The Paradox of Roots and Wings: Labor Mobility between Local Firms and MNEs in North Africa

Authors

Fawzi Tighersi
University of Birmingham
Birmingham, UK
FXT528@student.bham.ac.uk

Abderaouf Bouguerra
Copenhagen Business School
Copenhagen, Denmark
abo.acc@cbs.dk

Ismail Golgeci
Aarhus University
Leeds, UK
i.golgeci@btech.au.dk

Yasin Rofcanind
University of Bath
Bath, UK
Y.Rofcanin@bath.ac.uk

Corresponding author
Abderaouf Bouguerra
Copenhagen Business School
Copenhagen, Denmark
abo.acc@cbs.dk
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Abstract

We utilize a qualitative study, in-depth interviews, with 12 employees from various industries to explain labor mobility between local firms and multinational enterprises (MNEs) in the North African country of Algeria. We specifically focus on personal experiences of employees who worked in both local and foreign firms. In doing so, we explored the multifaceted experiences of employees who left local firms and joined MNEs. Our findings report a paradoxical situation and suggest that despite talented individuals grow their capabilities in MNEs through reward and personal growth incentives; the grass is not always greener, and they face the paradox of nurturing their capabilities (wings) or empowering their roots by returning local firms to seek stability, security, and flexibility. This study contributes to the research at the intersection of human resource management, knowledge management, and the paradox of management in emerging markets.

Keywords: Human resource management, knowledge management, labor mobility, local firms, MNEs, paradox, Africa.
**Introduction**

Organizations, and individuals alike, constantly face paradoxes in their decision-making activities (Putnam, Fairhurst, and Banghart, 2016; Zhang et al., 2015). Areas related to strategy making of organizations, such as stability vs. change, commitment vs. flexibility, or individual contributions vs. teamwork represent decision-making paradoxes (Lewis et al., 2014; Cunha et al., 2016). Research on human resource management (HRM), which deals with human dynamics, is not immune to such paradoxes. Increasing evidence points out that paradoxes in decision-making exist in areas relating to HR, such as centralization vs. decentralization, local vs. global policies, and home vs host country (Murnighan and Conlon, 1991; Gomes et al., 2015; Cunha et al., 2018) as well as individual level paradoxes such as creativity and leadership (Schad et al., 2016). Labor mobility is of particular concern here because it may provoke some tensions across HRM and knowledge management. As labor mobility is considered a knowledge transfer mechanism across competing firms, it can involve individual level learning related paradoxical choices as experienced by the local talent.

Despite its presumed impact, little research exists on labor mobility and how it may be perceived as a paradoxical situation from both an employee’s and a firm’s perspectives. Studies to date have mainly shown that MNEs have a positive impact on local firms’ competitiveness because of knowledge spillover from MNEs to the host country (Blomström and Kokko, 1998; Blomström and Kokko, 2003). However, some research also points to the rather darker side, revealing that MNEs’ safeguard may prevent knowledge spillovers to local firms (Kogut and Zander, 1993). The positive impact from MNEs to local firms may occur when local firms hire talented individuals that had previously worked in MNEs, or when talented individuals leave MNEs to set up their own businesses. This view suggests that MNEs, through their developed managerial practices and advanced technological processes, enhance the talent pool for local firms by developing talent that subsequently leaves MNEs and moves to work for local firms.

On the other hand, MNEs may purposefully recruit best local talent and avoid too much exposure of their core knowledge to protect their knowledge and sustain their competitive advantage (Kogut and Zander, 1993). Because MNEs generally pay higher salaries (Aydogdu and Asikgil, 2011) and have better working conditions (Jain et al., 1998), and provide more opportunities for personal and professional development, they are often the first choice for talented individuals. As a result, MNEs may drain talent from the local labor market and put
local/indigenous firms at a disadvantage. As such, through mobility, talent workforce may either generate advantages or lead to disadvantages for the local firms.

The main goal of this study is to explore employees’ experiences in moving between local firms and MNEs as well as discussing the nature of paradoxes of labor mobility that local talents face in their career in the North African country of Algeria. In particular, we address the following questions: What are the lived experiences of employees across MNEs and local firms? Are there tensions in their mobility between local firms and MNEs? To achieve our study goals, we apply an interpretive phenomenological approach and have conducted 12 semi-structured interviews in Algeria. Despite various economic reforms that support knowledge transfer in Algeria, organizational learning and diffusion of best managerial practices by MNEs remain underdeveloped, and this leads to lack of availability of skilled workforce (Schwab and Sala-i-Martin, 2012; Ramdani et al., 2014; Ramdani et al., 2016). This paradox renders Algeria a relevant and interesting context to explore our study goals.

The main contribution of this study lies in its focus on the firsthand, individual level experiences of highly skilled employees. Such a perspective departs from previous research, which has mainly focused on firms’ experiences or managers’ perceived accounts of employees. In so doing, this study provides new and fresh insights into employees’ personal accounts of the impact of HRM practices on the management of talent and potential paradoxes that may emerge from the labor mobility between local firms and MNEs. We find that labor mobility is closely intertwined with the paradox of roots and wings that can be categorized as complementary, learning type of paradox (cf. Schad et al., 2016). This finding reveals an important interplay between HRM and knowledge management.

The cross-disciplinary approach of our research (i.e., HRM and knowledge management disciplines) is crucial for two major reasons. First, how to manage knowledge effectively represents an essential issue for firms to fulfill their objectives and achieve superior performance, and labor mobility is a central part of it (Soliman and Spooner, (2000); Chen and Huang, 2009; Gope, Elia, and Passiante, 2018). Thus, human resources and knowledge constitute two fundamental elements and valuable assets within organizations to achieve a competitive advantage (Zack, 1999; Geiger and Schreyogg, 2012; Massingham, 2014). This is because knowledge resides in the minds of employees and has to be continuously developed and acquired (Collins and Clark, 2003; Fong et al., 2011). Paradoxically, while knowledge can be lost if employees decide to leave their organization, labor mobility can also be an
instrumental source of new knowledge to firms. This brings us to the second reason for integrating HRM perspective with knowledge management. Organizations need to consider and take actions of how to manage knowledge vis-à-vis their human resources. Exploring this phenomenon from a talent management perspective is novel and will bring new insights to the knowledge management and HRM fields.

In exploring our research questions, this study also provides new insights from a contextual perspective: The cultural, economic, and institutional idiosyncrasies of developing countries in Africa exhibit a range of paradoxical demands and challenges (e.g., combine local culture with foreign HR practices) (Cunha et al., 2016), which constitutes an appropriate setting for the research. Finally, this study contributes to debates on the dynamics of knowledge hiding, sharing and how such experiences may shape employees’ perceptions and experiences in an organizational context (Beersma et al., 2003; Nerstad et al., 2013).

The remainder of the paper is set out as follows. We first review the literature on the link between HRM and knowledge management, labor mobility, knowledge, and learning and the paradox of labor mobility. We then set out the research methods, followed by findings. Discussion and conclusion are in the final section.

