Frontier Working in Luxembourg

A Talent Management Perspective

by

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Faculty of Business, Economics and Law

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I Abstract

This doctoral thesis examines the experiences of frontier workers in Luxembourg and the issues and implications of frontier working in Luxembourg, viewed from a Talent Management perspective. Adopting an interview research strategy, the study involved key informants from the three bordering countries, Germany, France and Belgium. Although Talent Management, as a theme in business and management, has recently received growing attention, academic activities dealing with the experiences of the participating stakeholders do not reflect its importance. To date, there is scarce evidence or research on frontier working, and what little data that exist is mainly numerical. This study aims to address this gap.

The research topic appears in the frameworks of International Human Resources Management and Global Talent Management, and is based on an underlying practical issue originating from the necessity of employing talented frontier workers to fill the gap in talent supply in Luxembourg. Looking at Talent Management as an HR practice, a qualitative, inductive research approach was adopted, using semi-structured, face-to-face interviews with two groups of key informants, frontier workers and HR managers. The interviews were conducted in the participants’ mother tongue – either German, French or Luxembourghish – hence exploring Talent Management in languages other than English, which, up until now, has been dominant in research. Furthermore, the study offers a novel approach to the so far US- and UK-focused research, as it explores Talent Management in Luxembourg, where almost fifty percent of the workforce is composed of frontier workers.

In order to answer the research question, the data collected were analysed through thematic analysis to identify significant patterns and themes in each of the 35 interviews. In response to the research question, the findings reveal that frontier working in Luxembourg can be categorized as a dominant and relevant phenomenon. It can be concluded that frontier working does have a significant impact on the Talent Management practices as applied by organizations. Overall, this research provides insights into the increasing importance of frontier
working and develops an understanding of the issues in order to inform practice. The study therefore helps to close the gap in the research about the phenomenon of frontier working and its implications for HR practice in relation to Talent Management.

This work responds to Collings and Mellahi´s (2009) call for more empirical research on the experiences of talented employees and suggests that TM in Luxembourg is an as yet under-researched topic. The conclusions of this study inform empirical research, theory about frontier working and related concepts. Hence it contributes to a better understanding of frontier working as a thus-far under-explored phenomenon.

This study has implications for business and management, as it is relevant for practitioners as well as academic research in International Human Resource Management and Global Talent Management. The study concludes with implications for both existing or future frontier workers and HR departments in organizations in Luxembourg that employ frontier workers and outlines the conclusions for future research.
II  Declaration of Originality

I declare that my thesis entitled “Frontier Working in Luxembourg – A Talent Management Perspective” and the work to which it refers are the results of my own efforts. Any ideas, data, images or text resulting from the work of others (whether published or unpublished) are fully identified as such within the work and attributed to their originator in the text or bibliography. This thesis has not been submitted in whole or in part for any other academic degree or professional qualification. I agree that the University has the right to submit my work to the plagiarism detection service Turnitin for originality checks. Whether or not drafts have been so-assessed, the University reserves the right to require an electronic version of the final document (as submitted) for assessment as above.

Eva Maria Wuellner, November 2014
III  Acknowledgements

Starting a dissertation project while, at the same time, working full-time and looking after a family with three teenage children and one adult child is a challenge, and it is not possible without internal and external support. First and foremost, I would like to thank my supervisors, Dr Paul Tosey and Dr YingFei Héliot, for their ongoing support and encouragement in this research project. I was very fortunate to have had in them advisors who gave me freedom to explore my own ideas and, at the same time, the guidance I needed to stay on course. Throughout the whole research journey, I received constructive feedback and proposals for further readings and research work. They always gave me quick responses to my emails and the work sent, so I did not waste valuable time. I would also like to mention Dr Ian Dawson, who was my second supervisor during the second year. I was his first student to supervise and he invested a lot of energy and effort in motivating me. Furthermore, I really appreciated the administrative support from Mrs Jane Cook, Faculty Administrator (PG-R) – now retired – in all DBA matters. In addition, I would like to thank Mrs Vicki Sennett for proofreading this thesis.

