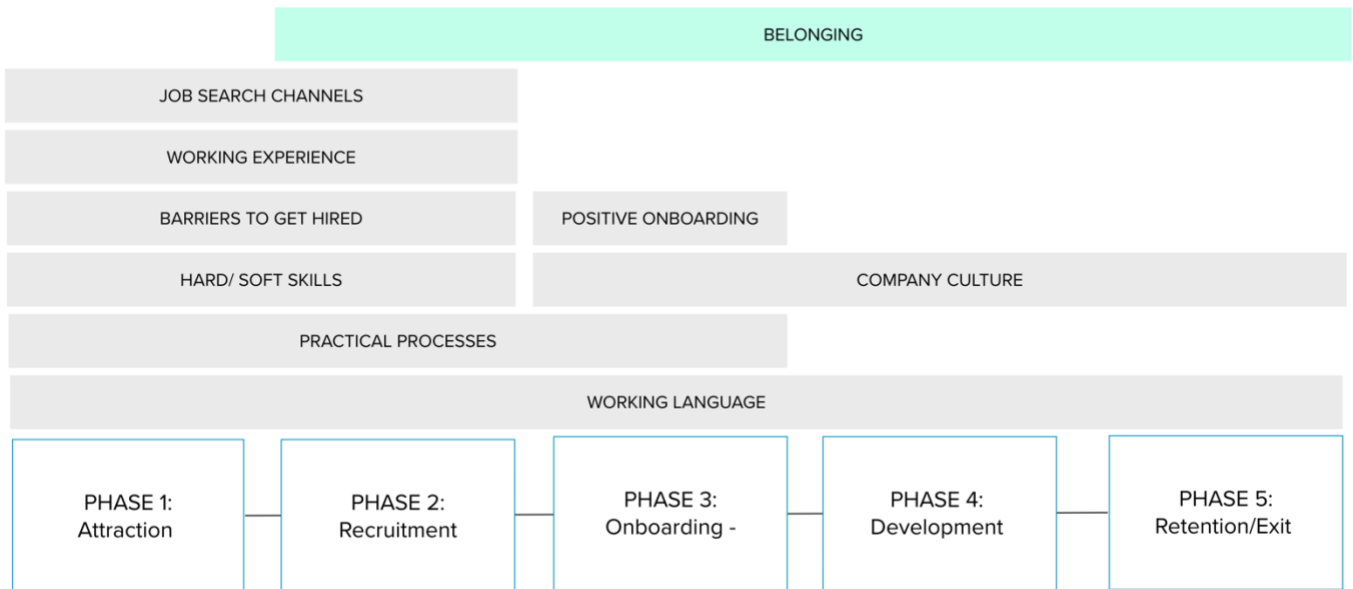
The type of attribute he looked for in a company was critical to starting his career in Sweden. For him, it was imperative to find a multinational company that could serve as a good referral in his CV. Being a foreigner, most of his life, he always had to pay for work permits. And not all companies recruit and sponsor international talent. So, he always felt limited in that sense. He was also looking for a company that could be stable with formal processes and training. All of these attributes were provided by a significant employer.

#### 4.2.6a Fabula: Main insights

- Identified theme: **Belonging**
- In general international students have a hard time finding a job in Sweden
- Multinational companies are primarily the only option to work due to the formal hiring visa processes
- Referral and networks are an effective way to get a job even in most companies
- Adapting fast and integrating into the culture and labour market helps to develop a stable career

## 4.2.6b Journey map: Main focus

Figure 17: Main focus hired students



## 4.2.7 Changing paths

"In order to stay, it was mostly related to a modest increase in the salary.

But for me, it was not really about the compensation, it was mainly about the meaningfulness of my job, so I do not think that there was a lot to discuss on that."

Says Int\_S6/ former employee in an ICT firm

Landing a job in Sweden just after graduation as an international student is an outstanding achievement. However, adapting to a new firm with a new culture is always challenging. Besides this, soon, she realised the job satisfaction and meaningfulness of the tasks were not enough. However, this feeling came after being part of the company; therefore, there was not a feeling of a language or cultural barrier.

**"I remember searching for a job quite aggressively two times. Once after the master's degree and once after between the period where I finished my job in this software development company, but specifically after the master one, I remember very well because it was quite intense, difficult, stressful period."**

She searched for jobs on LinkedIn and other recruitment pages. She looked at ways on how to be compatible with different jobs. Mainly she applied for trainee programs. The focus was not big company brands. She was interested in niche companies, a little bit unknown, to help the company grow and learn even more. She did not want to be another employee; however, she had a good experience in an interview for a traineeship.

**“I remember that I did an IQ test for a traineeship in Stockholm, and I passed that. Then there was a short phone interview with the program manager of trainees. And then I pass that as well. And then I was invited for an interview in Stockholm. Moreover, I went there, and I thought the interview went really well. Furthermore, they looked really excited. Nevertheless, then I did not hear back from them. So that, to me, was really weird. I never knew why. They just did not communicate anymore.”**

Eventually, she got hired by a software development company in Linköping. Moreover, in general, it was a very positive experience. It did not really matter if you were Swedish or non-Swedish. So, in that case, she had a special experience because it was the first time working in a purely Swedish company.

**“It was very, very positive experience. I remember I felt very well taken care of and it was a very smooth transition into the daily work. I remember being a little bit worried because it was a software company. But then I remember that the process of learning the system was so smooth, and I had one mentor assigned for me. And for some reason, I remember that was not the case for another account manager that came after me one month or so. I think the other things the bureaucracies and so on, were also kind of smoothly transitions. I had a tough time with the administrative documents because they were mostly in Swedish. And I didn't really feel that there was a willingness to having those in English. Yeah, to give like a translated version of those, it was more like, read the things and if you have any questions, of course, we can help you. But that is to me, nothing. You need to have important documents, you need them in English, especially if you are a company that has more than 50% of employees that are international. But other than that, in terms of the work process, and the knowledge and the processes related to my work, they were very smoothly sort of introduced to me. So, I'm happy with them.”**

However, she thinks that it was hard for most of her class to find a job here in Sweden. Furthermore, from her experience, it is tough to find companies with this open mission or

open culture where there is a dual speaking environment. The company needs to be more focused on international markets. However, some students put the hard work and learn Swedish on a nearly perfect level since they wanted to be fully integrated. So, if a student has this goal, they can fully assimilate Swedish culture in a working environment, but most of her classmates found jobs in Stockholm. In her case, she decided to stay in the municipality of Linköping because she lives with her partner. However, she also likes the local region. There are very interesting research projects related to health care innovation that she would like to work with in the future.

The purpose of her work became more important after some time of being at the company. Finally, she found another job offer that she felt was more interesting and challenging even in the same region. This opportunity allowed her to discover new innovative projects that she is pursuing to develop in the future.

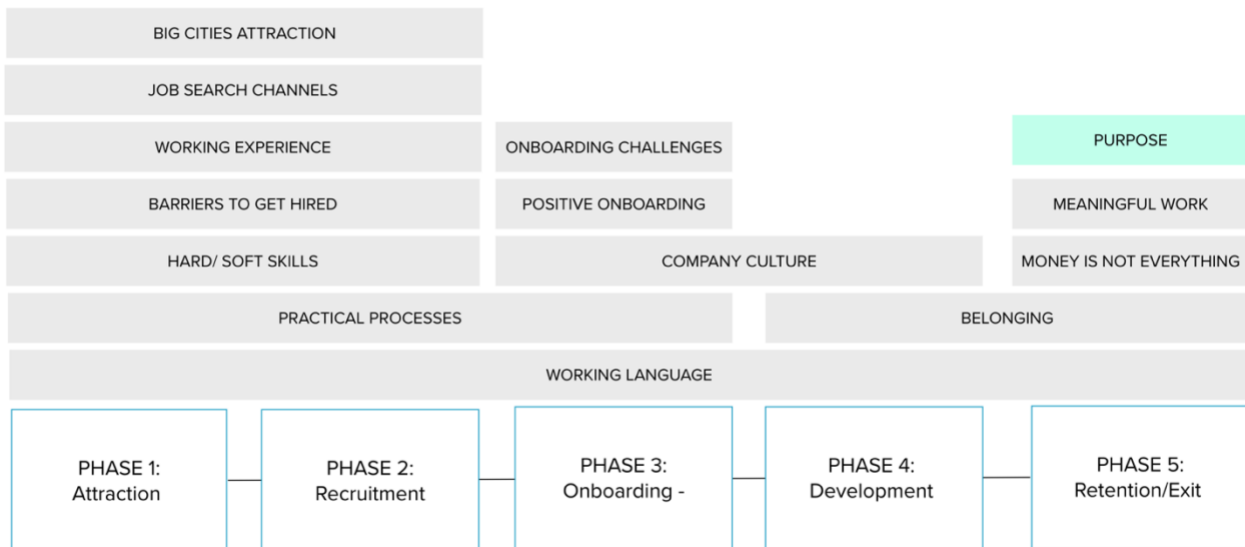
**“If the company had offered me a better compensation package, I would have stayed. But that wasn’t the case.”**

#### 4.2.7a Fabula: Main insights

- Identified theme: **Purpose**
- The region is attractive for innovation and research positions
- International companies are the key to get a job for international people
- There are better chances in small tech firms

## 4.2.7b Journey map: Main focus

Figure 18: Main focus changed job or studies



## 4.3 The broader vision of a match or mismatch

From another perspective, the main managers and coordinators that help create networks and recruitment processes to integrate potential talent represented in students and ICT firms are crucial to understanding where the advantages and challenges in the entire absorptive capacity process are. This is why listening to their stories and connecting the main insights and learnings from the companies and students' perspectives gives a higher level of understanding and contrast the processes with hiring and retaining talent in ICT firms.