**Literature Review**

**The link between human resource management and knowledge management**

Knowledge is intrinsically embedded in the firm’s human resources, and thus, knowledge management cannot be fully understood regardless of the human element (Soliman and Spooner, 2000; Snyman and Kruger, 2004). Theory of the knowledge-based view of the firm considers HRM and knowledge management as two complementary and interdependent constructs that sustain firm advantage (Snyman and Kruger, 2004; Geiger and Schreyogg, 2012). HRM and knowledge management share a common element in that both are people-centered. Furthermore, most studies emphasize the role of HRM as crucial for knowledge management implementation (Monteiro and Pais, 2014; Mohanapriya and Sasikala, 2015). Specifically, the role of HRM lies in supporting employees in creating and managing knowledge through the sharing of ideas and suggestions (Monavvarian and Khamda, 2010; Theriou and Chatzoglou, 2014).
From another view, knowledge management can be considered as a function of HRM, which is facilitated by the use of information technology as supporting mechanism in human interactions and collaborations (Yahya and Goh, 2002). Moreover, HRM represents a fundamental composition of practices to deal with the challenges of the talent management process, such as the shortage and surplus of talent, and management of talent (Schuler, Jackson, and Tarique, 2011). Finally, HRM facilitates employees in creating and using knowledge, by promoting appropriate networks and engaging in double loop learning all of which are fundamentals for knowledge management (Garavan et al., 2001). These points render the link between knowledge management and HRM as two complementary and interdependent constructs.

**Local labor mobility, knowledge, and learning**

The extant research on the dynamics of labor mobility between local firms and MNEs focus primarily on the role of HRM practices (i.e., financial incentives, rewards, personal growth and career prospects) in attracting, developing and retaining individual talents (Tung, 1998; Banai and Reisel, 1993; Vance et al., 2009). Local employees face different salary and career plan options across local firms and MNEs (Gong, 2003; Tarique et al., 2006). For example, Aitken et al. (1996) reported that MNEs’ salaries in Mexico tended, in 1990, to be about 18% higher than those paid by local firms. Similarly, Haddad and Harrison (1993) reported that MNEs pay about 30% higher than the average salary in the local labor market in Morocco. However, MNEs also tend to invest in highly-skilled workers at the expense of low-skilled counterparts, deepening the gap between skilled and unskilled employees in developing countries and instigating skills shortage in host countries (Velde and Morrissey, 2002).

A significant share of the highly-skilled local labor may be recruited by MNEs and, as a result, it may be harder for local firms to recruit and retain the necessary talent to compete in the local and international market. Given that local talent in emerging markets generally receive higher wages (Aydogdu and Asikgil, 2011), experience better working conditions (Jain et al., 1998), and find more opportunities for personal and professional growth when working for MNEs, they typically choose MNEs as a workplace. This line of research suggests that foreign firms are more attractive for highly-skilled individuals and local firms may not be able to compete for talent with MNEs.

Diffusing and sharing knowledge, technology, and modern management practices and local talent’s ability to absorb new technology, knowledge, and management practices are closely
intertwined. Saggi (2002) argued that knowledge spillover takes place through three channels: (i) demonstration effects, (ii) labor mobility, and (iii) vertical linkages. In fact, a stream of literature examine labor mobility as a knowledge transfer mechanism and finds that exposure to new knowledge, establishing new social relationships and utilizing existing social ties serve as a learning opportunities for the mobile talent and knowledge transfer externalities for the firms (Agrawal, Cockburn, and Mchale, 2006; Guo et al., 2018; Oettl and Agrawal, 2008). This notion is especially relevant when talented and educated individuals are more able to absorb new knowledge from MNEs than individuals with a lower level of education and professional skills. In this vein, these arguments are supported by substantial evidence that hiring experts from other firms assist individual learning and facilitate interfirm knowledge transfer on a contingent basis (Song, Almeida, and Wu, 2003). Thus, discussing employees’ experiences in both local firms and MNEs in developing countries is necessary to bring a nuanced picture on the underlying reasons of labor mobility, and perhaps more importantly, bring a nuanced and clear view on why knowledge is spilled over in some conditions and not in others.

One of the primary motivations for the local labor force to join foreign MNEs is to improve their competences through learning (Gong, 2003; Tarique et al., 2006). As the foreign MNEs inherit institutionalized structure and practices as well as career-enhancing opportunities such as access to skill development possibilities and global networks, they are attractive choices for local labor force (Jain et al., 1998). Recent research similarly finds that highly-skilled employees advance their careers through labor market mobility, using such mobility as a lever for increased intake of diverse external knowledge and learning opportunities (Jøranli, 2018).

However, those opportunities may come at a price of reduced voice in managerial decision making and being in an environment that may be somewhat culturally distant to and detached from the local employee. Likewise, employee benefits and career advancement opportunities may be plateaued in MNEs over time, given potential barriers for local labor force against moving up in the upper echelons in MNEs (Mellahi and Collings, 2010). Accordingly, there might come a time at the career of the employees in the foreign MNEs that leaving for local firms may make more sense due to such potential reasons as being offered the higher managerial/executive position, higher salaries, cultural similarities, and autonomy in decision-making. At this stage, the choice between staying in the MNE and moving to the local firm may involve difficult tradeoffs and paradoxical alternatives. Accordingly, this study adopts paradox theory and explores individual perceptions and experiences when examining the underlying reasons behind talent movement between local firms and MNEs in Algeria.
The paradox view of local labor mobility

As managers are increasingly being challenged to realize the simultaneous accomplishment of multiple objectives that are seemingly or actually incompatible (Yoon and Chae, 2012), a pertinent area of research that aims to make sense of organizational dynamics and complications focuses on paradox. Paradox refers to contradictory yet interrelated elements, conflicting demands, opposing perspectives, or seemingly illogical phenomena faced by individuals in firms (Smith and Lewis, 2011). It is the dynamic tensions of juxtaposed opposites and dilemmatic options (Lado et al., 2006). Paradox often invokes inevitable yet rewarding challenges for individuals: difficult to face and manage but rewarding once it is embraced and navigated for success. Quinn and Cameron (1988) state researchers can use paradox to move beyond oversimplified or polarized views to recognize the complexity, diversity, plurality, and ambiguity of organizational life. In fact, the paradox does not necessarily connote negativity and can instead be navigated as a mechanism of change and innovation in hybrid organizations (Jay, 2013).

There has been a growing body of literature on organizational paradox (e.g., Clegg, Da Cunha, and E Cunha, 2002; Jarzabkowski, Lê, and Van De Ven, 2013; Leonard, 1992; Lewis, 2000; Vince and Broussine, 1996) and its linkages with organizational change (Beech et al., 2004); work-group dynamics (Murnighan and Conlon, 1991); institutional complexity (Greenwood et al., 2011); and managerial sense-making (Lüscher and Lewis, 2008). Furthermore, paradox theory has also been applied to explain seemingly competing, yet interrelated, employee behaviors such as combining self-centeredness with other-centeredness, maintaining both distance and closeness, and enforcing work requirements, while allowing flexibility to meet structural and stakeholder demands simultaneously (Zhang et al., 2015). In this research, we utilize paradox theory as an approach that informs individual choices about labor mobility.

As discussed above, working at MNEs involve both advantages and disadvantages that evolve. Opportunities offered to local talent by MNEs vis-à-vis challenges such employees face may differ at the beginning versus later stages of their career. Likewise, employees may face tensions associated with the need to create stable individual knowledge linkages internally versus to develop their careers through external labor market mobility (Jørnali, 2018). Similar tradeoffs can be found when working at local firms. We argue that, with its wealth of insights (Putnam et al., 2016) and potential relevance to the employees at their career crossroads
(O’mahony and Bechky, 2006), paradox theory can offer an interesting lens to examine and understand the intricacies of labor mobility in emerging markets.