Along my DBA journey, I got to know many people in academia, either at conferences, summer schools or workshops, where I participated with my research project. I would really like to thank them for their encouragement to continue, but cannot list them all here as there are so many. Furthermore, I want to thank all the frontier workers and HR managers that participated as key informants for the interviews.

I also mustn’t forget my German cohort 6 fellows, Patric, Dirk and Reno, who stayed on track from the original ten in the beginning.

Last, but not least, none of this would have been possible without the assistance and patience of my beloved husband, Achim, and my daughters, Katharina, Corinna, Vanessa and Christina, who accepted that we would not be sharing much free time with one another over the last four years, due to my extra-occupational studies. Without their support, I would not have had the energy and drive to concentrate on the intensive work for completing my DBA studies.
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<td>ADEM</td>
<td>L'Agence pour le développement de l'emploi (Labour Agency of Luxembourg)</td>
</tr>
<tr>
<td>AmCham</td>
<td>American Chamber of Commerce</td>
</tr>
<tr>
<td>AMO</td>
<td>Ability, Motivation and Opportunity framework</td>
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<tr>
<td>BCG</td>
<td>Boston Consulting Group</td>
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<tr>
<td>CAHRS</td>
<td>Center for Advanced Human Resource Studies</td>
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<tr>
<td>CAQDAS</td>
<td>Computer-assisted Qualitative Data Analyses Software</td>
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<tr>
<td>CBRM</td>
<td>Cross-border residential mobility</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CEPS/INSTEAD</td>
<td><em>Luxembourghish public research center</em></td>
</tr>
<tr>
<td>CHRO</td>
<td>Chief Human Resource Officer</td>
</tr>
<tr>
<td>CIPD</td>
<td>Chartered Institute for Personnel and Development</td>
</tr>
<tr>
<td>CIS</td>
<td>Commonwealth of Independent States</td>
</tr>
<tr>
<td>COM</td>
<td><em>Communication of the EU</em></td>
</tr>
<tr>
<td>CV</td>
<td>Curriculum Vitae</td>
</tr>
<tr>
<td>DBA</td>
<td>Doctor of Business Administration</td>
</tr>
<tr>
<td>EBSCO</td>
<td><em>Provider of research data bases, e-journals, etc.</em></td>
</tr>
<tr>
<td>EC</td>
<td>European Commission</td>
</tr>
<tr>
<td>EEC</td>
<td>European Economic Commission</td>
</tr>
<tr>
<td>e.g.</td>
<td><em>exempli gratia</em> (for example)</td>
</tr>
<tr>
<td>et al.</td>
<td><em>et alia</em> (and others)</td>
</tr>
<tr>
<td>etc.</td>
<td><em>et cetera</em> (and so forth)</td>
</tr>
<tr>
<td>ETUC</td>
<td>European Trade Union Confederation</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
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<td>--------------</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>EURAM</td>
<td>European Association of Management</td>
</tr>
<tr>
<td>EURES</td>
<td>European job mobility portal</td>
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<tr>
<td>FW</td>
<td>Frontier worker</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>“Greater Region”</td>
<td>bordering countries to Luxembourg</td>
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<td>GTM</td>
<td>Global Talent Management</td>
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<tr>
<td>HR</td>
<td>Human Resources</td>
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<td>HRD</td>
<td>Human Resources Development</td>
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<td>HRM</td>
<td>Human Resources Management</td>
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<td>HROne</td>
<td>Luxembourg HR manager association</td>
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<td>I16</td>
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<td>i.a.</td>
<td>inter alia (amongst others)</td>
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<td>IBA</td>
<td>Interregionale Arbeitsmarktbeobachtungsstelle (Interregional labour monitoring agency)</td>
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<td>IHRM</td>
<td>International Human Resource Management</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>IPA</td>
<td>Interpretative phenomenological analysis</td>
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<tr>
<td>IUJIL</td>
<td>International University Institute of Luxembourg</td>
</tr>
<tr>
<td>IZA</td>
<td>Institute for the Study of Labour</td>
</tr>
<tr>
<td>INSEE</td>
<td>Institut National de la statistique et des études économiques</td>
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<tr>
<td>LR</td>
<td>Literature Review</td>
</tr>
<tr>
<td>MKW</td>
<td>MKW Wirtschaftsforschung GmbH, Munich</td>
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<tr>
<td>MNC</td>
<td>Multi-National Corporation</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-governmental organization</td>
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<tr>
<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>OB</td>
<td>Organisational behaviour</td>
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<tr>
<td>OECD</td>
<td>Organization for European Economic Co-operation</td>
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<tr>
<td>POG</td>
<td>Personnel Officers Group</td>
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<tr>
<td>PWC</td>
<td>Price Waterhouse Coopers</td>
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<tr>
<td>RBV</td>
<td>Resource based view</td>
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<td>R&amp;D</td>
<td>Research and Development</td>
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<td>RTL</td>
<td>Radio Télé Luxembourg</td>
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<td>SHRM</td>
<td>Strategic Human Resource Management</td>
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<td>STATEC</td>
<td>Portail des Statistiques du Luxembourg (Statistical Office of Luxembourg)</td>
</tr>
<tr>
<td>TA</td>
<td>Thematic Analysis</td>
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<tr>
<td>TFEU</td>
<td>Treaty on the Functioning of the European Union</td>
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<tr>
<td>TM</td>
<td>Talent Management</td>
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<tr>
<td>UFHRD</td>
<td>University Forum of Human Resource Development</td>
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<tr>
<td>UK</td>
<td>United Kingdom</td>
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<tr>
<td>US</td>
<td>United States (of America)</td>
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1 Introduction