In the end, from multiple parts, we aim to put together the whole story.

### 4.3.1 The big picture of business development

“The coordinating team have a very holistic view that allows us to have, what we usually call, professional dealmakers. So, we wander around those different platforms like

academia, society, business, but also like, talking to a lot of individuals, like citizens, students, entrepreneurs, and so on, to understand how to support individuals and companies in the process of growing both as persons but also as companies.”

Says Int\_C12 / Chief Executive from the companies’ perspective

The continuous lack of competence is well understood. So, this is nothing new in the ICT and business community. Therefore, one of the main purposes of the general management of companies, the municipality and the business community is to overcome the labour shortage and attract potential talent. Moreover, the Chief Executive of the Science Park has already explored how to attract more diverse and international talent for the available positions.

**“The continuous lack of competence is nothing new, especially in the ICT area. We were hiring a lot of programmers and software developers and already in that time, there was quite a lack of competence. So, we try to inspire our customers to be opened to hiring international talents. Since we saw this was the best way to access talent that are already here and are ready to get to work. And in more long-term perspective, we also try to inspire more girls to choose ICT related education, both on a high school level, but also on the university level. And you know, even longer term, we also try to inspire young people and kids to be more interested in technology and nature science.”**

Linköping Science Park is a non-profit organisation financed by the municipality. The main focus is to support companies when it comes to growth, innovation and the renewal of their operations in different ways. Therefore 100 companies were interviewed, and one of the main challenges they faced was a lack of confidence, which means how to secure the right access to talent and educate their employees continuously. This has been one of the most crucial mission since 2015.

**"The tenants in Linköping Science Park have a lot of work to do on knowledge management. This has been one of the most important questions for us since we worked on our new strategy in 2015. So ever since then, talent attraction and community building have been a core process in the Science Park. We see if we don't access to the talent and**



**become attractive, we will not succeed in building the community of innovative companies around Linköping."**

However, this is an ongoing task. New skills are required constantly in innovative hubs. Therefore, lifelong learning programs to capacitate currently available talent that can improve or learn specific skills could be another way to reduce the skill gap. However, to achieve this, the attraction and inspiration to work and develop these skills are highly necessary.

**"We have a job to do to become better in talent attraction, we need to work on our brand, we need to tell more of the stories around the Science Park. And we need to position ourselves not only in Sweden, but from an international perspective, because we have some really great unique qualities."**

When it comes to onboarding, more activities can still be done like a newcomer collective where local and international can meet to create communities beyond work and careers in the companies. Furthermore, when it comes to retaining personnel, initiatives like lifelong learning programs and extra training for employees could help to develop their skills continually.

Currently companies in the Science Park tend to be homogenous. Usually, Swedish men engineers are hired or start companies. From an organisational perspective, the Science Park has tried to increase diversity when it comes to a mix of women and men in the workplace and management positions. Moreover, by increasing diverse backgrounds from international or any other talent that can bring a different perspective. Nevertheless, there is, of course, much international competence in the community. Now, it is possible to see very international and diverse communities when it comes to multinational companies. Also, there are company founders that come from abroad, which helps increase a diverse workforce.

**"When the founder is from abroad then diversity is in the DNA of the company. While if you have a founder's group, but from Sweden and are white male, you probably will have a team that reflects that."**

There is also an increase in the number of female CEOs in the companies. Through constant work slowly in the long term, it will be possible to see today's efforts in diverse talent. As mentioned before, large companies have the necessary resources to invest more in marketing and diversity strategies. This changes entirely with small companies. Their branding and reach are smaller, and their resources are limited.

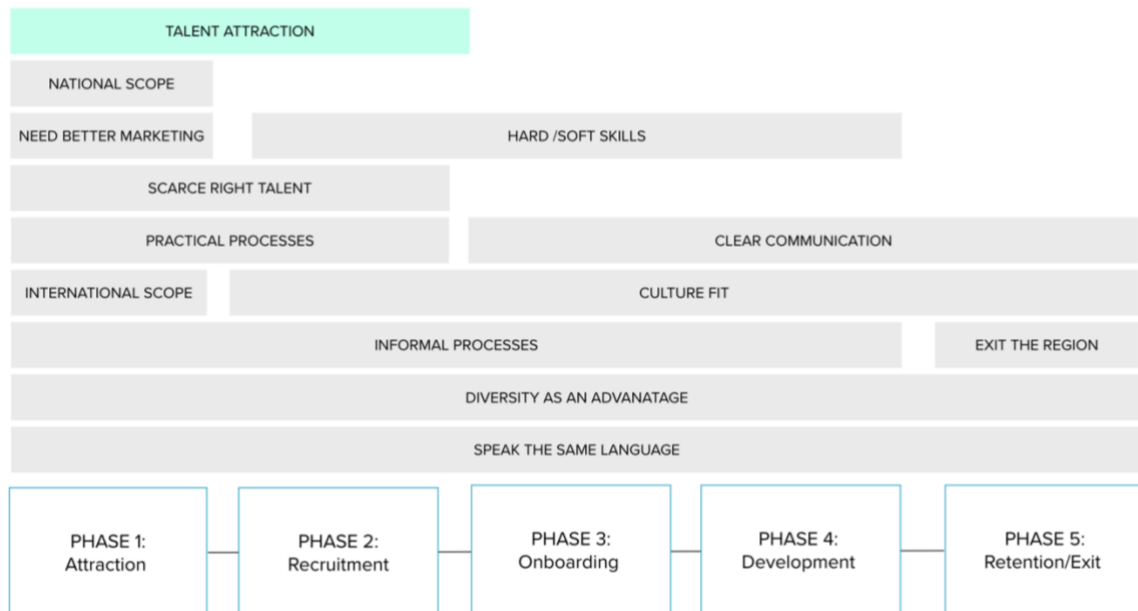
“So, SMEs firms are hiring through their networks. But if you can get them to share knowledge among each other, and maybe learn also from those who have managed to recruit diverse teams and, and access talent from many different corners, that would be a good thing. And also, I think that what we are doing is running with the matchmaking platform where we have the AI that could be a very good platform, because it's not easy for companies to find the right international talent. But it's even harder for the international talent to find all the SMEs that are a great fit for their competence. So, I think this platform could really make a difference. And also, with the AI connecting the competence needed and offered is a good fit.”

#### 4.3.1a Fabula: Main insights

- Identified theme: **Talent Attraction**
- Lifelong learning programs to learn specific skills over time with available talent in the region
- The business community well knows the skill gap
- Having an international positioning could increase diverse talent attraction

### 4.3.1b Journey map: Main focus

Figure 19: Main focus management



### 4.3.2 Being the bridge: A labour market introduction

“Even in IT companies, they might be a bit scared when the person doesn't know the language.”

Says Int\_S1 / Student Coordinator

According to the Student Coordinator, after more than a decade of working with recruitment and talent allocation, integrating diverse talent in Sweden is still challenging. Mostly, this happens because getting to understand truly Swedish culture, social codes and rules, play a key factor to be able to thrive in a recruitment process.

**"Hard skills are necessary, but soft skills are way much more important to fit in the company. And also, 'fika', and things like that, are very important, because it's not just**

about sharing what you did during the weekend, it's about getting to know your co-workers, doesn't mean you have to be friends. But it strengthens the team. Because we love teamwork in Sweden."

Therefore, because teamwork is so essential, it is ubiquitous to have several interviews and meet the team that will accept you in the group. However, this changes from company to company. Therefore, having multiple interviews is a common thing.

**"Because again, you need to fit in with everyone else."**

Some studies show that you have fewer job offers if you have a foreign name—especially specific names. However, now it is easier than it has been before. But it is still difficult. Thus, no company will say that they are afraid of hiring international talent because no one wants to be that company.

**"But then another thing to experience is that you don't really know what to expect until you get caught up in it. If we are like 10 Swedes, we know our ways we do our thing. And sometimes you forget that there's someone who might not know the way. Even if it doesn't even have to be international talent. I think sometimes even for someone new it can be hard to kind of know like what's going on or what's happening, but then you at least have the language. So, you kind of understand when people talk. But if you don't have the language, I think it's sometimes easy for people to forget that we have someone among us who doesn't really understand. You have to say everything in English. And, you know, it's so easy to just keep doing what you've always done and forget that too."**

However, today there are more possibilities and international talent working in multiple firms than before. Nevertheless, still, having an open mind to value diverse talent seems to be a work in progress by many types of companies, including ICT firms.

**"Be open minded is the biggest challenge we have, but also we need to focus on integrating. Studies shows that it is harder to get a job if you have a foreign name, even in IT companies, they might be a bit scared when the person doesn't know the language. Of course, they're not going to say that because you don't want to be that company. However, I think that companies are more positive on taking international talent than before."**

If someone is not happy in the company, people leave. Furthermore, it does not mean that is regarding the integration of co-workers. It could be other things. People change jobs all the time. ICT companies are screaming for talent, so it is easy for employees to find better job offers faster. However, people leave for different reasons. One of the biggest reasons, in general, is because people do not feel at home. They need something else. It could be money, an international environment or a dream job or company, whatever it is.