In particular, we argue that the paradox of roots and wings is salient for employees’ career mobility decisions. Though deepening roots and growing wings entail alternative career paths for professionals, both roots and wings interdependent as employees typically cannot maintain one without the other. In other words, growing wings or staying true to roots is a paradoxical choice that individual employees face, because they contradict with each other in short run but are interdependent on in the longer run (Schad et al., 2016). Therefore, while the paradox of roots and wings may instigate short-term decision-making tensions when a local talent draws her/his career path, they underpin complementary aspects over time.

Likewise, growing wings or staying true to roots are interlinked with change vs. stability decisions that fall under learning paradoxes (Schad et al., 2016). As labor mobility can be seen as a means of individual learning, knowledge formation, and competence development beyond financial incentives (Guo et al., 2018; Jøranli, 2018), growing wings or staying true to roots indicate different and often competing routes to individual learning. Therefore, based on the taxonomy of existing paradoxes by Schad et al. (2016), we classify the paradox of roots and wings as a complementary, learning type of paradox that is manifested at the individual level. As the employee choices to stay in MNEs or join local firms, i.e., grow their wings or stay true to their roots, potentially involve dilemmatic and, at times, paradoxical implications, insights gained through paradox theory can be useful for exploring the unknowns of this phenomenon.

**Research Methods**

**The relevance of the context**

Recent research has acknowledged Africa as an important and interesting context illustrating several opportunities and challenges for both practitioners and scholars (Mellahi and Mol, 2015; Angwin et al., 2016; Gomes et al., 2018). Africa is considered one of the fastest economic and demographic growth rates in the world with a GDP growth rate 2 percent higher than that of the global economy. Also, Africa has experienced a significant increase in inward foreign direct investment (FDI) over the last three decades leaping from $2.4 billion in 1985 to $66.5 billion in 2015. The bulk of these inward FDI has been received by few but large countries regarding resources and population growth including South Africa, Nigeria, Egypt, Algeria and Morocco (The Africa Investment Report, 2016). However, the African region lags behind other
regions regarding global economic integration, knowledge absorption and innovation, and workforce efficiency. As such, there are several contextual challenges (e.g., the lack of a highly-skilled workforce, managerial know-how, underdeveloped infrastructure, widespread corruption, and weak management practices of local firms); which have been considered significant barriers to realize the full potential of Africa (Ibeh, Wilson, and Chizema, 2012; Okpara, 2012; Gomes et al., 2018). More importantly, management research on and in Africa has been unforgivably scant (Nkomo and Zoogah, 2013). Therefore, indigenous research in the African context is needed to advance context-bounded and firsthand understanding of the management phenomena and individual work-related experiences taking place on the continent (Angwin et al., 2016; Gomes et al., 2015; 2018).

Algeria is a major North African economy positioned as the 48th largest economy globally and the fourth largest in Africa (IMF, 2014). Over more than two decades, Algeria has experienced significant reforms in the regulatory, political, and economic environments (e.g., shifting from socialism and government-controlled economy to free market). By the early 2000s, Algeria has opened its economy through privatization, foreign trade, and FDI (OECD, 2013). Several MNEs have increasingly entered the country since the 2000s (Oxford Business Group, 2014). Most resource seeking MNEs are located in the south of the country – where Oil and Gas plants are located. Chinese MNEs flooded the country focusing mainly on construction projects. One of the landmarks and legacy of Chinese MNEs is their contribution to the East-West motorway, which is considered one of the biggest projects in North Africa. Western MNEs are mainly market seeking to focus on consumer products, telecommunication, transport, and banking (see Calza and Aliane, 2013 for an overview of MNEs in Algeria).

Despite this economic reforms that could facilitate knowledge transfer, organizational learning and diffusion of best managerial practices by MNEs, Algeria remains poor regarding the availability of skilled workforce (Schwab and Sala-i-Martin, 2012; Ramdani et al., 2014; Ramdani et al., 2016). After 130 years of French occupation and succeeding periods of economic mismanagement, Algeria was left with a poorly skilled and largely uneducated population to meet the growing demand of skills by local (public and private) and foreign firms. In this context, rising local firm and MNE demands for skilled labor cause a shortage of talent. MNEs tend to provide more sophisticated approaches (e.g., training and leadership programs) to fill specific competency shortfalls, and they also offer incentives (e.g., financial and personal growth incentives, effective career plan) to attract highly-skilled employees. This, in turn, has put local firms at a disadvantage in retaining their talents. A survey conducted by Sassi (2014)
reported that about 60% of individuals in Algeria are willing to shift their jobs to get higher salaries and opportunities. This finding on the labor mobility in Algeria has essential ramifications for local firms, and foreign MNEs alike, that we explore in this study.

The shortage of skills in Algeria is also due to the weak higher-education system in the country regarding producing effective managers and leaders with the necessary technical, entrepreneurial and analytical skills (Ramdani et al., 2016). As a result, local individuals look for alternative places to gain knowledge and develop their skills during the evolution of their careers and face paradoxical questions in so doing (Sassi, 2014). In fact, the development of highly-skilled employees’ knowledge base and competences is a constant challenge that may require higher mobility throughout their professional careers to have access to complementary knowledge sources and learning opportunities (Guo et al., 2018; Jøranli, 2018).

Given the above-mentioned opportunities (e.g., increased MNEs presence, and large natural resources) and contextual challenges (e.g., shortfall of talents, poor education system, and ineffective labor force), it is deemed necessary to discuss the experience of local talent in different firms in creating a mobile workforce in the context of Algeria. The context provides an ideal opportunity to compare and contrast paradoxical career mobility questions that highly-skilled employees face.

**Research design**

To reach the paper’s objective to explore the lived experiences of employees, we apply a phenomenological qualitative research approach. Qualitative studies are the most suitable research approach to obtain a view of people’s lived experiences (Van Maneen, 1990), and for exploratory research and in-depth exploration of a phenomenon where there is limited prior research available (Meyers, 2009). In addition, we base our research design and analysis on the qualitative research approach of interpretive phenomenological analysis (IPA) (Smith et al., 2009).

IPA encompasses three main epistemological aspects namely phenomenology, hermeneutic and idiographic approach (Smith, Flowers, and Larkin, 2009). The examination of these aspects is essential in the context of our study. First, the phenomenological principle refers to the study of personal experiences. This approach allows examining the nature of lived experiences and understanding how individuals view and relate to the world (Smith and Osborn, 2003). It further allows examining why and how individuals apply certain cultural, psychological and
emotional settings in relation to reality. Second, regarding applying hermeneutics approach, IPA moves beyond a simplistic description of people experiences, but instead, it relates the person to the context in explaining the phenomenon (Smith et al., 2009). Third, qualitative research with an idiographic focus is essential to explain how a person, in a particular context, makes sense of a phenomenon, i.e., experiences, events, and development of relationships. In so doing, each case is considered a unique experience and examined thoroughly (Smith and Osborn, 2003).

In general, the main strength of IPA as research approach rests on the description and interpretation of behavior and lived experiences within the influence of the context, i.e., political, economic social and cultural factors (Larkin, Watts, and Clifton, 2006). For instance, IPA strengthens the contextualization of the study and most importantly offers a deeper understanding of each lived experiences of talented employees in local firms and MNEs.

