

Developing international talents: how organisational and individual perspectives interact

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Abstract

Purpose – Focusing on an international trainee- and internship programme, this paper aims to propose a new framework that links organisational strategies regarding ethnic diversity with career competencies of the programme participants.

Design/methodology/approach – The paper adopts a case study design. It examines the interplay of the perspectives of the organisation, which is an Austrian bank, and of the programme participants, who are university graduates from South-Eastern Europe. It draws on the typology of diversity strategies by Ortlieb and Sieben (2013) and the categorisation of individual career competencies by DeFillippi and Arthur (1994).

Findings – The bank benefits from the programme participants' competencies with regard to South-Eastern Europe and increased legitimacy gained from the public. Programme participants acquire many knowing-how, knowing-why and knowing-whom competencies, especially if the bank pursues a so-called learning strategy towards ethnic diversity. On the other hand, individual knowing-how competency supports an organisation's antidiscrimination strategy, whereas knowing-why and knowing-whom competencies benefit the organisational learning strategy.

Research limitations/implications – Although the paper builds on a single case study and the ability to generalise is limited, the findings imply that future human resource development concepts should jointly consider the perspectives of both organisations and individuals.

Practical implications – Owing to their high strategic relevance, organisations should look into the competencies of skilled migrants and evaluate the critical resources they offer. Both organisational learning and an organisation's strategic development are key concerns. The proposed framework helps to effectively design trainee- and internship programmes and simultaneously anticipate organisational and individual consequences thereof at an early stage.

Originality/value – The proposed framework concerning the interplay between organisational and individual perspectives as well as the regional focus on South-Eastern Europe present novelties.

Keywords South-Eastern Europe, Case study, Career competencies, International human resource development, Skilled migrants, Trainee- and internship programme

Paper type Research paper



Introduction

In recent decades, increasing trends of skilled migration (Dumont and Lemaitre, 2005; OECD, 2015) coincide with evolving business practices that utilise the specific competencies of skilled migrants (Ely and Thomas, 2001; Rodriguez, 2004). Business organisations can reap the benefits associated with employees' foreign backgrounds, such as their language and cultural skills or their personal networks (Ortlieb and Sieben, 2013; Zikic, 2015). On the other hand, although skilled migrants often work in jobs for which they are overqualified (Danzer and Dietz, 2014; Reitz *et al.*, 2014), working abroad often provides them with an opportunity to acquire competencies. Thus, paying attention to possible combined outcomes of skilled migration for both organisations and individuals presents a timely issue for scholars and practitioners in human resource development (HRD).

Previous research in this field typically concentrates on either the perspective of the organisations or the perspective of the individuals. While the organisations' perspective is mainly explored within the diversity literature (Janssens and Zanoni, 2014; Ogbonna and Harris, 2006), the individual perspective is addressed by the growing literature stream on skilled migrants and self-initiated expatriates (Al Ariss, 2010; Andresen *et al.*, 2014). However, although HRD in practice basically involves both organisations and individuals (Jokinen *et al.*, 2008; McGuire *et al.*, 2008), scholars as yet have neglected the interplay of these two perspectives.

Going beyond previous research, this study seeks to shed light on both perspectives – those of the organisations *and* the individuals – and in particular on their interaction. The research question reads: How do organisational strategies regarding ethnic diversity affect the career competencies of skilled migrants, and vice versa, how do the individuals' career competencies affect organisational strategies regarding ethnic diversity?

We examine a certain organisational practice, namely, a trainee- and internship programme that an Austrian bank offers to highly talented students and graduates from South-Eastern Europe (SEE). Although the programme participants represent a specific segment within the larger population of skilled migrants, throughout this article, we use the term “skilled migrants” whenever our reasoning also applies to the larger group of migrants with a tertiary education or equivalent vocational experience.

Our analysis is guided by the typology of organisational strategies regarding ethnic diversity by Ortlieb and Sieben (2013) and the categorisation of individual career competencies by DeFillippi and Arthur (1994). These theoretical underpinnings and the empirical findings of this study form the basis for a new theoretical framework on the interplay of organisational strategies concerning ethnic diversity with individual career competencies.

By providing in-depth insights into an organisational HRD practice that connects organisations and their business logic with the career competencies of individuals from SEE, we respond to calls for training and career research that takes account of specific European country contexts (Alheji *et al.*, 2016; Mayrhofer and Schneiderhofer, 2009). Furthermore, we address the paucity of research at the intersection of HRD and skilled migrants by highlighting the impact of skilled migrants on the development of an “international mind-set” among co-workers (Brooks and Clunis, 2007).

Our contribution to the HRD literature is threefold. First, theoretically, we provide a new framework for jointly studying organisational and individual perspectives in HRD, with special emphasis on skilled migrants. Second, empirically, we demonstrate how organisational strategies and individual career competencies affect each other. Third, contextually, we illuminate HRD practices related to business operations in SEE, i.e. in an economically significant but under-researched country context.