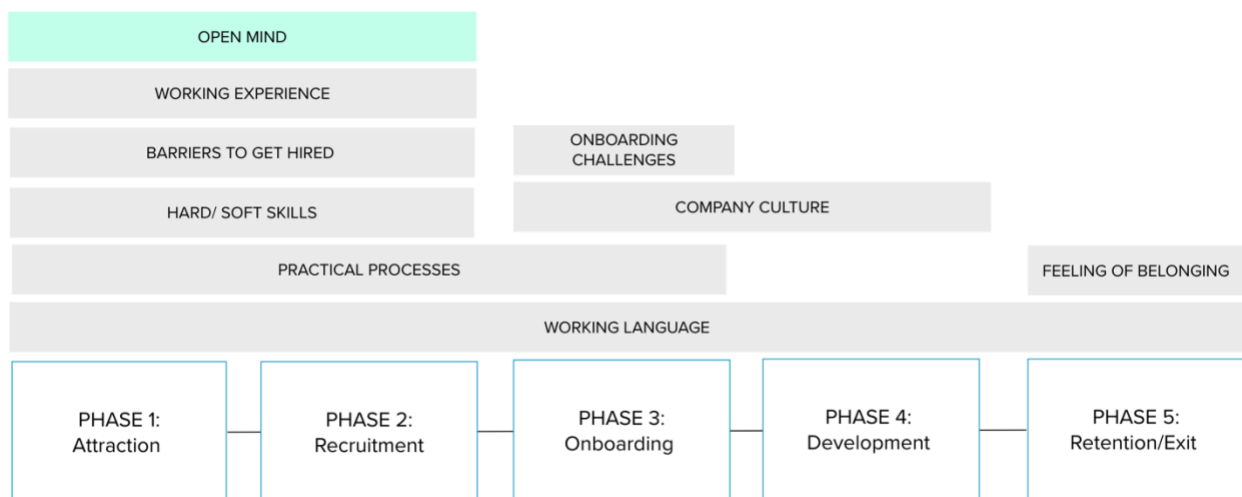
**“But if you don't feel like you belong, then you're not going to be happy at that place.”**

#### 4.3.1a Fabula: Main insights

- Identified theme: **Open mind**
- Feeling afraid of diverse talent
- Feeling of belonging in the company in order to stay

#### 4.3.1b Journey map: Main focus

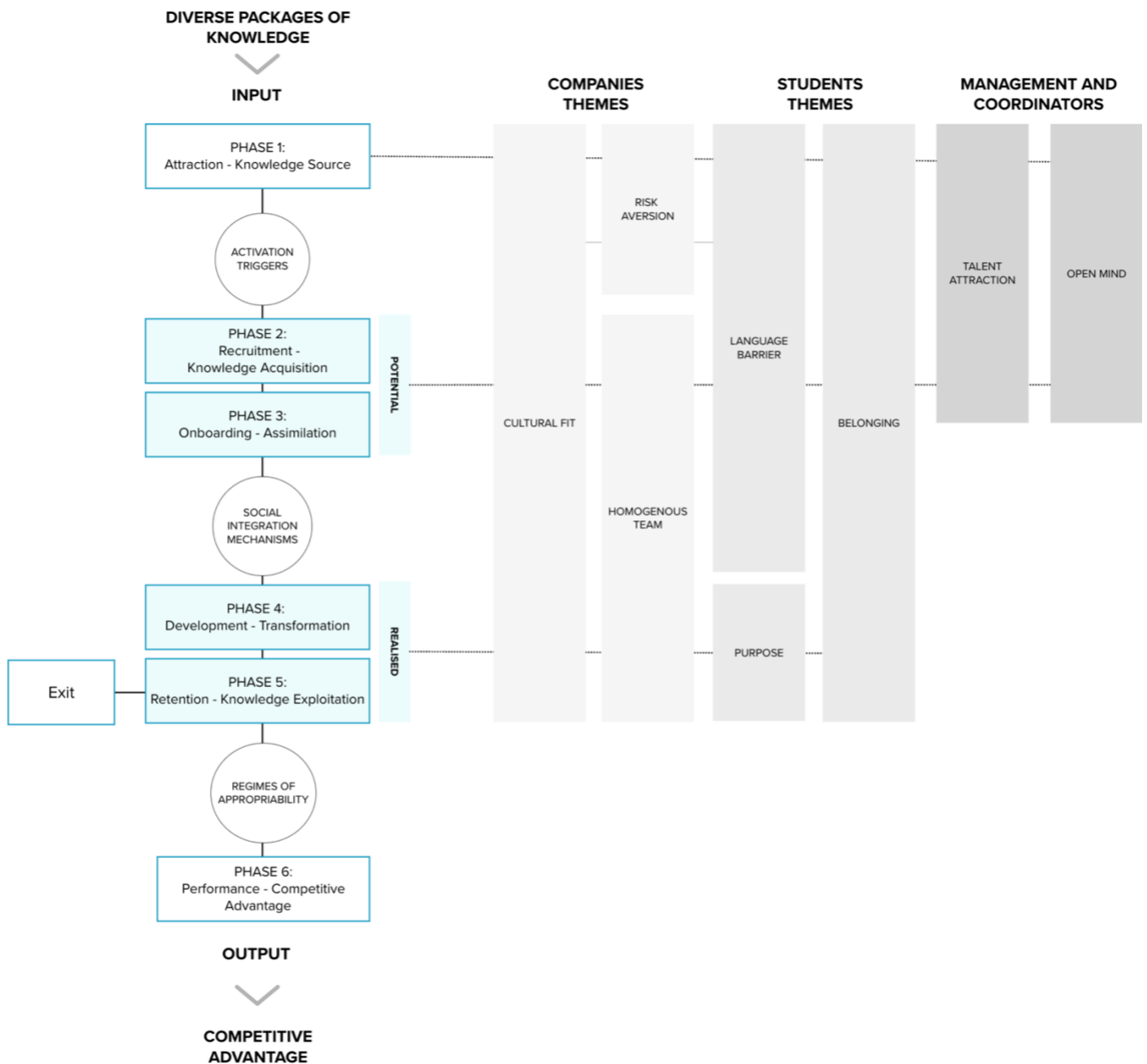
Figure 20: Main focus coordinator



## 4.4 General analysis

Lastly, to have an overall view of the diverse perspectives and identified themes based on the most significant stories, a general visualisation of the results can be seen in Figure 21. Also, it is possible to see how the themes are related to the different phases of the proposed model: The absorptive capacity lifecycle.

Figure 21: General results from stories



From a general level, when we compared the different clusters' perspectives, we noticed a difference in views on the research problem. The main company cluster, for example, informs that all companies are open for diversity. However, on the same side, student, management, and coordinator sides dispute this viewpoint.

Furthermore, the company cluster deems the cultural fit as the most important factor when acquiring these new packages of knowledge. However, on the same side, we learned that the student cluster often not even thinks about this when applying to an organisation. The cultural fit only becomes evident for the student cluster after they started working at the organisation. Since organisations have this strong feeling that new talent needs be the right cultural fit, plus avoiding any hiring risk, especially SMEs are getting more homogenous teams. This homogeneity can then, on its own, again influence the cultural fit and the feel of belonging for the potential new hire.

The student perspective on our main research also tells us a story of the feeling of barriers between the student and company cluster. This barrier is felt by international and national talent alike. An example from the international students is the language barrier. However, this also extends to diversity and identity aspects between national students and companies. It is harder to fit in the existing homogenous teams and be the culture fit that the company is looking for when the talent is different.

Hence, the management and coordinating cluster believes that the most effective short-term solution can be found firstly in creating an open mind for both organisations and students. Secondly, to take a closer look at the current talent attraction phase and start learning for example how to have less biased hiring processes between new talent and organisations. However, considering the different types of companies and their own absorptive capacity process is necessary to understand how diversity has a positive or negative influence.

## 5. FROM DIVERSE PACKAGES OF KNOWLEDGE TO COMPETITIVE ADVANTAGE

From the talent perspective, the steady sense of belonging in an organisation and its structure reaches its climax in the exploitation phase. Suppose the talent and organisation cannot create this mutual sense of belonging. In that case, this will lead towards the exit of the talent or, as seen from the organisational side, the knowledge package. Therefore, a closer look at the mechanisms of the absorptive capacity process in different organisations will be made. Based on this, an evaluation of diversity mechanisms on the absorptive capacity process is completed. According to the stories at what characterises positive and negative hiring processes and the mechanisms that encourage or discourage diversity absorption, it allows us to move from a discussion at individual organisations to discuss what makes organisations more diversity ready. This chapter will therefore discuss five main findings, as can be seen in Table 12.