1. Introduction to the relevance, objectives and background of the study

Talent Management (TM) is increasingly identified as a critical success factor in organizations, yet academic research on the area has developed more slowly and despite the growth of recent research it still lags behind practice. This work aims at contributing to this discussion by choosing the example of Luxembourg, where talented frontier workers close the gap of talent supply. This empirical study informs international HRM literature by an in-depth investigation of the phenomenon of frontier working as a novel concept emerging in the frameworks of GTM and global talent mobility. The study extends existing theory by not focusing on the organisational level only, but also looking at the individual level. Hence, it responds to the call from Collings and Mellahi (2009) for more empirical research on the experiences and perceptions of talented employees by adopting a dual perspective. The study proposes avenues for broadening existing theory as its conclusions inform practice and research.

This study focuses on the phenomenon of frontier working viewed from a TM perspective. The purpose is to explore the experiences of frontier workers in Luxembourg and consider the issues and implications of frontier working viewed from a TM perspective, by taking into account the views of both frontier workers and HR managers in Luxembourg. The study is based upon the problem of filling open positions that demand qualified – i.e., “talented”–personnel that are not available within the country borders of Luxembourg, where almost half of its workforce commutes from outside the country each day (Lawson, 2010).

1.1 Relevance for practice

Talent Management as a term appears in many publications as well as in HR departments and organizations, and is a relatively new field of research that, in the past ten years, has become a key management issue (Thunnissen et al., 2013b). It gathered momentum when McKinsey consultants in the late 1990s
published “The War for Talents” (Chambers et al., 1998; Michaels et al., 2001). The focus was on the importance of employees for reaching a competitive advantage (Huselid et al., 1997; Colbert, 2004; Chadwick and Dabu, 2009). Since then, scholars and practitioners have paid considerable attention to Talent Management (Scullion and Starkey, 2000; Boudreau and Ramstad, 2005, 2007; Lewis and Heckman, 2006; Scullion and Collings, 2006, 2011; Cappelli, 2008b; Beechler and Woodward, 2009; Collings and Mellahi, 2009; Illes et al., 2010a; Cole, 2011).

Today's changing workforce dynamics, economic challenges and technological advances are putting immense pressure on business leaders to turn their focus towards people in order to remain competitive. External factors, such as demographic change, increasing globalization and mobility, influence an organization's approach to TM in times where the search for talented employees is undergoing a rapid development with the increasing global competition (Athey, 2008; Beechler and Woodward, 2009; Scullion et al., 2010). Talent is considered of great value and benefit for an organization (Tarique and Schuler, 2010), and developing talent is regarded as one of the company's priorities for achieving sustainable growth (Guthridge and Komm, 2008; Collings et al., 2009).