Positioning in the literature

Our study is positioned at the intersection of several literature streams. Of particular relevance are strands within the literature on diversity (management), skilled migration and international careers. Research on diversity management emphasises that organisations can benefit from the employment of skilled migrants (Janssens and Zanoni, 2005; Shore *et al.*, 2009). For instance, ethnic diversity can enhance information and different skill sets among the workforce and foster new ways of thinking about problems and finding innovative solutions (Cox, 1993; Ortlieb and Sieben, 2013; Ozgen *et al.*, 2014).

Notwithstanding, organisations, and in particular individuals, have to overcome several barriers to mutually benefit from this employment relationship. For instance, the demographic social context can hamper the well-functioning of diverse work teams (Jackson and Joshi, 2004). Moreover, organisations often lack knowledge of the comparative value of foreign education and international experience (Albert *et al.*, 2013). From the perspective of skilled migrants, potential career barriers include required language skills (Cohen-Goldner and Eckstein, 2008; Syed and Murray, 2009) and deficient personal networks (Almeida *et al.*, 2012), among others.

These findings contribute significantly to the existing body of literature. However, although both the organisational and the individual perspectives are important in HRD, little is known about how to bring the two perspectives together. In an attempt to theoretically and empirically examine the interplay of the two perspectives, this study seeks to advance HRD research.

Theoretical background

This study draws on two theoretical approaches that guide the empirical analysis. First, the typology of organisational strategies regarding ethnic diversity by Ortlieb and Sieben (2013) captures the perspective of the organisation. Second, the categorisation of career competencies by DeFillippi and Arthur (1994) addresses the perspective of the individuals.

The framework by Ortlieb and Sieben (2013) is based on resource dependence theory by Pfeffer and Salancik (1978). It focuses on critical resources that skilled migrants potentially provide to organisations, such as foreign language and cultural skills, professional knowledge and skills, work motivation and the ethnic background itself, that might signal authenticity of products and services or the fact that the organisation values ethnic diversity. The importance of these resources defines the following five organisational strategies: *exclusion*, *adding value through mere labour*, *antidiscrimination*, *adding value through ethnic background* and *learning*.

An *exclusion* strategy means that an organisation refrains from employing skilled migrants because the management does not see their resources as critical. The *adding value through mere labour* strategy refers to the willingness of skilled migrants to work in jobs nobody else wants to do. Although this strategy is typically linked to low-skill jobs, it can also refer to high-skill or management positions, for instance in the contexts of a personnel shortage or restrictive salary policies. Organisations pursuing this strategy do not value other resources potentially provided by skilled migrants. In a similar vein, organisations pursuing an *antidiscrimination* strategy are less interested in specific competencies related to an ethnic background, but just aim to attract and retain the best-qualified employees. Thus, on the one hand, they seek to ban discriminatory elements from all kinds of their personnel practices. On the other hand, employing individuals of different ethnic backgrounds may improve the organisation's image as a fair employer with a professional HR management. In contrast, organisations pursuing a strategy labelled *adding value through ethnic background* recognise that competencies related to an ethnic background,

such as language and cultural skills or personal networks, can play a crucial role in the organisation's success. Finally, a *learning* strategy refers to new perspectives skilled migrants may bring into their work teams. Organisations pursuing this strategy seek to benefit from process and product innovations resulting from ethnic diversity.

While this typology resembles other diversity frameworks (Cox, 1993; Dass and Parker, 1999), it is the only one that uses a coherent theoretical rationale to distinguish between varying organisational strategies, namely, the business logic of organisations, specifically their dependence on critical resources that can be obtained through ethnic diversity. The value of Ortlieb and Sieben's (2013) typology was demonstrated in several other studies. For instance, Singal (2014) in her study of diversity management in the hospitality sector, Newman *et al.* (2017) in their analysis of refugee employees and Cukier *et al.* (2017) in their critical analysis of the societal discourses of diversity draw on the resource-related reasoning. Bieling *et al.* (2015) transfer this reasoning to age diversity. In a review article by Alheji *et al.* (2016), the typology plays a crucial role in theoretically understanding the outcomes of diversity trainings. Further, Lozano and Escrich (2017) build on this typology to theoretically reflect about ideologies of managing cultural diversity. However, while these studies consider the business rationales associated with diversity (management) in a broader view, they rarely focus on the specific outcomes of distinctive organisational strategies regarding ethnic diversity. Moreover, although these study findings indicate that these organisational strategies are linked with competencies of ethnically diverse employees and, thus, with HRD, detailed knowledge about these links is still missing.

Overall, previous research suggests that the typology by Ortlieb and Sieben (2013) is a well-suited framework to examine these links. Furthermore, because it directly refers to individual competencies, it theoretically links with the career competency framework by DeFillippi and Arthur (1994). In their framework, that also has become prominent under the "intelligent careers" label, DeFillippi and Arthur (1994) identify three kinds of career competencies: *knowing-how*, *knowing-why* and *knowing-whom* competencies. *Knowing-how* competency refers to career-related professional knowledge and skills that may also be useful in other organisations, business fields and countries. In addition, it includes social skills related to teamwork, communication and respectful social interaction, as well as personal skills enabling self-reflexivity, autonomous action, independence and goal orientation. *Knowing-why* competency refers to an individual's career motivation and awareness about her/his preferences, needs and abilities regarding the work context. This competency is closely connected to an individual's values, goals and identity. *Knowing-whom* competency relates to personal networks providing information and career support.