Table 12: Outline chapter 5

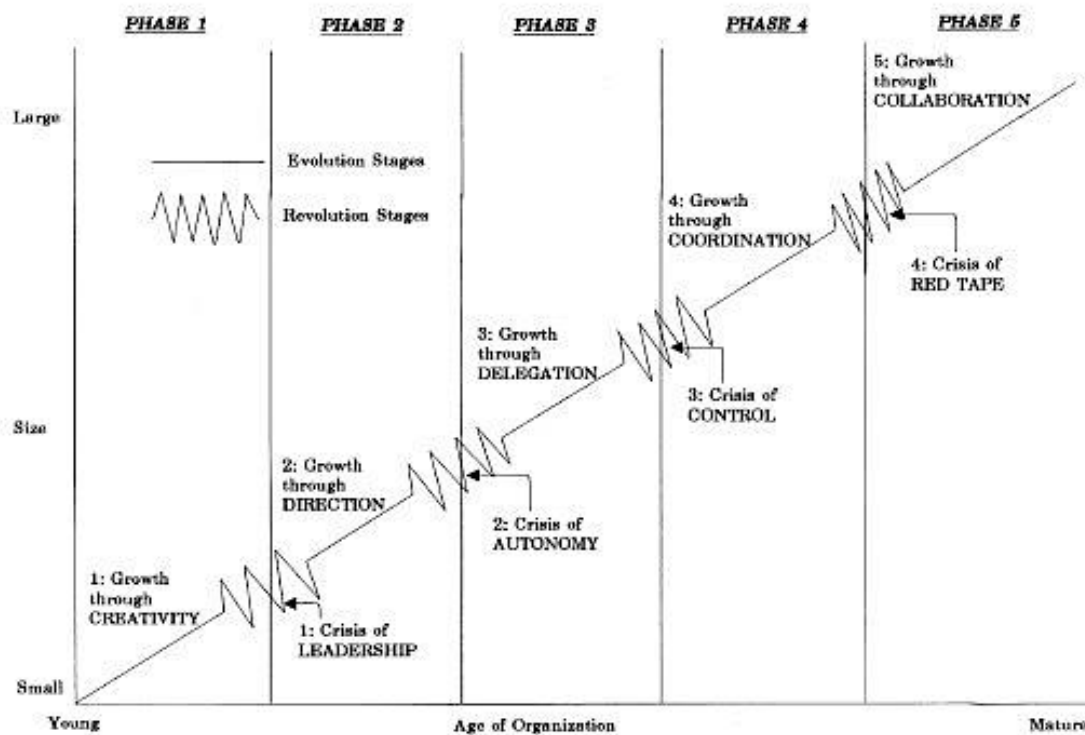
Sub-chapter	Purpose
5.1 Impact and execution of the organisational phase on the absorptive capacity process	Discussion regarding the impact and execution of the organisational phase on the absorptive capacity process.
5.2 Diversity mechanisms in the absorptive capacity process	Discussion regarding the diversity mechanisms in the absorptive capacity process.
5.3 Positive and negative hiring processes	Discussion and answer to our research question; what characterises positive and negative hiring processes.
5.4 The generative mechanisms that drives the absorptive capacity process	Discussion and answer to our second research question of which generative mechanisms encourages diversity absorption in organisations.
5.5 Feeling of belonging in organisations	Discussion of the main theme that was identified in this research and the relation of it towards the mismatch problem.



## 5.1 Impact organisational phase on the absorptive capacity process

Throughout the conducted interviews, it was clear that the organisation's size influences their knowledge management capacity, activities, and hence their absorptive capacity. This, also matches with known strategy literature regarding the organisational life-cycle (Jetter et al., 2006; MacKay et al., 2020). According to Greiner (1998) growth of firms, especially SME's poses many management and leadership challenges (crises) that needs to be resolved along the way. In particular, leadership and organisational structures have to evolve to reflect the growth of a business which can lead to friction (crisis). Think hereby, for example, that the organisation gets too big for the leader/founder to get involved in everything, which results that informal communication starts to fail. See Figure 22 for the different phases and crisis's organisations goes through during growth.

Figure 22: Organisational lifecycle (Greiner, 1998, p. 58)



Logically, when it comes to organisational practices in organisations, they differ per phase. Therefore, Table 13 shows the organisational practices in the five identified phases of growth according to Greiner (1998).

Table 13: Organisational practices in the five phases of growth (Greiner, 1998, p. 66)

Category	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
<b>Management focus</b>	Make and sell	Efficiency of operations	Expansion of market	Consolidation of organisation	Problem solving and innovation
<b>Organisational structure</b>	Informal	Centralised and functional	Decentralised and geographical	Line staff and product groups	Matrix of teams
<b>Top-management style</b>	Individualistic and entrepreneurial	Directive	Delegative	Watchdog	Participative
<b>Control system</b>	Market results	Standards and cost centres	Reports and profit centres	Plans and investment centres	Mutual goal setting
<b>Management Reward Emphasis</b>	Ownership	Salary and merit increases	Individual bonus	Profit sharing and stock options	Team bonus.

When larger and more mature organisations have more resources and experience, the stories from the companies' cluster show that these organisations have put knowledge management strategies in place, and their knowledge centres are identified. Mostly, due to their resources and previous experiences. They have the luxury when the trigger is activated to start the recruitment phase with a wide scope and to intensify their search for new talent.

Purely seen from an organisational process perspective, we argue that large firms tend to have and follow the complete absorptive capacity process with the least chance of talent loss between their potential and realised absorptive capacity. This research shows that start-ups and scale-ups will often make other prioritisations above the formalisation of procedures due to their limited resources. Hence, to practically mitigate the risks when it the start- and scale-ups are hiring foremost only from their known network.

When we compare Sweden to other nations within and outside of Europe, data shows us that Sweden has stringent labour rules favouring the employee and, in particular, for employees with a fixed contract (Ulku & Muzi, 2015). Therefore, Swedish organisations are more complex to let go of their employees than in most other countries.

This means that the possible costs and, therefore risks when it comes to a wrong new hire are increased. Due to these risks, the companies' stories tell us that, especially start-ups, cannot afford to make a mistake when hiring new talent. Thus, in combination with being in their current growth phase, which makes them more informal, we notice that a way of mitigating these risks is to hire people they know via their network. However, there is a side-effect that especially these organisations are getting very homogenous. The homogeneity of an organisation limited their teams in what they can learn from each other (Gruenfeld et al., 2000). Furthermore, this risk mitigation, despite being helpful, also at the same time impacts the absorptive capacity process negatively since, in the talent attraction phase, the scope for these organisations is extremely limited.

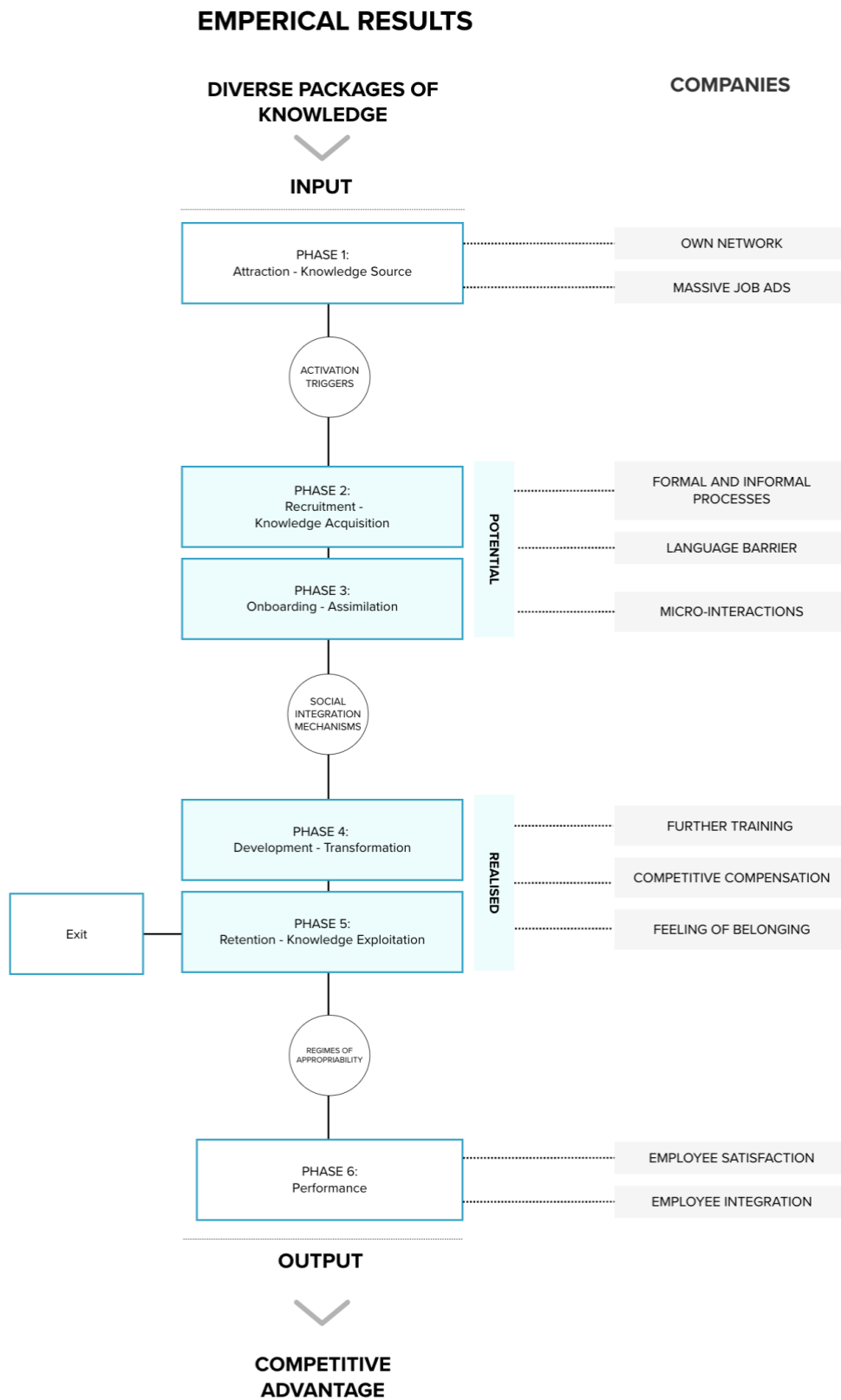
Secondly, due to not widening their scope and experimenting with diverse platforms and hires, they do not gain new experiences of finding new talent who has the knowledge the organisation needs. Since the interviewed organisations have more specialised human capital in technological aspects and have engineering backgrounds instead of business or management backgrounds regarding their education, their need and requirements are more driven from their specialised technical knowledge perspective.