**Sampling strategy and data collection**

We collected data using face-to-face in-depth interviews, as it was deemed the most plausible data collection technique for this study. This technique provides rich insights and thick description of the phenomenon (Van Maneen, 1990), and the richness in IPA is achieved by focusing on the process and the context (Cope, 2011). Interviews were semi-structured. The main aim of semi-structured interviews was to engage a rich and open dialogue with the participants (Smith, 2008). As a result, the respondents expressed their thoughts and experiences while working in local firms and MNEs. A set of questions were designed to explore the lived experiences of managers in local firms and MNEs. Questions focused on why managers moved to local firms and joined MNEs. For an in-depth understanding of the phenomenon, we scrutinized managers’ career decision choices by identifying the push and pull factors that drive them to quit the local firm and join MNEs. In so doing, we discovered that some managers intended or returned local firms, while identifying the push and pull factors respectively.

We used a snowballing method starting with personal contacts. Prior research in international management and business suggests that the challenges of conducting research in developing and emerging economies can be overcome by drawing on personal contacts (Hutchings, 2003). We targeted local employees occupying middle to top-level managerial positions, who worked at both local firms and MNEs, and in particular, moved from local firms to MNEs. The
participants are qualified based on their responsibilities, managerial expertise, and the degree of their mobility. 12 in-depth interviews were conducted with middle level to top-level managers working in MNEs in telecommunications, petrochemical, medical, automotive and service sectors. The interviews were recorded and lasted up to one hour. The characteristics of our sample are young and middle-aged people (between 26 and 45 years old), highly educated individuals (the majority holds bachelor/masters degrees), possess some international experience (either by studying or working abroad previously), and occupy middle/top managerial positions (see Table 1).

The use of small sample size was purposeful as Smith (2008) recommends a sample size of 6-10 cases in IPA is representative as it involves a highly intensive and detailed analysis of each case. The sample consists of 11 male and one female. The structure of the sample is understandable given the cultural setting of our research site. Algeria is still a predominantly male-dominated society, and this characteristic is reflected in some industries and positions. As such, gender inequality is widely apparent in senior/top managerial professions. According to a report by Abouzaid (2016), Africa and MENA region (the Middle East and North Africa) have few women representation in board members of firms (on average one out of six in board members). This rate is much lower than in most developed economies (Abouzaid, 2016). In particular, the participation of Algerian women in the workforce represents 16.8% of active population, and mostly occupy teaching/administrative professions and professions such as nursing that has been traditionally dominated by women. Also, the participation of active female in senior/leadership positions in Algerian firms remains very low (Liberte Algerie, 2012). Furthermore, during the fieldwork investigation, it was even challenging to approach the few women who occupy middle/top managerial positions, as they avoid being under the spotlight, interviewed or recorded.

[Insert Table 1]

The interview guide was originally written in English, and then translated into Arabic and French (because although Arabic is the official language in Algeria, French still widely used language among people), using the back-translation procedure recommended by Brislin (1986). This process of back translation was useful to identify misinterpretations and misunderstandings before running the interview. To ensure the veracity of the translation, two Arabic and two French bilingual researchers independently translated the interview questions
from English into Arabic/French. Following this, the wording of the questions was discussed with colleagues from related fields. To ensure face validity, two other bilingual researchers translated the Arabic and French interview back to English and checked whether the Arabic and French versions were accurately transcribed from a literal English language translation.

A pilot study was undertaken in three stages. In the first stage, we draw an initial list of questions generated from previous studies and given to three academics from different universities in the UK. The academics were selected based on their research expertise. They provided feedback about the wording and grammar and proposed useful techniques to improve the questions. In the second stage, we conducted interviews with three senior managers, one working in Morocco and two others working in the UK. They provided feedback about the clarity and flow of questions and suggested some amendments (e.g., redesign the structure of the questions and refine the questions of the challenges while working in local firms and MNEs). In the final stage, we sent our interview to two Algerian scholars, who used their professional network to verify the quality and clarity of the translated versions and administer a final check before conducting interviews.

**Data Analysis**

Similar to most qualitative research, data analysis in IPA is multidimensional and iterative (Smith et al., 2009). IPA provides a rich exploration of the context and detailed analysis of lived experiences. In adopting the IPA approach to analyze our qualitative data, we engaged in understanding the content and complexity of respondents’ experiences about the phenomenon. This involves engaging in an interpretive relationship between personal process and institutional context. For instance, IPA offered a rich insight into describing and explaining why talented individuals move from local firms to MNEs, and then intend to return to local firms, underlying the influence of the context of Algeria.

The analysis process of IPA is inductive and starts with a comprehensive analysis of one case before moving to a detailed analysis of subsequent cases (Cope, 2011). We followed the steps suggested by Smith et al. (2009). We transcribed and coded data into thematic categories. Transcripts were analyzed and coded individually, line by line, and we followed these steps for each interview. We frequently discussed the transcripts to refine major themes. This also helped us to develop emerging themes across the cases. For each of the emerged themes, indicative
quotes were selected from the transcripts to illustrate the points made and enhance better understanding.

After reading and re-reading the transcripts, we drew and commented on similarities, differences, echoes, and contradictions of what each respondent is saying. The next step involved analyzing the ordering on the emerging themes. In so doing, we searched for connections among emergent themes and identified similarities and differences across the cases. Furthermore, we tried to make sense of the connections between themes that are emerging. In the fieldwork investigation, we found that there are some interrelated factors (e.g., push and pull factors), and also across themes (e.g., leaving local firms and joining MNEs, and then returning/intended to return to local firms) (see Table 2).

[Insert Table 2]

Findings

In this section, we uncover the nature of paradoxes that labor mobility between local firms and MNE subsidiaries engenders. Two main tensions have emerged from the data analysis. The first tension: leaving roots vs. growing wings. This metaphor provokes the tension of leaving local firms and moving to MNEs. The second tension: flying wings vs. remaining true to roots (the grass is not always greener), which refers to employees moving back or intending to move back to local firms. The findings of the two emerging tensions are reported below.

Tension 1: leaving roots vs. growing wings (leaving local firms and moving to MNEs)

Leaving local firms- push factors

Our analysis reveals that employees who left local firms and moved to MNEs have faced many challenges while working in local firms. This has resulted in changing their career directions and seeking new opportunities. For example, in exploring employees’ lived experiences, two principal forces for labor mobility stood out from the dataset and were common across research participants: weak managerial practices (e.g., HRM practices, managerial capabilities) and weak corporate governance (e.g., bureaucracy, corruption, and nepotism).

Managerial capabilities

As highlighted in the literature review and confirmed in this study, it is not surprising that the lack of managerial capabilities regarding formalization and control structures are one of the
major drawbacks of working for local Algerian firms beyond financial drawbacks tied o working in the local firms. Most Algerian firms have a robust informal culture and tend to lack formal structures and procedures; as respondent number 1 noted:

“[What] I can see in a local firm is that you don’t have a career, you don’t know where you are going, yes, you are working from 9:30 to 6 o’clock, but in the long run you don’t know what to do, to be honest, you don’t know where this firm is going “

Along with poor organizational capabilities, local firms do not provide an attractive working environment through which employees can build strong experience, i.e., develop skills, competencies, and expertise. This weakness can even affect their career progress if they intend to move to a foreign firm. Respondents noted that MNEs might view their experience in local firms as a liability and not a positive thing. It appears that local firms frustrate ambitious, talented individuals in Algeria as illustrated by the following comment by respondent number 2:

“It is a very limited place for the improvement at the personal level for an ambitious person like me.”