This framework has been fruitfully applied to studying HRD in international contexts. For instance, Jokinen *et al.* (2008) highlight that international assignments are particularly apt for developing career competencies, because work experience abroad involves broader and more challenging tasks than working at home. Likewise, Mäkelä and Suutari (2009) point to the development of *knowing-whom* competency through foreign assignments, for instance additional and quicker access to information sources or more diverse personal networks. Focusing on multiple foreign assignments, Jokinen (2010) shows that an individual's first assignment typically fosters *knowing-why* competency, whereas subsequent assignments increase *knowing-how* and *knowing-whom* competencies. Although all these studies applied DeFillippi and Arthur's (1994) framework to study individuals and/or organisations, they do not interlink the perspectives of individuals and organisations. However, this is done – though without explicit consideration of international contexts – by Mohd Rasdi (2012), who elaborates on the links between career competencies and HRD with a special emphasis lying on social networking, and by Fleisher *et al.* (2014), who show that

individuals' career competencies positively affect organisational outcomes such as organisational culture, capabilities and connections.

Methods

Research context

The empirical material originates from a larger research project. This paper concentrates on a trainee- and internship programme that was initiated in 2008 by a large Austrian-based international bank in cooperation with an Austrian university. The programme addresses highly talented university graduates and students from six SEE countries, namely, Slovenia, Croatia, Bosnia and Herzegovina (hereinafter: Bosnia), Serbia, Montenegro and Macedonia (FYROM – Former Yugoslav Republic of Macedonia). The programme covers a time frame of one year, and it combines university courses with practical experience. Students can apply either for a traineeship of one year duration, combined with a small number of university courses, or for an internship of three months length, combined with a larger number of university courses. The participants get to know different tasks and departments of the bank, where they usually spend two weeks in each department. In addition, the bank organises numerous social events together with members of the bank's management.

Until the summer of 2015, about 60 participants with at least a bachelor's degree and mostly from Bosnia, Croatia and Macedonia (FYROM) participated in the programme. The bank considers the programme to be beneficial for all parties involved, which is in accordance with [Lain et al. \(2014\)](#), who show that "governed" internship programmes with a clearly defined developmental content, an agreed time frame and collaboration with an external partner are the most effective forms of internships.

To understand the perspective of the bank, some remarks on its organisational structure and its SEE business are necessary. Whereas the bank has the legal form of a stock company and the management is strictly committed to making a business profit, the principal shareholder of the bank is a holding company for the benefit of the public that supports charitable organisations and projects. The head of HR at the Austrian headquarters acts simultaneously as manager of the holding company. Regarding the bank's SEE business, during the past decade, several changes took place. Between the years 2004 and 2006, shortly before the implementation of the trainee- and internship programme, the bank had started business activities in SEE via strategic holdings. While in 2007, the international share accounted for 37 per cent of the bank's total consolidated net income, in the subsequent years, this share continuously decreased, till it reached 16 per cent in 2013. The reason for this decline was the general negative business trend in SEE that also triggered business reorganisation and cost-saving measures. However, this development neither affected the continuation of the trainee- and internship programme nor its content. It even was expanded through collaboration with further universities.

This research context offers a very good opportunity to study how organisational business strategies and HRD practices interact with individual career competencies. In addition, the sample of skilled migrants is unique, as it comprises young, hitherto successful individuals who are recognised as highly talented, based on the assessments during the application process for this programme.

Sample and data

We applied an explorative case study design relying on semi-structured interviews and written documents. This design seems to be best suited to gather comprehensive information. Whereas the interviews provided the main body of empirical material, important background information came from written documents such as websites of the

bank and the collaborating university, promotion letters inviting applications for the programme, internal statistics concerning the number of participants and the participants' CVs. We used this background information to develop interview guides, to facilitate the interview process and to interpret the interviews. In total, we conducted 31 interviews. Key characteristics of the interviewees are as follows:

- (1) 6 key actors representing the organisational perspective, thereof:
 - 2 representatives of the bank's Austrian headquarters: head of HR (invented the programme) and international business manager (defined strategic focus on SEE);
 - 2 representatives of the bank's Bosnian subsidiary: head of management board and head of HR (both of them recruited and selected programme participants); and
 - 2 representatives of the collaborating Austrian university: manager (co-invented the programme) and administrative employee (recruited and selected programme participants).
- (2) 25 former participants of the programme representing the individual perspective, thereof:
 - 14 students at Master's level, 11 at Bachelor's level;
 - 13 interns (3 months), 12 trainees (1 year); and
 - 11 interviewees from Bosnia, 6 from Macedonia (FYROM), 4 from Croatia, 2 from Slovenia, two from Serbia.