Therefore, it would be interesting to investigate this phenomenon in more detail and see the differences between organisations with top management consisting of more people with an engineering background versus organisations that mainly have top management that consists of more people with a business administration background.

### 5.1.1 Execution of the absorptive process in practice

The practical execution of the absorptive capacity process in organisations is a good place to start searching for sources of diversity mechanisms. The study results of the proposed absorptive capacity lifecycle model are shown in Figure 23. The identified themes from the stories show that the most critical factor for organisations and talent for a long-term retention is being the right fit. Therefore, this factor can already be noticed in the talent attraction phase or solely speaking in absorptive capacity terms during the acquisition activated by a trigger. This is the possibility of having the right talent based on hard and soft skills for the organisation. However, the soft skills and culture fit do not have a particular way to be measured. It is mainly decided by introducing the team with the new hire and evaluating if they can work together.

Figure 23: Execution of the absorptive capacity process in practice



During the assimilation process, the stories described that the larger firms have this process largely routinised and well documented compared to the start-ups and scale-ups. However, here we see a difference that large organisations have a 'slack' of resources while SME's has a lack of resources. According to Fireman et al. (2018), slack can be seen as a mechanism for reducing interdependencies and minimising the possibility of one process affecting another. Hence, assigning slack makes processes loosely coupled. The term slack can be defined as a *"cushion of current or potential resources that enable an organisation to successfully adapt to internal or external pressures"* (Fireman et al., 2018, p. 1314).

Looking back at the absorptive capacity process, the most critical step is the social integration of the new talent in the organisation. Even though start-ups and scale-ups are: (1) often missing any official onboarding documentation (2) having less operational slack to assign towards this process, the stories show that all organisations are to a large degree succeeding in socially integrating the new talent by making part of the team as soon as they start working. However, from the student perspective side and the international students, any potential language barrier from both sides could be seen as the most significant risk factor that could negatively impact this integrating process. This could be partially explained since most organisations have to a certain degree what Zerwas (2014) describes as a knowledge-friendly organisational culture that is ultimately the main influencing factor of absorptive capacity, particularly its acquisition capability, assimilation capability, transformation capability and exploitation capability of knowledge. This can be explained because people's behaviour can be better coordinated through implicit values and norms than through structural coordination procedures and administrative structures.

Now, exploring the transformation and development of talent, there are three main reasons for an exchange of knowledge that is necessary to develop the firm: novelty, dependence and specialisation. Novelty can be described as new knowledge that comes in due to changing environments. Often this is driven by, i.e., new demands like changing stakeholder requirements or breakthroughs. Dependencies across the different groups constrain the generation of existing solutions due to these novel circumstances, so no team is entirely free to pursue an agenda that exclusively benefits its area of specialisation. Lastly, specialisation is closely interrelated to dependencies. While dependence is based

on team interaction and shared adaptation to achieve a standard solution, specialisation localises different knowledge and even more essential requirements. So as the number of specialisations increases among an organisation, these interdependent differences generate negative consequences.

Therefore, to mitigate these negative consequences, organisations are forced to make trade-offs between different specialisations. Each specialised team or individual who needs to understand each other should represent and transfer their knowledge towards each other. Since the knowledge to be retrieved may reside in people or processes, it is based on a path-dependent history of activities within the organisation. Overall, the biggest challenge of creating new knowledge in organisations is not merely making tacit knowledge between groups (communication which language barriers can harden) but also redefining, negotiate, and transform the knowledge used to accommodate the creation of a collective solution. Especially since here mutual respect, understanding and correct interpretation of the knowledge from the other domain specialist is complex. Ergo, diversity differences in this phase can also harden the understanding and correct interpretation of the communicated knowledge. This is also applicable not only between national and international diversity differences but also between study and work experience background differences. Hence, when organisations hire like-minded people, this phase will be easier due to fewer differences.

The end of the absorptive capacity process is the exploitation phase and retention or exit phase. If the previous phases were successful, organisations can now exploit the newly acquired source or package of knowledge and hopefully strengthen their competitive advantage. As stated in the stories, the main reason employees want to stay in an organisation is a sense of purpose and belonging. This sense of belonging is influenced by the team's appreciation of the work made and the person as part of the team.

## 5.2 Diversity mechanisms in the absorptive capacity process

As organisational environments become more global, dynamic, and competitive (Tallman & Lindquist, 2002), contradictory demands intensify (Smith & Lewis, 2011). Therefore, to understand such tensions, Smith & Lewis (2011) argues that academics and practitioners are increasingly adopting a paradox lens. Examples of those contradictory demands that organisations experience are collaboration-control, individual-collective, flexibility-efficiency, exploration-exploitation, and profit-social responsibility. The earlier mentioned organisational life-cycle from Greiner (1998) also touches upon those contradictory demands. Via our presented practical problem, the mismatch, we also take on such lens to better understand the organisational tensions between diversity-absorptive capacity. This subchapter is then also underdefined in two paragraphs. Firstly, the impact of the top management on the recruitment process. Secondly, the diversity mechanisms that influence the absorptive capacity process will be discussed.

### 5.2.1 Impact top management on talent attraction phase

This research shows that diversity influences every phase of the absorptive capacity model. Therefore, we looked at the impact that diversity has on top management since they are making the actions and decisions in the organisations. When the top management is very homogenous, it is more likely that the talent-attraction phase will be recruiting more like-minded talent that can relate easier towards the top management.

This has, as explained earlier, some adverse effects on the organisational innovative capabilities. However, this can also happen in cases where the hired talent was quite diverse despite having homogenous top management. The identifying codes, categories, and themes in these specific cases was being open, inclusive and overall something that Zerwas (2014) refers to as a knowledge friendly culture. Think hereby to trust, collaboration, openness, autonomy, learning receptivity, and care.

Overall, when hiring new talent, the main decision-making factors remain a combination of hard skills, soft skills, and overall personality and purpose match with the company team and purpose. This is the same for national and international talent. When it comes to hiring international talent, the adaptation capacity to new communicating modes and

culture is ultimately the key to be able to match in a new organisation without losing their own identity. From three organisational interviews, the results show that they see diversity as something positive, and they are actively utilising their differences as an asset for the organisation.

In conclusion, the more diverse top management is in an organisation, the more likely they are to attract international talent. This can be partially explained through something called the Matthew effect. Following Merton (1968), this pattern has been termed the “Matthew Effect”, alluding to the Gospel According to St.-Matthew that spelled out this principle: *“For unto everyone that hath shall be given, and he shall have abundance: but from him that hath not shall be taken away even what which he hath”* (Merton, 1968, p. 58)

Meaning that actors who has something already derive greater rewards for performing an identical task (Merton, 1968; Podolny, 1993), receive more attention and enjoy other forms of deference from other actors (Fralich & Bitektine, 2020) Whilst at the same time people that has nothing or less of something receive disproportionately less recognition for the same accomplishment (Fralich & Bitektine, 2020; Merton, 1968; Podolny, 1993).

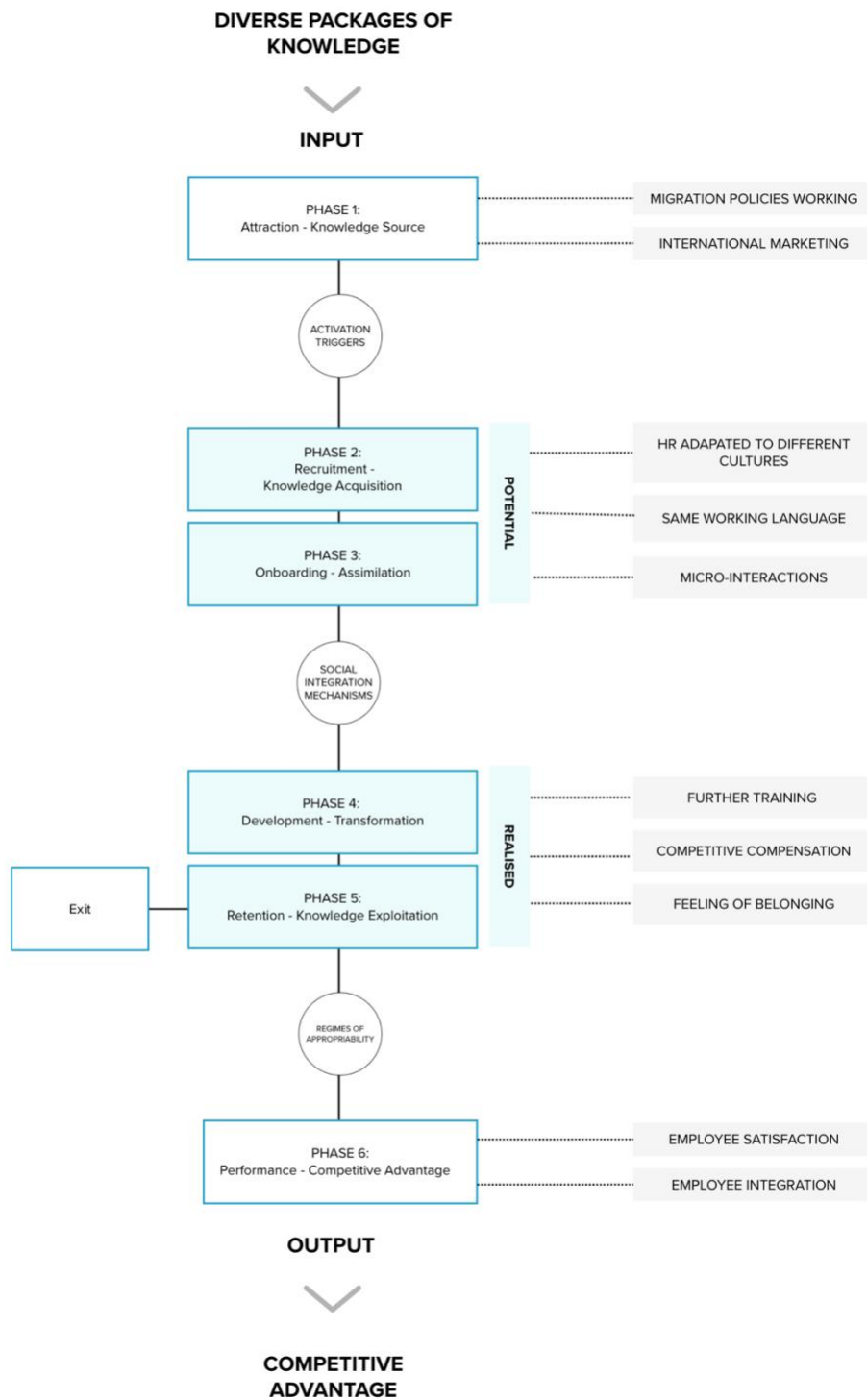
Ergo, making it, in this case, more arduous for organisations with homogenous top management to attract international talent than organisations with diverse top management. Overall, the stories tell us that the absorptive capacity process in different phases can be improved. The top managers can understand the differences in communication, expectations, and challenges of a diverse team in the entire talent life cycle.