This quote and further evidence in our data reveal that focal employees perceive the managerial capabilities of the local firms insufficient for their personal development and empowerment. On the other hand, MNE subsidiaries are perceived as an advantageous domain for personal development due to their superior managerial capabilities.

Corporate governance

A major reason behind leaving local firms is the weak corporate governance. It is assumed by participants that corruption, nepotism, and bureaucracy heavily are rampant in local firms and affect their daily work life. According to International Transparency (2017), Algeria is considered one of the most corrupted countries worldwide, where it is ranked 108 out of 176 countries. Although actions have been taken to fight corruption, Algeria is still intensely suffering from high corruption.

These barriers and have been mentioned by almost all the respondents, especially when they talked about recruitment and promotion procedures and practices in local firms.
Respondent number 9 advocated that:

“A serious person with ambition cannot work there (a local firm) because of the corruption; it exists at all levels of the organization.”

He added:

“Bureaucracy is killing our local firms, even being employed here; you need to go through a long procedure to get a simple document.”

Respondent number 11 posited:

“If you do not know a person in the company, you will unlikely get promoted. Unfortunately, this is the reality; I know other people in the company who tries to give a bribe and other means to make it easy for them.”

Despite these challenges, Algerian employees acknowledged some positive aspects related to their lived experiences in local firms. All but two respondents who do not see any advantages in working for local firms, have similar views about the advantages of working in local firms: working conditions (workplace location, space for creativity, and freedom).

Respondents number 1 and 5 commented (in respective order) that:

“In a local firm that was a medium-sized firm, we have had thick space of creativity for developing new ideas. We have had a chance to learn from our faults in order to succeed and compete.”

“Great. The time of working is no more than 8 hours a day.”

Despite employees left local firms and joined MNEs, some employees highlight that their experiences in local firms were very beneficial, and they believe that there are many benefits in working for local firms. In this vein, respondents stressed the need to gain some experience in local firms and build their roots in the form of exposure to overarching local work culture and obtaining overall work experience as a starting point before moving to MNEs. The basic argument is that because of fierce competition regarding ‘war for talent,’ MNEs pose some requirements and practical experience especially that of the national and local work culture beyond the expatriates working these firms who often lack the same degree of exposure. The only way for local workforce to get it is through building their roots in local firms by developing fundamental managerial and technical skills as well as the soft skills of working
and socializing in a local context and being exposed to prevailing business paradigms in the focal country. Respondents stress that, to join MNEs, they need some experience. Likewise, they must have experience from both local firms and foreign firms to build a strong career in Algeria. Respondent number 10 said:

“Because, as a recently graduated student from Algerian commerce university. I wanted to develop and build my career and gain experience first in the local firm then go to MNEs. The fact is that you need experience in both local and MNEs. This will help me gain different experiences and build a strong career in Algeria.”

Respondent number 1 added:

“If you want to have an employable profile you need to work a couple of years in local firms and MNEs. I think you cannot be successful if you do not combine two experiences from the two categories.”

Accordingly, because employees can integrate their basic technical skills gained through education with that of managerial and cultural skills, working in local firm function as a differentiating experience beyond education that opens to doors to MNE subsidiaries.

**Moving to MNEs- pull factors**

As noted in our literature review, MNEs may “suck” the local talent and as a result make it harder for local firms to recruit and retain the necessary talent to compete in the local and international marketplace (Görg and Greenaway, 2004). More importantly, because MNEs tend to pay higher salaries (Ferner, 1997; Görg and Greenaway, 2004), have better working conditions (Jain et al., 1998), and provide more opportunities for personal and professional development, they are the first choice for talented individuals (Huang, 2000). Interestingly and expectedly, the results of this study lend strong credence to the factors identified in the literature.

The analysis of the qualitative data analysis reveals that some respondents prefer to stay in MNEs as they value both reward factors regarding salary, promotion as well as personal development factors such as better opportunities for personal development. Interestingly, most respondents emphasized the opportunities to work in a multi-cultural environment, to travel and work abroad, and to apply what they have learned. Despite these incentives, the analysis shows that some employees are no longer attracted by salaries or working conditions to stay in
MNEs. Because local firms are making significant progress to develop their organizational processes and HRM practices, MNEs find a rocky path to retain their talents. For instance, some local firms attempt to reduce the wage gap with MNEs and provide a good working environment that matches the expectations of the domestic workforce. This has affected the career aspirations of Algerian individuals and their choices concerning working in a local firm vs. an MNE more paradoxical.

The following selective but representative quotes highlight emerging tensions in staying in MNEs:

Salary

Salaries represent a very tangible factor for individuals’ career mobility decisions as discussed in the literature and the fieldwork investigation. For example, respondent number 2 noted:

“The advantages of working for an MNE is that the salary is higher than the local firm.”

Also, respondent number 11 added:

“You always look at the money, so compared to the salary in local firms in Algeria with a salary in an MNE; you know there is a huge difference which is a big advantage in an MNE.”

However, some respondents believe that salaries are no longer an incentive to stay in MNEs. Respondent 1 believes that salaries are no longer a differentiating factor to work for foreign firms as he highlighted that:

“Salaries are no longer the main reason for employees to remain in MNEs because local firms are trying to match their salaries with MNEs, and even there is no big gap in their wages. I think local business want to remove the gap that existed in the past and keep their best employees.”

Personal and knowledge development

In addition to the salary, most participants stress the importance of personal and knowledge development as a critical determinant to remain working for MNEs. They considered it as a big advantage as respondent number 1 noted:
“I think working in an MNE is a great experience in term of development of technical capabilities because you have strong management practices, strong leadership capabilities, and especially the many success stories within the firm. Particularly, you talk, or you deal with different nationalities and different suppliers from a different background, and then, of course, it helps to develop your communication skills as well as you adapt with a different situation in a different context.”

This quote indicates that working in MNEs is considered a useful lever for enhancing one’s technical and communication capabilities. Likewise, the employees believe that the work with a diverse workforce is a big opportunity for competence development by helping them enhance their interpersonal and intercultural skills beyond intracultural skills that could be gained at the local firms, as respondent number 1 noted:

“I can foresee now how working is with a diverse workforce, different cultures within one group. You have different use working for the same project. These help you to manage effectively stress and conflict management, how you deal with conflict, how you deal with different personalities with different personality clashes amongst team members that you can’t find it in a book, and you can’t find it in a street or university, but you find it within a firm or an MNE”

Therefore, many participants appreciated the unique skills and soft knowledge development opportunities they may gain working at MNE subsidiaries that cannot be obtained while working at local firms.

Working environment

Several respondents also mentioned the importance of the working environment and the clear competence and performance-based policies for promotion are critical in their career choice. This is understandable in a culture such as Algeria where promotion in local firms often tends to be based more on personal ties and arbitrary practices than on competence and performance. It is widely reported that local talents are often frustrated and overlooked in local firms. A clear career plan also comes as an important issue as the respondent number 1 said:

“There are well established so it is a guarantee and you have a career plan, which means when you start a job you know where are you going. What is needed to go further in your career, which is something very important in an MNE.”
Furthermore, respondent number 3 stated:

“Theyir recruitment they base on the capabilities and experience, not on degrees.”