To capture the organisational perspective, we conducted six interviews with key figures in the programme, four represented the bank and two from the collaborating university. The interview guides covered topics such as the bank's HR strategy and practices, including their focus on employees from SEE, the bank's internationalisation strategy as well as the programme's aims, its concrete shape and outcomes.

To investigate the individual perspectives, we contacted all 60 former participants of the programme with the help of the programme's administration and via Web-based social networks or personal networks. Twenty-five individuals agreed to participate. The interview guides focused on career competencies and topics such as reasons for participating in the programme, experiences in Austria, previous career stages and plans for the future. Sixteen interviewees were women and nine were men, reflecting the shares within the total group of 60 participants. All 25 had an educational background in business administration, except one participant who studied law. The average age was 25 years, ranging from 22 to 30 years. We conducted the interviews between spring 2013 and summer 2015, either face-to-face or via telephone/Skype. The interview length varied between 43 and 109 min, averaging 63 min.

Data analysis

All interviews were recorded, transcribed verbatim and fully anonymised. The theoretical frameworks by [Ortlieb and Sieben \(2013\)](#) and [DeFillippi and Arthur \(1994\)](#) guided the analysis. They functioned as sensitising concepts in the sense of [Blumer \(1954, p. 7\)](#), i.e. they gave us "a general sense of reference and guidance in approaching empirical instances [and they suggested] directions along which to look". We were also open to other topics emerging from the data. We repeatedly read the transcripts, intensely discussed the coding choices and jointly made the final selection of quotations.

We analysed the interviews representing the organisational perspective by highlighting relevant parts of the transcripts, adding comments and entering particularly interesting statements into a table. For the analysis of the interviews with former programme participants, we used NVivo software. We then sought to identify instances where the bank's strategies regarding ethnic diversity affected the career competencies of the programme participants and vice versa.

Findings

In the following, we first present the findings related to the perspective of the bank, thereby describing the rationale for the programme according to the typology by [Ortlieb and Sieben \(2013\)](#). Thereafter, we turn to the perspective of the individuals and their acquired career competencies, according to the framework by [DeFillippi and Arthur \(1994\)](#). Finally, we elaborate on the interaction between the organisational and individual perspectives.

The organisational perspective

The adding value through mere labour strategy. According to the interviewees, this strategy did not play a role for the adoption of the programme. Although the interviewees stated that the headquarters needed employees willing to accept an international assignment in one of the bank's SEE subsidiaries, country-specific competencies were perceived much more important than the mere willingness to accept an assignment. Also, the fact that the bank continued the programme despite the decline in its SEE business suggests that the mere availability of employees was not a significant reason for adopting the programme.

The antidiscrimination strategy. According to the head of HR in the Austrian headquarters, the programme focuses on an *antidiscrimination* strategy and the pursuit of the holding company's charitable objectives. The following quotation illustrates this reasoning:

I believe that we have gained a high status as an attractive employer in the sense of employer branding – not only abroad, but also here at home. Word has spread that we are active in this area, both at other universities and also in other sectors. (Head of HR, Austrian headquarters)

In addition, following a typical corporate social responsibility (CSR) approach, the bank intended to share the economic success that rested on the SEE business with others and to give back some benefits to the SEE countries' societies. Concrete aims related to this strategy include fostering the participants' career opportunities, increasing the bank's opportunities to find qualified employees and enhancing the ethnic diversity of the workforce. Thereby, the programme signals that the company is a fair employer with a professional HR management where discrimination is banned. This reasoning related to CSR also fits with the charitable aims of the bank's holding company. As the holding company provides the budget for the programme, this reasoning enhances not only legitimacy given from the public but also endorsements from managers within the bank.

The adding value through ethnic background strategy. From the points of view of the head of the bank's management board and the university representatives, the programme also supports the bank's internationalisation strategy in SEE. As shown by the following quotations, reasons for the bank's strong focus on skilled migrants from SEE include the cultural knowledge, language skills and familiarity with SEE countries these people have:

They wanted to attract young people, who [...] know the culture of the parent company at the same time. (University manager)

We wanted people who, through their culture and their understanding, can capture the topics that are important for us as a company active in South-Eastern Europe. (Head of HR, Austrian headquarters)

In addition, the bank seeks to enlarge its customer base in Austria, as described in the following quotation:

Our target groups are also people with a migration background and when I have an employee in one of the largest branches [...] it is natural that when customers with migration background come, also the extended family has an interest [to become a customer]. (Head of HR, Austrian headquarters)

The learning strategy. The interviewees also stressed the importance of organisational learning. A key outcome of the programme is that it created among the bank's employees, a new awareness of the bank's strategic orientation as an international corporation. As the Austrian head of HR describes:

During this project, we have [...] achieved clear internal awareness that we are a corporation, an international corporation with an emphasis on South-Eastern Europe. (Head of HR, Austrian headquarters)

Whereas this quotation refers to the general international mind-set among employees, the following quotation explicates specific learnings concerning customer contact.