### 5.2.2 Diversity mechanisms

In order to answer the main research question, the study also focus on understanding what mechanisms encourage diversity absorption in firms. As a result, several indicators that can help organisations to identify in which degree they are ready for diversity are stated (see also Figure 24). The research revealed six distinct diversity mechanisms. The first mechanism is to have excellent external communication and branding of the company. In practical terms, being visible in different knowledge concentrated groups and, for example, being visible to international students. The second mechanism is having one common language, whether this is in English or Swedish. Everyone needs to respect the common language in as well formal as informal settings. The third mechanism is having to set up clear communications protocols within the team and the management team. The fourth mechanism is that when hiring international talent, the organisation and the international hire needs to have a clear purpose of how they can support the organisation with their unique assets or capabilities. The fifth mechanism is to have a diversity strategy in the organisation where all teams prepare and handle the advantages and disadvantages of diversity. The sixth mechanism is making sure that new hires and all employees feel that they belong and are fulfilling a purpose in the organisation.

Figure 24: Diversity readiness indicators for organisations from an absorptive capacity view



### 5.3 Characteristics of positive and negative hiring and retention process

According to the stories, we identified the characteristics in the absorptive capacity processes that turn into positive or negative hiring and retention of talent in organisations. Also, contrasting these positive experiences with others that were not so successful from the company or the employee side, it is easier to determine the main characteristics for each outcome. In Table 14 is a brief summary of these characteristics.

*Table 14: Characteristics of hiring and retention of talent*

<b>Positive characteristics</b>	<b>Negative characteristics</b>
Applicants understand core values of the company	Applicants just apply without researching the company
There is a skill match with the job role	Hard and soft skills do not match completely with the job
There is a good socialization in the onboarding process	The new hire is not integrated in the team
The new hire feels accepted and guided in the new company	There is not a clear guide of how to proceed with the job or inside the company
The employee can develop new skills and career path	The employee cannot fulfil other professional interests
There are cultural trade-offs within the team	There is a cultural division, and the team does not interact with each other
Good communication no matter the preferred language	Not all the team speaks the same language or communicate in the same way
The employee has a sense of purpose and appreciation in the team and the job. There is a sense of belonging	The employee is not interested in the tasks and does not feel appreciated. Then starts looking for other opportunities.

## 5.4 General mechanisms that encourage or discourage diversity absorption

The last sub-chapter will focus on the generative mechanisms (see also Figure 25) that were identified in the absorptive capacity process of the researched organisations. This chapter has a sub-division in the positive and the negative mechanisms as well.

### 5.4.1 Positive mechanisms

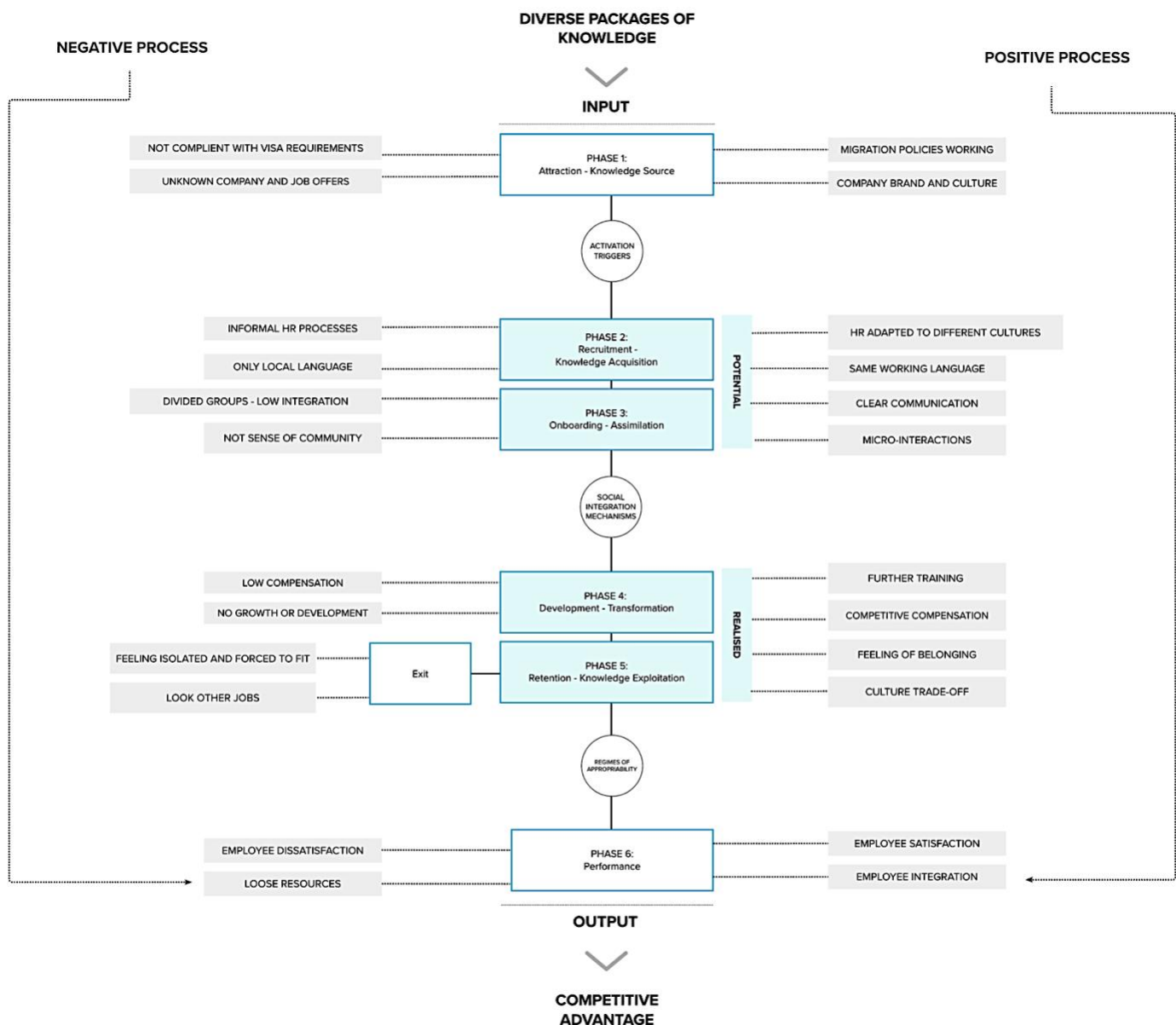
After researching the companies, students, and coordinators perspectives from a practical execution of the absorptive capacity process, we can indicate the positive indicators of a match between talent and organisations. In general, the top management of organisations know how to handle diversity and are open to diversification. When attracting talent, organisations are not making any differences between national and international talent as long as the hard skills, soft skills, and overall personality and purpose match the company team and purpose. When it comes specifically to international talent, the adaptation capacity to new communicating modes and culture is critical to match in a new organisation without having both sides losing their own identity. In conclusion, when organisations adapt to new communicating modes and culture, they can utilise diverse and external talent as an asset for the organisation.

### 5.4.2 Negative mechanisms

On the other side, improvements can be made to enhance the absorptive capacity process. Especially concerning diversity, the stories show that within some organisations, specific key indicators are missing. This can variate from the team's lack of readiness for diversity to the top management itself that is not seeing the potential in diversity. The clearest missing indicator is that there are no formal processes within most organisations when it comes to global talent management, diversity handling, and knowledge management. This is then also seen back in specific organisations. Since they are not diversity ready, they will not change their working language and current structure since they do not see the advantages diversity can bring. Usually, this is combined with a lack of know-how regarding handling challenges and frictions within teams. This lack of know-how is often hidden and gets revealed after an organisation that is not diversity ready hires an

international person, resulting in cultural clashes in the organisation. However, not binding to just national backgrounds but also differences in personalities, interests and purpose in the workplace. When this happens, and the organisation is not prepared to handle these frictions, the outcome will most likely end up hostile for the newly acquired talent. This will mean that there will be a loss in the realised absorptive capacity since the newly acquired knowledge will go too quickly towards the exit phase before the organisation can assimilate, transform, and exploit this knowledge.