In addition to the factors that were identified in the literature and confirmed in this study, a number of new issues related to work environment emerged from this study. The desire to work in a multi-cultural environment has not been highlighted in previous research. This interesting given that talented people in Algeria and other developing and emerging economies may have an international education experience and therefore value inter-cultural interactions. Respondents believe that while local firms can improve the working conditions and offer comparable salaries, it is extremely challenging for them to offer the multi-cultural work environment, and experience of traveling and or working abroad through their affiliates. Especially in culturally homogeneous countries, such as Algeria, where local firms employ predominantly, if not completely, Algerian employees and managers. As respondent number 1 stated:

“Well working at MNE is a great experience through which I developed my negotiation skill. My leadership skills, my analytical skills, as well as dealing with customers based on what I learned in university and how I do the right job at the right time and the right place.”

Overall, respondents argued that staying in MNEs is crucial for their financial prosperity and personal development. In particular, they valued different aspects namely high salaries, working conditions, performance-based promotion, clearer career paths, and the multicultural nature of the workplace. This is understandable given that most of the interviewees were highly educated and most of them studied abroad and therefore appreciate and value multicultural work environment and potential to travel abroad to use and enhance their international experience capabilities. These results lend credence to our review of the literature. Despite employees’ preferences to remain working in MNEs, some participants raised many challenges that affect their future in foreign firms.

Tension 2: flying wings vs. remaining true to roots: the grass is not always greener

We adopt this metaphor of flying wings vs. remaining true to roots to reflect the paradox of leaving MNEs and going back to local firms. The fieldwork investigation reported that despite employees use their flying wings in MNEs, they did not forget their roots, as the grass is not
always greener. This implies that there are some push factors from MNEs, and subsequently pull factors from local firms, which are set out below.

**Quitting MNEs- push factors**

The analysis also shows that despite the overwhelming evidence of the benefits of MNEs (financial, working conditions and personal growth incentives), some respondents have moved back to local firms while others have expressed their intentions to move back to local firms if the opportunity arises. Several respondents argued that some problems are pushing them to quit MNEs that include the lack of workers’ rights and job security, lack of creativity and flexibility.

**Lack of workers’ rights**

The lack of workers’ right in MNEs operating in Algeria has pushed some employees to shift to local firms. In some foreign firms, workers’ rights are violated, and workers’ respect is deprived, which consequently push employees to change the firm. Respondent number 6 highlighted the matter of lack of workers’ rights:

“After working for the Chinese MNE for seven years I resigned from it for some reasons, the main reason was they do not give the employees all their rights.”

This is understandable in a country such as Algeria where the legacy of the social era (1962-early 1990s) where employees expected a lifetime employment and generous social and economic packages as well as extensive rights including a strong voice in the management of their organizations still prevalent in the Algerian working values and what employees expect from their employers. Some MNEs’ unreasonable expectations and highly-regulated contracts have come as a shock to Algerian employees. Employees, for example, view redundancies, as socially irresponsible actions even if they are economically justified.

**Lack of creativity**

Interestingly, several respondents mention constraints for creativity. Such perception being a problem is not expected but understandable given that the respondents are highly educated, value, and expect to use their local knowledge, skills, and discretions. However, it appears that MNEs manage their subsidiaries in Algeria through tight standardized rules and procedures where local managers are expected to apply the rules merely and follow the producers set by the HQ. As respondent number 1 noted:
“Everything is established by parent firm. The culture is here the management was a practice, business expertise here, so you cannot go beyond that. You have to follow the rules follow the procedures as long as you are successful, so the space for creativity in MNEs is very small. Everything is predetermined, you have the instructions you have the producers, and you have to follow them, and that is something I was not happy for.”

These quotes highlight the dilemma some employees face while working at MNE subsidiaries. While professionalism and institutionalized work practices are appreciated, some MNEs fail to adapt to local culture, to exhibit little flexibility, and to provide room for innovative organizing and procedures. Such approaches mute local employees’ voice at the workplace and make them feel underappreciated especially vis-à-vis creative ideas they might have. Likewise, these practices can curb the feeling of organizational belonging among local employees at MNE subsidiaries.

Long time for promotion

The third disadvantage was the time it takes for promotion. Respondents reported that it takes a longer time to be promoted from a position to another in an MNE relative to a local firm because of the high quality of employees and qualification, as noted by respondent number 12:

“The promotion time is very long; sometimes it takes more than three years to get moved to a higher position “

Extensive traveling

The final disadvantage from the analysis of the qualitative data is the extensive traveling, which has been considered an advantage for some participants and disadvantage for others. A closer look at the profile of respondents the researcher finds that respondents who are married are the only respondent that considered it a disadvantage because they have families and responsibilities toward them. As respondent number 2 noted:

“There is no time for my family and myself, as I am the director, manager sometimes I work even on the weekend days.”

Respondent number 11 added:

“12 hours a day. When I get home, I start sending emails and doing other petty things. I do not have that much of time to spend with my wife and kids.”
Accordingly, while young employees may enjoy frequent traveling requirements at the early stage of their career, such an arrangement may become burdensome as the employee matures and grows a family.

**Returning to local firms - pull factors**

The analysis shows that managers either re-joined or intended to rejoin to local firms highlight that protecting workers’ rights, space for creativity, work-life balance and understanding the social and cultural setting of Algeria are critical factors in their decisions to return local firms.

**Protecting workers’ rights**

Respondent number 09 notes that he intends to re-join local firm as it preserves better worker’s rights than MNEs, where he stated that:

> “At the moment, I am thinking to go back and work for the local firm but only for big firms like Sonatrach (oil and gas firm) or Saidal (pharmaceutical firm), because the regulation to protect employees are more applied in local firms than in MNEs.”

**Space for creativity**

Space for creativity tends to be a notable element in managers’ career preferences. This factor has appeared as a push factor from MNEs and was confirmed as a pull factor from a local firm. Some participants advocate that the working environment in local firms is not complicated and is not restricted by tight rules as in the case in MNEs, which provide employees space and freedom to innovate, as illustrated by respondent number 01:

> “I have now freedom to create and innovate new tools within the HR department.”

Similarly, they believe that local firms yet allow qualified people to show their capabilities; as respondent number 09 highlighted:

> “To be honest I am thinking about that every day, and I say to myself go back (to local firm), because I have the freedom to show my abilities. I feel in this company as I am guided, and my role is limited by rules to follow.”

**Work-family balance**

Flexible working times seems to be one of the primary drivers to re-join local firms as it provides a better work-family balance. Respondent number 11 noted:
“Now, I have flexible hours and spend more time with family and relatives.”

In a similar vein, some participants mentioned factors that the proximity of location gives more time to spend with family, which is as an essential driver in moving back to local firms, as respondent number 5 said:

“The reason was that I was working in the south of Algeria and as you know I am here from the north, and I have a family and kids, so I made this decision to move from there to have more time with my family.”

Moreover, the respondent number 12 added:

“Reason makes me move to this organization is the distance the other firm is a bit further than where I live, so the reason is to reduce the fees of transportation and have more time to relax instead of traveling.”

Understanding the social and cultural setting

Finally, few respondents believe that local firms understand better the social and religious contexts and requirements and they are more flexible in designating for example holidays and flexible working hours. Respondent number 04 posited:

“In local firms, they have a better understanding of the culture, especially when it comes to religion or family responsibility they are very comprehensive and flexible. In MNEs and especially newly established firms, they do not understand these things.”

Likewise, this drawback is a result of the trade-off of having institutionalized structures and saturated workplace competition among the employees. While starting a job at an MNE subsidiary is attractive given the opportunities it represents as elaborated above, an avenue for moving forward within such firms may be daunting given the tight intra-organizational competition between the employees and top spots often being occupied by foreign expatriates.