We've got a lot of customers with a migration background. And as a result of the fact [...] we have taken on employees with a migration background in the past few years; we have learned from this and established better contact with customers. (Head of HR, Austrian headquarters)

Further positive outcomes of the programme include improvements concerning awareness of diversity issues within the bank, intercultural understanding, knowledge of SEE markets, reputation of foreign subsidiaries and transfer of values from the headquarters to foreign subsidiaries. Interestingly, these outcomes were not planned, but they apparently emerged as positive side effects of the programme.

The individual perspective

The knowing-how competency. The interviewed former programme participants reported that they developed a wide range of professional knowledge and skills as well as social and personal skills. The following quotation from a Croatian trainee illustrates this:

And I learned how [credit risks] are traded and valued, how to get a loan, which instruments they use, all those general things. (Croatian trainee)

While some of the new competencies are related to the banking industry (e.g. the internal organisation or products), the interviewees also developed general competencies, for instance in sales techniques. In addition, the interviewees reported an increase in their ability to work in teams and to establish contacts, because they participated in many social events. In this context, communication skills are crucial, as one Croatian intern emphasises:

During the whole year there were many events, for instance, welcoming events, where also the management board was attending [...] This personal chatting, small talks, etcetera, this is really important, maybe one of the most important aspects I have learned during the programme. (Croatian intern)

Furthermore, the interviewees not only described a wide variety of augmented *knowing-how* competency, but they also expressed the advantages of the programme in Austria in this regard over similar opportunities in their home countries. In particular, frequent and intense interaction with Austrian people and the high professional level within the banking business in Austria contributed to their professional knowledge and social skills.

The knowing-why competency. According to the interviewees, the programme provided rich opportunities to find out about their career motivation and career goals, their fields of interest and career-related strengths and weaknesses. Once the participants gained insight

into different functional areas of the bank, they were able to identify those fields where they wanted to work in the future. The following two quotations from a Bosnian trainee and a Macedonian intern illustrate this gain in knowing-why competency:

Actually, before the trainee programme I never saw myself in a bank or insurance company [...] but actually I liked the world of banking and insurance business, [...] banking and insurance business has a rather human side, with more interpersonal contacts, etc. Actually this suited me very much and I would have never thought about a job in the bank before the trainee programme. Therefore, my expectations changed a little. Now I see myself more in this field than working in auditing as intended before. (Bosnian trainee)

This was a good experience to see how these departments work, but I have realised that I am not interested in these areas. I cannot say that it was bad, only, well, I'm not interested in these tasks, etcetera, and therefore this programme has helped me to find out what I'm interested in and that was possible. (Macedonian intern)

The interviewees considered these experiences especially valuable because the banking sector in their home countries hardly allows such insights. The programme further helped to identify personal strengths and weaknesses based on the extensive feedback from their co-workers and supervisors.

The knowing-whom competency. The interviewed former participants also emphasised ways in which the programme contributed to the development of personal relations and networks that might influence their career, as the following quotation by a Bosnian trainee exemplifies:

For me this person was very important, because he [...] also wrote a recommendation letter for me. (Bosnian trainee)

All interviewees affirmed that the programme resulted in a larger number of social relations. This development was facilitated by the programme's strong emphasis on social contact between participants and bank employees. Personal contacts with both the colleagues at the bank and former programme participants were considered as career-facilitating. These people offered conversations about professional issues or direct career support, for instance through letters of recommendation or sharing information concerning job vacancies. The interviewees found this aspect a critical component of the programme, as prior to the programme, they not only lacked business contacts but also knowledge about job opportunities in Austria.

The interplay between the organisational and individual perspectives: a theoretical framework

To bring the empirical findings on the organisational and the individual perspectives together, in the following we outline a new theoretical framework. This framework assists in theorising the interplay of the two perspectives on developing international talents, as depicted in [Figure 1](#). This framework combines the two perspectives according to the following two questions:

Q1 How do organisational strategies regarding ethnic diversity affect the career competencies of the programme participants?

Q2 How do the participants' career competencies affect the pursuit of these organisational strategies?

A step-by-step analysis of the empirical material against the theoretical background allows us to theorise about the impact of the respective organisational strategy on the career competencies and vice versa. Thereby, we categorise the strength of the impact as moderate, high or very high, based on the interview findings. This assessment is of relative nature, i.e.