“Talentship”, as the new dominant business paradigm replacing finance and marketing, is on organizations' agendas (Boudreau and Ramstad, 2005, p. 21). Many organizations are investing substantially in TM activities worldwide (Lewis and Heckman, 2006; Boudreau and Ramstad, 2005), since the most important competitive advantage is the workforce and, especially, its competency, knowledge and skills. This provokes an exciting challenge for HR managers, whose functions consist not only of training and development, but also of individual career planning, career development, performance appraisal and many more TM practices (Tansley et al., 2007). On top of this, it is argued that organizations need co-workers who are willing to work – and capable of working – outside their country of birth and residency in order to gain success in the international markets, as the current globalized world demands mobile talents (Cappelli, 2008a). While markets become more flexible, talented employees are more and more capable of moving to where the best opportunities are offered.
This is reflected in a growing number of highly skilled and talented citizens that move across borders for work (Beechler and Woodward, 2009).

There are different parameters, such as wage differentials, employment opportunities and individual risk assessment that have an influence on the decision to move between the home and the workplace (Marthā and Wintr, 2007; MKW, 2009, p. 2). This sort of mobility has been observed in Western Europe for some decades now (Meusburger, 1969). Particularly in Europe, the cross-border mobility of labour is gaining attention, and occurs in two forms: migration and commuting (Pierrard, 2008). The empirical literature that is most relevant to this study discusses concepts such as cross-border residential mobility (CBRM) (Jagodic, 2011; Carpentier, 2012; Balógh, 2013) and transnationalism and border studies (Strüver, 2005; van Houtum and Gielis, 2006; Jagodic, 2011; Balógh, 2013). Further scholars approach the phenomenon of cross-border mobility from the perspective of the physical distance between the migrant’s place of origin and destination (van Houtum and Gielis, 2006; Khagram and Levitt, 2008). Another study researches the geographic mobility in the European Union and its effects on individuals (IZA, 2008), since one of the founding principles of the European Union is the freedom of movement of workers, retained in Article 39 of the Treaty establishing the European Union.

Frontier working, cross-border working and cross-border commuting are terms similarly applied under EU law, and imply an interesting phenomenon that can be observed in the 28 European Member States as well as Ireland, Norway and Switzerland. The concept of frontier working describes a person that works in one EU country but lives in another and returns there daily, or at least once a week (Europa.eu, 2014; Wille, 2012a). In Europe, the phenomenon of frontier working predominantly applies to nine countries with both economic and social meaning. The largest streams of frontier workers occur in five countries: France, Italy, Belgium, Germany and Austria. The largest commuter countries are Switzerland, Luxembourg, Germany, Monaco and the Netherlands (European Parliament, 1997). Whereas in 1975, 250,000 frontier workers were counted altogether, 670,000 frontier workers were defined in 2008 for the EU-15 states alone (European Commission, 2009). About 17% of all European cross-border workers are found in Luxembourg, as the second-strongest commuter country besides
Switzerland. Luxembourg and its bordering countries, also known as the “Greater Region”, are characterized by close economic relationships with currently more than 200,000 cross-border workers – i.e., approximately 25% of the total number of frontier workers in the EU-27 (Wille, 2012a, p. 33). In 2055, INSEE expects to find 300,000 frontier workers in Luxembourg alone (INSEE, 2007).