Figure 25: Generative mechanisms in the absorptive capacity process



## 5.5 Feeling of belonging in organisations

The stories show that the sense of belonging was critical to stay in the long-term in an organisation. Carr et al. (2019) explain that social belonging is part of a fundamental human need that is hardwired into our DNA. However, Carr et al. (2019) argue that companies neglect the need to feel included and that if workers feel like they belong, companies reap substantial bottom-line benefits: better job performance, lower turnover risk, and fewer sick days.

Part of the problem is that “diversity” and “inclusion” are so often lumped together. Vernā Myers, who is a well-known diversity advocate, describes this problem as “Diversity is being invited to the party. Inclusion is being asked to dance” (Myers, 2014). Overall, the stories and existing literature show that even the most effective recruiting strategy for diversity will not lead to long-term change if new talent is not supported to succeed (Cognizant & Microsoft, 2020; Coissard et al., 2017; Deloitte, 2020; EY, 2017). According to Sherbin & Rashid (2017), four levers drive inclusion: (1) inclusive leaders, (2) authenticity, (3) networking and visibility, (4) clear career paths. Inclusive leaders are a conglomeration of six distinct behaviours: (1) ensuring that team members are speaking up and are being heard, (2) making it safe to propose novel ideas, (3) empowering team members to make decisions, (4) taking advice and implementing feedback, (5) giving actionable feedback and (6) sharing credit for team success.

According to Sherbin & Rashid (2017), the second lever of authenticity comes because employees in organisations feel pressure to compromise their authenticity to conform to their organisation’s standard, demeanour or style, which results in less successful inclusion and diversion. The third driver, which is networking and visibility often leads to sponsorships. Sponsors, especially senior-level leaders and managers are often the key for new and diverse talent to become visible within the organisation. Sherbin & Rashid (2017), argues that having a sponsor increases the likelihood of being satisfied with the rate of career advancement. Conversely, lack of sponsorship increases someone’s likelihood of quitting within a year. According to Sherbin & Rashid (2017), the last lever that drives inclusion is clear career paths. Their research concludes that especially minority groups feel pushed off the career ladder, which makes them frustrated and gives them a general sense of missing out on the right opportunities.

Moreover, Sherbin & Rashid (2017) argues that ironically the majority group presumes to identify the reason these people are not advancing, which too often results in the problem being oversimplified. According to Sherbin & Rashid (2017), employees with inclusive managers are 1.3 times more likely to feel that their innovative potential is unlocked. Furthermore, *“employees who are able to bring their whole selves to work are 42 percent less likely to say they intend to leave their job within a year. Those with sponsors are 62 percent more likely to have asked for and have received a promotion. And 69 percent of women who off-ramp would have stayed at their companies if they’d had flexible work options”* (Sherbin & Rashid, 2017, p. 1)

## 6. CONCLUSIONS

This chapter summarises the thesis, provides an emphasis on the results of the research, the theoretical contribution and includes practical implications.

### 6.1 Research synthesis

Due to the increasing demand for qualified talent within the digital sector, organisations are forced to look for new talent pools and compete for adequate human resources. To do this, the process of attracting, developing, and retaining human resources to ensure the sustainability of the competitive advantage of organisations and of the industry is necessary. However, there is a talent mismatch and considerable gap between what the industries need and the available students and workers. Therefore, an analysis of how companies acquire talent from multiple talent pools is necessary in order to find the necessary human resources needed by the organisations.

This study aims to understand why this gap is happening and how the acquired knowledge through an absorptive capacity and talent lifecycle processes can be developed in the firm. Based on this, the study aims to understand how this process can turn into a positive match for talent and organisations. Hence, the purpose of this thesis was to get a better understanding of the recruitment journey where there is currently a mismatch between companies and available talent. Thus, the following purpose was formulated: ***Why is there a mismatch between available talent and firms?***

To answer this question this study is focused towards understanding what processes lead to a talent match or mismatch and what possible indicators could confirm this through the absorptive capacity process. To do this, a new model that integrates the absorptive capacity process and the talent lifecycle due to the similarities of the stages and the common factors is proposed. Through this model, it is possible to see in detail how the process unfolds in each phase and what factors and indicators influence a match or mismatch between available talent and organisations.



## 6.2 How we belong

The thesis confirms that most of the identified issues that create a mismatch are related to communication, relationship development, and interactions among talent, managers, and the organisation in general. However, after complying with the indicators to be an organisation ready for diversity, the long-term match of positive employee retention can be defined as group identification. Therefore, no matter the background and differences among the team, the feeling of belonging to the organisation and the long-term relations created around it is the outcome of the positive absorptive capacity process reflected in the absorptive capacity lifecycle model.

**Being part of the team and having a clear sense of purpose in the organisation keeps talent attracted, developed, and retained in an effective way in organisations. How we belong to a team or organisation, for who we are as individuals who contribute meaningfully and develop skills and a sense of fulfilment, is the main answer to a long-term match between talent and organisations. However, national, cultural, and personality differences can create innovative ideas, solutions, and conflict.**

**This is why knowing how to manage a multicultural and multidisciplinary team is the first step to be ready to integrate international talent in any organisation.**

## 6.3 Theoretical contribution

The thesis confirms that diversity impacts the absorptive capacity process, but at the same time, this does not determine if it can lead to a positive or negative outcome. It highly depends on the management team and the organisation's characteristics. Thus, this master's thesis has contributed to the theory in two ways:

1. It has identified what mechanisms encourage diversity absorption in the firms. Thus, being the first to provide an insight into how diversity influences either positive or negatively the absorptive capacity process in organisations.
2. This master's thesis is the first that connects the employee/talent lifecycle towards the acquisition, assimilation, transformation, and exploitation steps from the absorptive capacity process. Thus, proposes a new combined model.

## 6.4 Implications for practice

### **Is a mismatch, really a mismatch?**

This is the main contribution for practice when it comes to talent recruitment. To question and identify the criteria to evaluate applicants when hiring for new positions. This master thesis states that practical implications are first, by proving that one way to solve the mismatch for the Swedish ICT companies is by widening their scope during the talent attraction phase and intensifying their search through new talent networks. We noticed that start-ups and scale-ups are too much focused on their network, limiting their scope. Secondly, to prepare the top management team and the entire organisation for diversity through best practices. This includes being willing to understand different mindsets, high resilience to solve potential conflicts at any given time and including a diversity strategy aligned with the company's overall goals. Lastly, to understand when diversity is convenient or not for the organisation. Not all organisations at all stages are adequate for a diverse team. Homogenous teams can work faster and efficiently without having a long adaptation process as a diverse team needs. Therefore, understanding the needs of the organisation and the advantages and disadvantages of diversity is the main criteria to know if a firm is ready for a diverse team or not.

And with that given we want to reflect to our own opening statement:

*“Knowledge is like a garden; if it is not cultivated, it cannot be harvested.”*

Proverb from the continent of Africa

## Appendix

### Interview guide

Table 15: Interview guide

What do we want to know?	Question to ask.	What outcome do we want?
<b><i>Interviewee background</i></b>		
What is your professional background? Education and work.	What is your professional background?	Description of the background of the interviewee
How long have you been working in the company? (adapted to each company)	How many years have you been working at your current employer?	Years of experience in the company and level of knowledge of it.
How long have you been doing your specific role?	How many years have you been working in your current role?	Level of experience within the role.
<b><i>Business Background</i></b>		
What are the main differences with national and international businesses and talent management?	Is your company in a national or international business scope?	We want to know the background and scope of the firm for comparison reasons.
Current challenges related to talent management.	What challenges related to talent management can you describe within the company?	Determining the scope of the challenges within the firm's talent management processes for comparison reasons.
Current strengths and advantages related to talent management.	What are the main strengths and advantages of the current talent of the organisation?	Comparing within firms the scope of their main strengths and advantages of current talent of the organisation.
Organisational culture perception. (Formulate in another ways) (What culture means?)	How would you describe the organisational culture of your company?	Relating the cultural background of the firms in with their talent management processes for comparison reasons.
<b><i>Talent Attraction</i></b>		
What is taken into consideration when it comes to write a job ad.	How do you define and write a job ad?	How does the role of the job vacancy is created.
Where are the job ads and company promotion?	How are job ads usually promoted?	Where is the job ad promoted, channels, platforms and/ or recruitment agents.
Challenges on company branding to attract talent.	What are the main challenges when it comes to company branding to attract talent?	Challenges when it comes to attract the ideal talent.