Organisational strategy	Individual career competency							
	Knowing-how			Knowing-why			Knowing-whom	
	Impact of knowing-how competency on organisational strategy	Impact of strategy on knowing-how competency	Impact of knowing-why competency on organisational strategy	Impact of knowing-why competency on organisational strategy	Impact of strategy on knowing-why competency	Impact of knowing-whom competency on organisational strategy	Impact of strategy on knowing-whom competency	
Antidiscrimination Example: Lana from Serbia	very high Bank has skilled employees from SEE – improves public image and legitimacy	moderate Programme participants develop competency, but task relation has no priority (no specific mandatory deployment)	moderate Bank appreciates skilled employees from SEE who know what they want	moderate Bank puts effort into non-discrimination of migrants – specific deployment of competencies	high Bank distributes the bank's positive image in the public	high Competencies provide for high appreciation, facilitating integration in professional networks		
Adding value through ethnic background Example: Natasa from Slovenia	moderate Bank directly uses competencies related to SEE background	high Specific development due to strategic relevance in selected areas	high Bank can use competencies strategically, interests of bank and employees aligned – competitive advantage	moderate Bank has employees from SEE because of their background, limited insight into other work areas	high Bank uses personal networks of employees from SEE strategically	moderate Limited due to specific strategic deployment (cultural context), leading to smaller personal networks		
Learning Example: Senad from Bosnia	high Bank uses competencies related to SEE background – mutual learning, contributing to international mind-set among co-workers	very high Broad understanding of learning, focused on innovation	very high Programme participants have clear career aims, promoting mutual learning	very high Mutual learning creates clear perspectives for programme participants, helping them to identify what they want or do not want	very high Networks enable consideration of a variety of perspectives and hence amplify organisational learning	very high Learning promotes net-working		

Figure 1.
The interplay between organisational diversity strategies and individual career competencies

we compared the strength of the impact of the organisational strategies and career competencies with each other. As we did not find empirical support for the *adding value through mere labour* strategy, we do not consider this organisational strategy in the framework. To illustrate the framework, we present three examples from our empirical material, using fictitious names of the interviewed programme participants. In the following, we outline the framework presented in [Figure 1](#) line-wise according to the organisational strategies regarding ethnic diversity.

The antidiscrimination strategy. We identified links with the *antidiscrimination* strategy in 16 interviews with programme participants. The interview findings suggest that the three career competencies affect the pursuit of this organisational strategy in the following ways. *Knowing-how* competency has the highest impact, as the highly qualified migrants positively contribute to the image of the bank as a fair employer valuing ethnic diversity. Regarding the *knowing-why* competency, we see a moderate impact on the *antidiscrimination* strategy. Individuals who know what they want can bring in their competencies in a better way than those with less clear personal aims. However, the *knowing-why* and the *knowing-whom* competencies appear less important than the *knowing-how* competency. *Knowing-whom* competency has a moderate impact, because the programme participants distribute the positive image of the organisation through their informal networks. Vice versa, the *antidiscrimination* strategy has only a moderate impact on the development of *knowing-how* competency, as the availability thereof already is a basic requirement of this strategy. Interestingly, in the early years of the programme, the bank focused on the creation of a talent pool and mainly addressed the development of *knowing-how* competency. In later years, the bank's focus within the *antidiscrimination* strategy shifted towards CSR and employer branding, thus explaining the comparatively high impact on the *knowing-why* and the *knowing-whom* competencies. The high appreciation of professional skills helps the programme participants in developing their professional identity, and it opens networks with other professionals.

The case of Lana from Serbia illustrates the moderate impact of the *antidiscrimination* strategy on the *knowing-how* competency and the high impact on *knowing-why* and *knowing-whom* competencies:

When Lana entered the programme she had already acquired significant knowing-how competency through her studies in Serbia and Austria as well as work experience. Therefore, the pursuit of the antidiscrimination strategy did not significantly increase her knowing-how competency. Instead, with her high expertise and Serbian background Lana contributed to the benefit of the bank and the positive public image with regard to antidiscrimination. Lana's specific deployment of expertise in the organisation increased her knowing-why competency in terms of career motivation. It also enabled her to establish new contacts because she worked in several projects as a highly esteemed team member.

The adding value through ethnic background strategy. This strategy appeared in nine interviews with former programme participants. Similar to the *antidiscrimination* strategy, the programme participants' *knowing-how* competency affects the *adding value through ethnic background* strategy. However, different from the *antidiscrimination* strategy, where functional expertise matters, this strategy solely rests on competencies related to the SEE background of the programme participants. Thus, the impact of *knowing-how* competency on this strategy is less than in the case of the *antidiscrimination* strategy and only moderate. *Knowing-why* and *knowing-whom* competency strongly affect the strategic interest of the bank. If the programme participants realise that the organisation views them as assets and thus they better know why they would like to work in this organisation in the future, the organisation can draw on the participants' ethnic background for competitive advantage.

Likewise, the programme participants' *knowing-whom* competency supports an *adding value through ethnic background* strategy, because organisations can further draw on the participants' personal networks.

On the other hand, this strategy strongly affects the programme participants' *knowing-how* competency. Owing to the high strategic relevance of competencies related to their SEE background, the programme participants can specialise in jobs where these competencies are required. However, such a specialisation often is to the detriment of the *knowing-why* competency. The impact of the *adding value through ethnic background* on the *knowing-why* competency is only moderate, because the organisation assigns the programme participants to those jobs and departments where they can use their competencies related to their SEE background. Hence, the opportunity to get an insight into various departments and work areas is restricted. Likewise, the impact on *knowing-whom* competency is only moderate, because networks are usually limited to people from the same ethnic backgrounds or the same work area.