The topic for this research is based on an underlying practical issue originating from the necessity of employing frontier workers in order to fill the gap of talent supply in Luxembourg. The special skill requirements of banking institutions, financial services organizations and industrial corporations have increased the demand for well-trained and experienced – i.e., “talented” – labour that cannot be covered by the resources available within the country borders of Luxembourg (Lawson, 2010). The labour market in Luxembourg is characterized by a high wage economy, where a pool of “talented” frontier workers from the three bordering countries – Germany, France and Belgium – compete with the rather poorly educated resident workers (OECD, 2010; Lawson, 2010). The latest available statistics show that the number of frontier workers almost equals that of resident workers, with a percentage of 45%, and continues to grow year after year (STATEC, 2013); this therefore implies the relevance of the phenomenon of frontier working for the labour environment in Luxembourg. It also justifies further research undertakings in this currently under-researched field. The fact that frontier workers occupy almost 50% of the employment possibilities in Luxembourg (STATEC, 2013) impacts on the daily work of HR managers in Luxembourg. Hence, HR managers engage in TM activities – such as attraction, hiring, development and retention (CIPD, 2007) – in order to fill the open positions with skilled personnel. This study therefore aims to look into the area of practice in TM and its impact upon the work of HR managers in Luxembourg, and is complemented by the views of the “talented” frontier workers – i.e., frontier workers that meet specific criteria, such as being experienced, well-educated and multilingual. Thus, the study strives to create a link between TM in organizations and the frontier-working population. The implications of frontier working for TM in practice are studied within organizations from the three main sectors of employment in Luxembourg: banking, finance and the service industry.
This study aims to inform practice by an in-depth investigation of the phenomenon of frontier working as a novel concept emerging in the frameworks of GTM and global talent mobility and create new insights that have not been known before by highlighting what makes Luxembourg distinctive to other countries with a frontier working population. Furthermore, it strives to come up with advices for existing/future frontier workers and HR managers that facilitate their work and can be used as guidelines for organizations and HR practice in Luxembourg.

To sum up, the purpose of conducting this research is to advance knowledge in the field of frontier working viewed from a TM perspective.

1.2 Relevance for research

A great body of knowledge has been created through conceptual articles in the area of TM, although there is still ambiguity around its definition, scope and identity (Lewis and Heckman, 2006; Collings and Mellahi; 2009; Farndale et al., 2010; Iles, 2008; Tarique and Schuler, 2010). On the other hand, only scarce research has been undertaken in the field of Global Talent Management (GTM) (McLean, 2010; Scullion et al., 2010). A lack of empirical research exists in the academic literature (Lewis and Heckman, 2006), and these few studies deal with how organizations put TM into practice within the Anglo-Saxon business context only (Stahl et al., 2007). The experiences of talented employees can rarely be found in empirical articles, and, when they are, it is in the form of surveys, case studies or interviews, reflecting the views of the HR managers only (Collings and Mellahi, 2009). Many studies limit their focus on HR practices to recruiting, leadership and succession planning (Tarique and Schuler, 2010), using managerialist – i.e., top-to-bottom – and unitarist – i.e., with only one participant group – views (Thunnissen et al., 2013a). As a consequence, these studies have a limited view of the workplace, and do not consider distinct experiences from different participants.

The study employs a conscious choice in terms of literature, as it covers a variety of sources, such as from sociology, geography and history. It as well engages with practitioner literature as another strength of the thesis in order to present a full picture of frontier working in relation to TM and highlight what is special about
Luxembourg. So, by also acknowledging literature related to the concept of frontier working such as mobility, commuting, demographics and diversity, the study strives to make a significant contribution as it converges with other literature.

This study extends the GTM research by adopting a pluralistic view of the labour environment, acknowledging multiple stakeholders and broadening research to contexts other than US- and UK-driven research, namely to Luxembourg, a geography that is so far under-represented in the International Human Resources Management (IHRM) literature. Viewing frontier working, as an emerging phenomenon within GTM, from a perspective other than a numerical perspective has been neglected almost completely by researchers (Wille, 2012a). The available literature is limited to the documentation and analysis of official statistics, with regards to the cross-border labour market and region development aspects only. The gap addressed in this work is the lack of qualitative research about frontier working (Wille, 2012a). To date, the research undertaken in this field looks at frontier working from a sociological point of view (Krämer, 1998, 2004; Wille, 2012), is limited to geographical connotations (Hamman, 2008) or considers political implications (Kessler, 1991). Despite there being many country-specific consultancy reports for Luxembourg (e.g., Deloitte, 2006, 2010, 2012; PWC, 2010a), these report numbers only and do not investigate the phenomenon of frontier working as such.