**Discussion and Conclusion**

This study explores employee’s mobility between local firms and MNEs in Algeria. In so doing, the study sheds light on the black box of labor mobility by discussing two central paradoxes of labor mobility in emerging markets: 1) leaving roots vs. growing wings, and 2) flying wings vs. remaining true to roots (the grass is not always greener). Our study contributes
to the development of research across HRM, knowledge management, and the paradox of management in the context of Africa. In the following discussion, we elaborate the key implications, followed by the limitations and future research of the study.

Leaving roots vs. growing wings:

While the results of the analyses support some of the findings in previous literature; they also shed light on untapped areas. One key finding is that talented employees working for MNEs are pulled to work for them because of higher salaries and personal development through training opportunities (cf. Gong, 2003; Tarique et al., 2006). Additionally, this research highlights new issues such as the value talented individuals put on the opportunity to travel abroad and more importantly to work in the cross-cultural environment seen as the hands-on opportunities for tacit knowledge development. Though this finding may be intuitive, it is interesting to see that local talent working for MNEs highly value the opportunity to interact with people from diverse cultures and improve their soft skills.

Furthermore, although Algeria is culturally diverse, Algerian organizations tend not to employ foreign employees, and therefore talented individuals do not have a chance to interact with non-Algerians to enhance their firsthand intercultural knowledge and competence. This is important for our research for three reasons. First, this phenomenon highlights the challenge Algerian firms face when they compete with MNEs for talented individuals. Algerian firms may be able to match salaries, or perhaps even training opportunities but it may be daunting for them to provide the cross-cultural opportunities and experience of traveling and working abroad (at other subsidiaries) that MNEs can offer at relative ease. Thus, the international experience offered by MNEs may come useful for Algerian talent who want to develop tacit intercultural knowledge and venture abroad. This is new insight into the existing literature because, as highlighted previously, the literature looks at MNEs ability to offer monetary and other tangible rewards such as training but does not emphasize the soft issues such as ability to navigate in and learn from a culturally diverse work environment (Barro and Lee, 1994; Borensztein et al., 1998).

Second, our findings support the importance of performance-based practices in MNEs. This is important in emerging and developing economies were personal and family ties play a significant role when it comes to promotion, appraisal and training opportunities. Talented individuals appreciated the performance-based processes and procedures in MNEs. This is in
line with the dissatisfaction highlighted by those working for local firms about nepotism and the role of personal contacts and lack of a clear career path in local firms.

Third, our research also highlights potential knowledge-related tensions experienced by firms due to the paradox of leaving roots vs. growing wings. On the one hand, MNEs that invested in attracting and competence development of their local talent would be resistant to the idea of their employees flying away due to potential knowledge leaks and spillovers to local their competitors. On the other hand, the very same MNEs could benefit from labor mobility as a unique source of knowledge development opportunities (Saggi, 2002). Therefore, our research has important implications for the research at the HRM-knowledge management interface.

**Flying wings vs. remaining true to roots:**

Our findings demonstrated that after a period of employment at MNEs, many employees either moved back or intended to move to local firms. Despite the possibility of growing wings at MNEs, through personal growth, salaries and working conditions, they went back/intended to go back to the roots (local firms) as they seek job stability, belonging, enhanced voice at the workplace, security, and flexibility. As such, despite the advantages of working for MNEs, talented individuals intended to return to local firms to attain higher job security, attenuate pressure for high performance with diminished returns over time and maintain life-work balance. This finding is in line with the extant literature that examines barriers to the corporate advancement of talents working at MNEs (Mellahi and Collings, 2010).

Talented individuals acknowledged the lack of a clear career path, the lack of appreciation for one’s capability, and opportunities for personal and professional growth and development in the domestic job market. However, they (in the sample interviewed) moved to MNEs because of opportunities to develop themselves and expose themselves to opportunities abroad, interact with a global workforce as well as obtain high salaries. Although these expectations were realized mainly at MNE subsidiaries, as reported by the interviewees, they intend to change the direction of their career from MNEs to local firms even at an economical cost, due to sacrifices from personal life, high workload, and high pressure for performance experienced at MNEs. Interviewees with families highlighted the challenge of achieving a balanced work-family life in MNEs. Cultures such as Algeria where life is around the family, and individuals have a moral obligation to take care of their elders, interviewees reported the extensive traveling, working on weekends, and working late is not compatible with their priorities and obligations toward their families.
Furthermore, as a novel insight into the literature, this study reveals that local talent perceives the benefits of working at MNEs as plateaued over time with reduced opportunities for promotion, limitations on innovative initiatives and employee voice, and the lack of cultural attachment between local employees and expatriates at MNEs. Such forces drive local employees to reconsider their career options and reevaluate the benefits and drawbacks of working at local firms.

Given these findings, it is reasonable to argue that the social context in Algeria will result in a spillover of talent and ensuing knowledge from MNEs to local firms for individuals with family obligations. The pattern that emerges from this exploratory study is that talented individuals tend to start with local firms to have some job experience. Once this initial experience is achieved, these individuals tend to move to MNEs and try to obtain higher salaries, clearer career plans, and better opportunities for personal and professional growth and appreciation for their talent and capabilities at early stages of their career. However, the flow of talent can be reversed from MNEs to local firms as they considered that job security, life-work balance, employee voice, and performance pressure are critical factors in their career choice and aspirations.

To sum up, we reveal and explain two paradoxes of roots and wings: 1) leave roots vs. to grow wings and 2) fly wings vs. remaining true to roots that are faced by local talents in Algeria. The two emerging tensions imply that local talents move from leaving their roots in local firms to grow their wings in MNEs, but the grass is not always green. From the findings, employees started their career in local firms where they develop their roots (e.g., build and gain some experience), then, they move to MNEs to grow their wings (e.g., personal growth, and incentives). However, the grass is not always greener as they experience some difficulties in MNEs, which consequently trigger their intentions not to forget their roots and benefit from the stability, security, belonging, and flexibility that local firms offer.

These two types of labor mobility paradoxes show that MNEs can both drive talent drain and be a source of talent gain in emerging markets in general and Africa in particular. It may be contingent upon local firms’ strategy and HRM practices to either leverage such labor mobility as an advantage or experience it as a drawback. Such bidirectional influence of labor mobility also means that there might be intended or unintended knowledge transfer across MNEs and local firms in emerging markets. Accordingly, the human capital of local employees who
exhibit mobility between local firms and MNEs is likely to be enhanced due to knowledge transfer and spillover opportunities they inherit from working across a diverse range of firms.

Finally, our findings are likely to contribute to debates on knowledge sharing and hiding (Connelly et al., 2012). Organizations do not “possess” the “intellectual assets” of employees, and as such, cannot prevent nor actively facilitate the transfer of their knowledge to other organizations (Kelloway and Barling, 2000). Despite the importance of understanding the dynamics that trigger knowledge transfer within and between organizations (Bock et al., 2005), most research has been confined to studies exploring knowledge transfer within an organization and between individuals, overlooking the broader contextual factors that support or inhibit the transfer of knowledge between organizations. Taking the first step, this study argues and supports the notion that talent flow between organizations is one way through which intellectual assets, experience, and knowledge of talent employees are transferred between organizations. In adopting this approach, the findings address calls to explore knowledge transfer at the organizational level and in understudied context (i.e., Algeria; Connelly et al., 2012).