In our empirical material, the high impact of the *adding value through ethnic background* strategy on the *knowing-how* competency and its moderate impact on the *knowing-why* and *knowing-whom* competencies is especially clearly visible in the case of Natasa from Slovenia:

The bank utilised Natasa's competencies related to her Slovenian background during her traineeship in order to fill a vacancy where these competencies were needed. It was not the bank's primary goal to foster Natasa's career opportunities but to increase the benefit for the organisation by utilising Natasa's competencies. As a consequence, Natasa stayed in the same department during the whole traineeship instead of regularly changing departments. This specific assignment allowed Natasa to increase her knowing-how competency in terms of deep technical knowledge. However, Natasa's increase in the knowing-why competency was comparatively small, because she had no opportunity to discover her strengths and weaknesses in new work areas. Similarly, because she only seldom met colleagues from other departments she developed less knowing-whom competency.

The learning strategy. All interviews with programme participants indicated links with the *learning* strategy. Compared to the two other organisational strategies regarding ethnic diversity, this strategy has the strongest overall impact on career competencies and vice versa. The *knowing-how* competency of the programme participants stimulates processes of both organisational and individual learning. However, the degree to which the bank learns and the content of this learning depends on what staff members consider relevant. In contrast, the impacts of the *knowing-why* and *knowing-whom* competencies on the *learning* strategy are very high. Concise individual career aims increase the work efforts of the programme participants, thus also promoting mutual learning and fostering innovation in the organisation. Also, the networking activities enable the emergence of a variety of perspectives in the organisation providing for continuous organisational learning. For the other way round, we observe a very high impact of the *learning* strategy on the programme participants' career competencies. Unlike the *adding value through ethnic background* strategy which limits learning to the SEE context, the *learning* strategy follows a more holistic understanding. Mutual learning in all contexts creates innovation and a clear perspective for foreign job entrants, and it facilitates organisational networking. In contrast to the *antidiscrimination* and the *adding value through ethnic background* strategies, that were intended by the programme managers from the very beginning of the programme, the *learning* strategy emerged later as a consequence of the development of career competencies.

The case of Senad from Bosnia illustrates these relationships:

While working in the bank and participating in the social events Senad had the opportunity to share insights about Bosnia with other employees. Therefore, his Austrian co-workers were able

to develop intercultural competencies, knowledge about the SEE context and an awareness concerning the internationalisation trend of the bank. Through intense conversations Senad also learned about the Austrian context (e.g. organisational culture or approaches for problem solving), allowing him to acquire extensive knowing-how competency. Access to a variety of perspectives through the mutual learning stimulated the development of Senad's knowing-why competency in terms of clearer career aims. After having finished the programme, he does not see himself limited to working in only one specific business field but he is more open towards other fields. This is visible in his current position in a media company, contrary to his original focus on the banking industry. Furthermore, based on the experience with Senad, the bank's HR department learned how to recruit personnel without discrimination against people of foreign backgrounds, which in turn supported the bank's antidiscrimination strategy.

Discussion

This paper examines the interplay between the organisational and the individual perspectives with regard to developing international talents. A case study of a trainee- and internship programme in an Austrian bank provides a more nuanced understanding of this interplay and, hence, of HRD in an international context. Linking our empirical findings to the typology of organisational strategies regarding ethnic diversity by [Ortlieb and Sieben \(2013\)](#) and the categorisation of career competencies by [DeFillippi and Arthur \(1994\)](#) enables us to theorise about the impact of specific organisational strategies on individual career competencies and vice versa. It becomes apparent that the bank not only benefits from the individuals' competencies acquired through the programme in the case of future employment, but also the programme itself facilitates an accrual of critical resources.

Our new framework maps how the organisational strategies and the development of individual career competencies mutually affect each other. In general, the bank benefits from a positive image and improved organisational learning, whereas the individuals profit by an increase of *knowing-how*, *knowing-why* and *knowing-whom* competencies. Advancing the existing literature on skilled migrants, according to which individuals working abroad generally increase their career competencies ([Antal-Berthoin, 2000](#); [Jokinen et al., 2008](#); [Mäkelä, 2007](#)), we show how such a competency accrual in turn positively affects organisations. However, our findings highlight that organisations do not always have a clear awareness of their pursued strategies, but that they can benefit from unintended effects, caused by changing strategic foci on SEE markets and a pursuit of different organisational aims in the course of time.