New circumstances to attract talent with the pandemic.	How is the current talent attraction process during the pandemic?	How firms are coping with the new challenges that the pandemic brings.
<b><i>Recruitment processes</i></b>		
Can you describe the acquisition and recruitment process of your company or organisation?/ Most recent? Smoothest? Most difficult?	Can you tell us the most recent story about a national (and international) hiring process?	We want to know the acquisition process in order to determine the common steps and identify critical points in the process.
What indicators influence the recruitment decisions?	Besides the skills what do you take into account? How do you measure it? Or how do you know?	We want to know the acquisition process in order to determine the common steps and identify critical points in the process.
How much do you deviate from the job description to hire talent?	What is the process to check the CV and the job description? How much do you deviate from the job description to hire talent?	Routines, specific insights in the process. Specific actions.
Have you hired international talent? If yes, how did this go? If not, has there been a specific reason to?	Can you tell us the most recent story about a positive or negative experience hiring an international person? How does this look when it comes to IT and Engineering positions?	How the person recalls the story. The highlights and impressions.
Which cultural traits are for you very important when hiring new talent?	Which cultural traits are for you very important when hiring new talent?	How relevant is culture. How culture affects the hiring decision.
Who and how decisions are made to hire talent?	How are the decisions made to hire a new person? Is there one or more people responsible? Is there a difference in the process when it comes to an international or national person?	Know decision makers. How decisions are made. What is considered to deciding.
Hiring process within the pandemic	How has the hiring process changed with the pandemic?	Current hiring process with covid-19
<b><i>Onboarding processes</i></b>		
Can you describe the acquisition and retention	Can you tell us the most recent story of what it looks like when a newly acquired	We want to know the acquisition process in order to determine the common steps

process when you hire talent?/ Recent cases.	talent goes through the onboarding process?	and identify critical points in the process.
Do you know how new talent is integrated in the company?	Do you follow a guide or best practices to onboard new talent to a company? Is there any specific guideline?	What processes and guidelines exist to onboard talent.
What are the main challenges when it comes to onboarding new talent?	What are the main challenges when it comes to onboarding new talent?	Difficulties, pain points of integrating talent to the company.
What are the best experiences that you know of onboarding new talent?	Do you recall successful or easy onboarding processes? What were the main characteristics of these experiences?	We want to know the acquisition process in order to determine the common steps and identify critical points in the process.
What are the main lessons to integrate diverse talent in IT companies?	What has been the biggest lesson or learning from integrating and introducing diverse talent into a company? Especially IT companies?	Challenges turning into lessons. How experiences have being improved.
How the integration and process of feeling like a new person is part of the company works with the pandemic?	Have you hired any new talent during the COVID pandemic? If yes, could you tell us how the onboarding processes differs from the normal onboarding process?	New changes with covid-19
<b><i>Retention processes</i></b>		
Do you know the main reason why employees quit in IT companies?	Do you know the main reason why employees resign in IT companies?	Employee in satisfaction. Reasons to leave the job.
Could you tell us how and in which degree your employees collaborate?	Could you give us some examples in which degree and how your employees collaborate with each other?	We want to know in which capacity the employees in the firm interact with each other and collaborate in order to relate that towards the theory regarding openness in an organisational cultural aspect.
Can you describe the acquisition and retention process when you hire talent?	Can you tell us what your firm does in order to retain your employees?	Comparing the firm's retention process with existing theory in order to determine the common steps and identify critical points in the process.
What are the main reasons why employees stay for a long term within a company? Are	Do you know the reasons why employees stay for a long term within a company? Are	Positive traits to stay in a job. Differences of international and national talent.

there differences with local and international talent?	there differences with local and international talent?	
<b><i>Concluding questions</i></b>		
Do you have a global talent management strategy?	Do you know what entails in a global talent management strategy? And do you have one? If yes; could you share the strategy the firm is following and if not do you have any corporate policy or corporate (cultural) base value regarding hiring new employees?	Determine in which degree firms has written down of what is necessary when hiring or retaining talent in the firm.
What does your firm do regarding knowledge management? Do you have a specific knowledge management strategy? More specifically knowledge integration?	Do you know what entails in global knowledge management strategy? And do you have one? If yes; could you share the strategy the firm is following and if not do you have any policies or values regarding the retention and transfer of knowledge inside your organisation?	Comparing in which degree firms are aware of the importance of knowledge management inside their firms and if they have any policies in place for this.
Does your company have a diversity strategy? And why yes or no?	Do you know what entails in a global diversity strategy? And do you have one? If yes; could you share the strategy the firm is following and if not do you have any corporate policy or values regarding diversity when it comes to hiring new employees?	We want to compare in which degree firms are aware of diversity and has written this down in for example a policy.
Do you know if there is a way to know if a company is ready to hire and retain international talent? Especially in the context of IT firms?	Do you know if there is a way to know if a company is ready to hire and retain international talent? Especially in the context of ICT firms?	Criteria, characteristics, indicators to understand if a firm is ready to hire international talent.

# Coding process companies and students' perspective part 1

Table 16: Coding process companies and student's perspective part 1

Perspective	Phase	Codes	Categories	Themes	Description
Companies	Attraction and Recruitment	International scope and attraction	International attraction	Talent Attraction	All the international students and business scope
		National talent and business scope	National talent attraction		The behaviour of national talent and businesses
		Practical processes	HR Practical		All the procedures in recruitment
		Hard Skills	Hard Skills		Basic skills to get hired
		Soft skills	Soft skills	Personality skills to get hired	
		Culture fit	Culture fit	Culture fit	Fit between company and applicant
		Diversity advantage	Diversity advantage	Open mind	Talent that fits the company is hard to find and attract. No matter the background.
		Scarce right talent	Scarce right talent	Risk aversion	Relationship based reach. Immediate network and close communication processes.
		Needs better	Informal processes	Culture fit	
		Informal processes	Speak the same language		
		Speak the same language	Language barrier		
	Onboarding and Development	Clear communication	Clear communication	Culture fit	Close and clear communication and collaboration
		Trial Period	Onboarding process		Integration into the team and the job
		Onboarding process	Formal processes		Test if the applicant fits in the organisation
		Formal processes	Informal processes		Informal and formal onboarding processes
		Informal processes	Culture fit		
		Culture fit			
	Retention or Exit	Stock sharing	Feeling of belonging	Homogenous teams	Retention based in how the employee feels at the company
		Feeling of belonging	Exit the region		
		Exit the region	Salary rotation		No development of skills or career makes employees take new opportunities
		Salary rotation	Feeling stuck		
	Feeling stuck				
Students	Attraction and Recruitment	Working language	Working language	Language Barriers	Basic skills to do a job
		Hard skills	Hard skills		Personal skills to work
		Soft skills	Soft skills		Among policies, language, and specific requirements.
		Barriers to get hired	Barriers to get hired		Reasons why students and workers leave the region
		Practical considerations	Practical considerations		
		Working experience	Working experience		
		Big cities attraction	Big cities attraction		
		Local region	Local region		
		Not looking for a job	Job search channels		
		Job search channels			
	Onboarding and Development	Company culture	Company culture	Feeling of belonging	Specific culture and working ways of the companies
		Working language	Working language		Language experiences in English and Swedish
		Positive onboarding	Positive onboarding		Positive experiences
		Onboarding	Onboarding		Negative experiences
	Retention or Exit	Job satisfaction	Job satisfaction	Purpose	Ways to keep employees challenged and in the company
		Rotation inside the company	Money is not everything		Job incentives and compensation
		Money is not everything	Feeling of belonging	Job responsibilities and daily work	
		Meaningful work		Meaningful work	Feeling of belonging to the team
	Feeling of belonging	Feeling of belonging			

## Coding process companies and student's perspective part 2

Table 17: Coding process companies and student's perspective part 2

Perspective	Phase	Codes	Total	Int_C1	Int_C2	Int_C3	Int_C4	Int_C5	Int_C6	Int_C7	Int_C8	Int_C9	Int_C10	Int_C11	Int_C12
Companies	Attraction and Recruitment	International scope and attraction	11	x	x	x	x	x	x	x		x	x	x	x
		National talent and scope	5	x	x					x	x		x		
		Practical processes	10	x		x		x	x	x	x	x	x	x	x
		Hard Skills	9	x	x	x	x	x	x				x	x	x
		Soft skills	9	x		x		x	x		x	x	x	x	x
		Culture fit	11	x	x	x	x		x	x	x	x	x	x	x
		Diversity advantage	6		x	x	x			x		x			x
		Scarce right talent	8	x		x	x	x	x				x	x	x
		Needs better marketing	7	x		x			x	x	x	x			x
		Informal processes	8	x		x		x	x		x	x	x		x
		Speak the same language	8		x		x	x	x		x		x	x	x
	Onboarding and Development	Clear communication	9	x	x	x	x	x				x	x	x	x
		Trial Period	6	x	x		x		x			x		x	-
		Onboarding process	6		x	x	x	x						x	x
		Formal processes	5		x	x	x			x				x	-
		Informal processes	8	x		x		x	x		x	x	x		x
		Culture fit	11	x	x	x	x		x	x	x	x	x	x	x
	Retention or Exit	Stock sharing	2	x				x							-
		Feeling of belonging	8	x	x	x	x	x	x					x	x
		Exit the region	4		x					x			x		x
		Salary rotation	3			x							x	x	
		Feeling stuck	3			x		x			x				



Perspective	Phase	Codes	Total	Int_S1	Int_S2	Int_S3	Int_S4	Int_S5	Int_S6	Int_S7	Int_S8
Students	Attraction and Recruitment	Working language	7	x	x	x	x	x	x	x	-
		Hard skills	6	x	x	x	x	x	x		-
		Soft skills	1	x							
		Barriers to get hired	5	x	x		x		x	x	-
		Practical considerations	6	x	x	x	x	x		x	-
		Working experience	6	x	x	x	x		x	x	-
		Big cities attraction	5		x	x		x	x	x	-
		Local region attraction	3			x	x		x		-
		Not looking for a job	2		x	x					-
		Job search channels	5			x	x	x	x	x	-
	Onboarding and Development	Company culture	3	x				x		x	-
		Working language	7	x	x	x	x	x	x	x	
		Positive onboarding	4				x	x	x	x	-
		Onboarding challenges	3	x				x	x		-
	Retention or Exit	Rotation inside the	1							x	-
		Money is not everything	1					x			
		Meaningful work	2		x			x			-
		Feeling of belonging	3	x			x		x		-

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