**Implications for practice**

Because talent management is an important aspect for organizational competitiveness (Meyers and van Woerkom, 2014), firms that aspire to achieve this in an emerging economy need to understand key HRM practices that shape employees’ behavior and aspiration. Through extending the talent management research to an emerging economy, firms may be able to understand the degree of complexity in developing and retaining local talents, and the contradictory tensions faced by employees in their mobility between local firms and MNEs (Rupidara and McGraw, 2011). As such, in designing talent management strategies, local firms and MNEs must think beyond the financial, reward and personal growth incentives; and take into account individual needs and aspirations as well as social and cultural factors (e.g., work/family balance, and social structure). In this vein, it is advised that the firms recognize the employees’ needs for tacit knowledge development concerning intercultural competence and personal development and develop policies to meet those needs.

From the qualitative data analysis, we report that local workfare faces a paradox to manage and direct their career (i.e., leaving local firms and moving to MNEs, then going back to local firms), which is primarily due to lack of tailored HRM practices. Hence, there is a need for local and foreign firms to question their practices and assumptions. This requires reflexivity
and a degree of objectivity to recognize the degree of cultural drivers, beyond financial/growth/working environment drivers, and how these shape the practice of attracting and retaining talented individuals, and the impact that each of these has on talent performance.

Furthermore, although firms typically favor employees who stick with them over time due to investments made to attract and retain human capital and are afraid of knowledge spill over to potential competitors, labor mobility may be seen as a potential advantage from the knowledge management perspective. Particularly, developing incentives for local talent that MNEs cannot or are not willing to offer may bring in unique opportunities for the knowledge management and competitive advantage of local firms. This approach could stimulate indirect knowledge transfer between local firms and MNEs can potentially be beneficial to both parties. Therefore, concentrating on the softer aspects of enhanced flexibility, work-life balance, and employee empowerment beyond the financial incentives can result in superior knowledge development returns for the local firms. On the other side of the coin, applying such HRM strategies may reduce employee turnover and undesired knowledge spillover for the MNEs.

**Limitations and future research**

Despite extensive discussion on labor mobility between local firms and MNEs in an emerging economy, we acknowledged that this study acknowledges many limitations. The first limitation touches upon the lack of multiple contextual variables in this study. Although we provided a plausible explanation of the lived experiences of talents in local firms and MNEs, we failed to capture a deep understanding of the phenomenon by including different possible contextual factors (e.g., privately vs publicly owned firms, different managerial levels, and industry differences), that that can alter and develop our understanding of how locals firms vs. MNEs manage, develop and retain talents; and most importantly, explain the potential tensions related to these contexts. In a similar vein, we acknowledge that MNE practices and employee experience at MNEs may differ across MNEs of different national origin. Thus, future research may consider accounting for the potential variations across MNEs of different national origin when it comes to HRM practices and local employee experiences.

The second limitation entails a limited understanding of the decision-making process of employees. Given the different motives and practices discussed in this paper, and the division of opinion that exists within the extant literature on labor mobility, future studies should examine the way in which talent decisions are made and the extent to which they take the risk either in moving to MNEs or moving back to local firms. Future studies could also consider
how and whether HRM practices is linked to talent’s requirements and expectations. This avenue is fruitful to evaluate how firms can realize the potential of their HRM effectiveness, underlying talent management implementation in an emerging market.

The third limitation relates to the multifaceted nature of paradoxes facing individuals and organizations. Even though we attempted to explain this complex and emerging phenomenon, research has not yet been consolidated. One reason for this is that we could not discuss how individuals and firms perceive and manage these tensions. Future research could fruitfully address this question by examining the roots leading to such tensions as well as bringing out a nuanced picture of how paradoxes are managed or addressed.

The fourth limitation of the study rests on the cultural and social context. In particular, this study was undertaken with data obtained from Algeria, where a male-dominated society characterizes the social context, and this characteristic is widely manifested in senior/top managerial positions (Abouzaid, 2016). Adding to this, women in Algeria, generally, tend to avoid public appearances and being under a spotlight (e.g., to be interviewed or recorded). This resulted in very few women in our sample (one woman out of 12 participants), by which it is difficult to extrapolate the findings regarding labor mobility paradoxes in the North African context. Therefore, future research is needed to explore other African countries, with a particular focus on women representation and participation in top managerial positions. This would advance understanding and provide a more nuanced picture of how and why local talents experience paradoxical situations in their career choices and aspirations within the context of Africa.
References


Table 1: Profile of Respondents

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>AGE</th>
<th>MANAGERIAL LEVEL</th>
<th>HIGHEST QUALIFICATION</th>
<th>CURRENT SITUATION (2018)</th>
</tr>
</thead>
<tbody>
<tr>
<td>R01</td>
<td>29</td>
<td>Middle level</td>
<td>MSc in International Business (UK)</td>
<td>Moved to academia</td>
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<tr>
<td>R02</td>
<td>32</td>
<td>Top level</td>
<td>BSc in Finance</td>
<td>Returned to a local firm</td>
</tr>
<tr>
<td>R03</td>
<td>31</td>
<td>Middle level</td>
<td>BA in Law (Algeria)</td>
<td>Started up his own business</td>
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<td>R04</td>
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<td>BSc in IT (Algeria)</td>
<td>Immigrated to France</td>
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<td>32</td>
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<td>MBA (France)</td>
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<tr>
<td>R06</td>
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<td>Started up a family business</td>
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<tr>
<td>R08</td>
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<td>Some college (Algeria)</td>
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<tr>
<td>R09</td>
<td>45</td>
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<td>R10</td>
<td>26</td>
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<td>Returned to a local bank</td>
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<td>R11</td>
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<td>Top level</td>
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<td>Still in MNE, but working between UAE and Algeria</td>
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<td>Still in MNE</td>
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</table>

BA: Bachelor of Arts; BSc: Bachelor of Science; Msc: Master of Science
Table 2: Qualitative Data Analysis- Main themes and concepts

<table>
<thead>
<tr>
<th>Theme 1: Moving to MNEs</th>
<th>Theme 2: Returning to Local Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Push factors (local firms)</strong></td>
<td><strong>Push factors (MNEs)</strong></td>
</tr>
<tr>
<td>• Weak managerial capabilities</td>
<td>• Lack of workers’ right</td>
</tr>
<tr>
<td>• Low salaries</td>
<td>• No space for creativity</td>
</tr>
<tr>
<td>• Poor working environment</td>
<td>• Long time for promotion</td>
</tr>
<tr>
<td>• Bureaucracy, corruption, and networking</td>
<td>• Long working hours</td>
</tr>
<tr>
<td><strong>Pull factor (MNEs)</strong></td>
<td><strong>Pull factors (local firms)</strong></td>
</tr>
<tr>
<td>• Attractive working environment</td>
<td>• Space for creativity/freedom</td>
</tr>
<tr>
<td>• High salaries and incentives</td>
<td>• Work-life balance</td>
</tr>
<tr>
<td>• Clear career plan</td>
<td>• A better understanding of the social and religious context</td>
</tr>
<tr>
<td>• Personal development</td>
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</table>

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<th>Theme 3: Intention to move back to local firms</th>
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</thead>
<tbody>
<tr>
<td><strong>Pull factors (local firms)</strong></td>
</tr>
<tr>
<td>• Protecting workers’ rights</td>
</tr>
<tr>
<td>• Work-life balance</td>
</tr>
</tbody>
</table>