In our study, two organisational strategies have especially far-reaching impact on the development of career competencies – *learning* and *antidiscrimination*. Whereas the *learning* strategy generates the highest impact on all three career competencies, an *antidiscrimination* strategy only moderately adds to *knowing-how* competency, as the programme participants already had this competency prior to the programme. The high relevance of the *learning* strategy was neither expected to such an extent nor intended by the bank. Interestingly, the *antidiscrimination* strategy partly resulted from organisational learning, as this learning allowed for the banning of discriminatory elements in all kinds of personnel practices. However, our findings also indicate that some originally intended aspects of the *antidiscrimination* strategy did not fully work out either. Although the *antidiscrimination* strategy has positive effects on employer branding, the overall CSR aim of giving some benefits back to SEE societies as yet has not fully been achieved. After having acquired predominantly *knowing-why* and *knowing-whom* competencies through the programme, many participants are reluctant to return to their home countries and rather continue their

careers in Austria or another country. This finding resembles evidence from [Selmer and Lauring \(2012\)](#), who emphasise the “escape motive” of self-initiated expatriates. In the context of our case study, this phenomenon means that the bank’s contribution to society is limited mainly to Austria (and a few other non-SEE countries), but it does not relate to the countries of SEE. On the contrary, we observe an (indirect) effect of the programme on brain drain from SEE ([Stankovic et al., 2014](#)).

Finally, our three examples of programme participants tie in with [Inkson and Arthur \(2001\)](#), who illustrate how *knowing-why*, *knowing-how* and *knowing-whom* competencies affect each other and contribute to the accumulation of broader career assets. However, by incorporating the role of the organisational strategies, we go beyond a mere description of competency accumulation. In particular, focusing on the interplay between competency accumulation and organisational strategies enables us to enhance scholarly knowledge of HRD outcomes. Not only do organisational strategies regarding ethnic diversity affect the individual career competencies, but career competencies also affect organisational strategies. While separate analyses of HRD outcomes for either organisations or individuals allow important insights, especially consideration of the interplay of the two perspectives delivers a holistic picture of HRD.

Building on our study findings, we maintain that HRD concepts should consider both the organisational and the individual perspectives. Our proposed framework can serve as a basis for future research. Future studies should specify the framework through empirical investigations in different organisational contexts to better understand the interdependence of outcomes for organisations and individuals. We also support the claim by [Newman et al. \(2017\)](#) that future research should examine in more detail the benefits organisations may obtain through ethnic diversity; however, we also suggest including the benefits for the individual.

We see the following practical implications of our study. There exists a close linkage between HRD and organisational strategies regarding ethnic diversity, even though the identified outcomes cannot always be attributed to intended strategies. Our study shows that a programme for developing international talents can be of high strategic relevance. Given these strategic benefits, in line with [Zikic \(2015\)](#), we recommend that organisations should look into the competencies of skilled migrants and evaluate their contribution to the accrual of critical resources. Following [Kougias et al. \(2013\)](#), who address the necessity to rethink training and development initiatives for Eastern European migrants coming to Greece, cooperation with mediator offices such as universities can help organisations in their endeavours to develop skilled migrants and to access such critical resources ([Fields et al., 2005](#)). However, as shown by [Morgan and Finnear \(2009\)](#), the psychological contracts between migrant workers and their employing organisation are changing, and organisational decision-makers have to be aware of the expectations of their migrant employees. It is this kind of HRD that enables the simultaneous achievement of organisational and individual aims. Thereby, identifying opportunities for organisational learning through high-quality development programmes and senior management commitment as well as the organisation’s strategic development will be crucial ([Lancaster and Di Milia, 2014](#)). Tying in with research on diversity (management) – e.g. [Bieling et al. \(2015\)](#) who apply the resource-related reasoning by [Ortlieb and Sieben \(2013\)](#) to demographic change in the job markets and age diversity, or [Bešić and Hirt \(2016\)](#) who highlight the context specificity in diversity management and therefore link to HRD in an international context – we emphasise the need for practitioners to constantly monitor the organisational environment. In this regard, our framework can

serve as a basis for HRD decisions at the intersection of organisational strategies and competencies and help practitioners to better predict future consequences at the stage of designing a trainee- or internship programme.

Our analysis has several limitations. *First*, as we focus on a very specific programme in the cultural, economic and geographical context of Austria and SEE, generalisations as to other contexts should be made carefully. Although our research adds to the existing HRD literature a non-Anglo-Saxon perspective (Alhejji *et al.*, 2016), more research needs to be undertaken in varying country contexts. *Second*, the concept of career competencies we applied might not include all relevant aspects. However, the way we conducted the interviews left space for additional competencies or sub-competencies. Indeed, we gained insights into unexpected features, which we were able to subsume under the three career competency categories. *Third*, our findings are based on the subjective perceptions of our interviewees. We can neither assure that the former programme participants actually have acquired competencies as indicated in the interviews, nor that organisational key actors have not whitewashed their answers. Moreover, recall bias and post-hoc rationalisation might have occurred owing to the retrospective nature of the interviews. However, we believe that we provide a valid picture of the programme, as interviewees come from different areas and take different roles in the programme.

In conclusion, we maintain that by shedding light on the hitherto under-researched areas of skilled migrants from SEE and the interplay between the organisational and the individual perspectives on HRD, this study contributes to HRD literature. For all kind of actors, HRD outcomes cannot always be planned. However, as our study shows, even unintended HRD outcomes can be highly positive for both the organisations and individuals.

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