Hence, to the best of my knowledge, this is the first study to analyse the phenomenon of frontier working from a TM perspective, by taking into account the experiences, issues and implications of frontier working from both stakeholder groups: “talented” frontier workers and HR managers. Consequently, this indicates an existing gap in knowledge that this research aims to bridge. Furthermore, the research uses an innovative multilingual approach, as it involves reviewing literature on frontier working and related concepts that predominantly uses French, German and Luxembourgish when it comes to country-specific issues, as well as interviewing in the participants’ mother tongues – French, German and Luxembourgish. Given this fact, this work broadens the realm of GTM research into a non-dominantly English-speaking context (Iles, 2013). Widening the scope of the study to non-English literature
creates further insights and knowledge for the field under research, as it reflects a wide spectrum of scientific findings.

The study aims to contribute to a broader discussion about GTM, with frontier working being one of its features, and to help in reducing the discrepancy between academic and practitioner interest in that field. Adopting a “shared mental model” approach (Boudreau, 2013) – i.e., shared between academic domains and between HR and non-HR managers in organizations – allows diversity in the perspectives on what GTM actually is. Thus, the study aims to create value by approaching the phenomenon of frontier working in a novel, non-numerical and multilingual way.

1.3 Underlying research question, objectives and aims

The aim of this study is to describe and explain a phenomenon occurring within GTM and talent mobility – frontier working – viewed from a TM perspective, in order to address the gap in research in this area. Given the growing numbers of frontier workers around the world, the study is relevant to contemporary practice. The overall research question that has been derived from the literature based on the identified issue therefore states as follows:

What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?

With the intention of finding answers to the above question, this research adds to the understanding of the phenomenon of frontier working and its implications for HR. It aims to inform “talented” frontier workers (existing and future) and HR managers about the implications of working in Luxembourg.
Hence, the objectives of this study are as follows:

1) To explore the experiences of the frontier workers in Luxembourg and the important features of frontier working;

2) To identify key Talent Management issues according to HR managers in Luxembourg;

3) To inform practice about the issues related to frontier working, through the perspectives of both frontier workers and HR managers, and to identify the implications for HR managers in organizations that employ frontier workers.

The following descriptive table shows how the research question influences the whole research process and underlines its relevance to the study. The table gives an overview of the formulation of the research, starting with an overall research question, and leading to a sub-question and the formulation of the sensitizing concept or underlying framework. This influences the selection of the sample population and has implications on the study design and the method of the analysis of data that relates to the overall conceptual framework, and leads to findings that close the link to the overall research question.
Figure 1.1: Research question in the research process

<table>
<thead>
<tr>
<th>FORMULATION OF THE OVERALL QUESTION:</th>
<th>What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?</th>
</tr>
</thead>
<tbody>
<tr>
<td>FORMULATION OF THE SPECIFIC RESEARCH QUESTION:</td>
<td>What are the experiences of &quot;talented&quot; frontier workers and what are the key Talent Management issues?</td>
</tr>
<tr>
<td>FORMULATION OF THE SENSITIZING CONCEPT:</td>
<td>Lack of empirical research on experiences of talented employees (Collings and Mellahi, 2009)</td>
</tr>
<tr>
<td>SELECTION OF THE RESEARCH GROUPS ON WHICH TO STUDY THE QUESTION:</td>
<td>Frontier workers and HR managers</td>
</tr>
<tr>
<td>SELECTION OF THE APPROPRIATE DESIGNS AND METHODS:</td>
<td>Qualitative, semi-structured interviews</td>
</tr>
<tr>
<td>ANALYZING THE DATA:</td>
<td>Inductive thematic analysis</td>
</tr>
<tr>
<td>GENERALIZATION AND EVALUATION OF THE ANALYSIS:</td>
<td>Uncover common themes and patterns throughout the whole data</td>
</tr>
<tr>
<td>FORMULATION OF THE FINDINGS:</td>
<td>Relate to research questions</td>
</tr>
</tbody>
</table>

(Source: Flick, 2012, adapted by author, 2014)
1.4 Personal background and motivation for doing this study

The purpose of this section is to explain my personal relation to the thesis and what motivated me to do this research. For the past seven years, I was employed as HR Director in an MNC headquartered in Luxembourg, with a total of 850 employees in 17 countries in Europe, Russia and the Community of Independent States (CIS). In my role as an HR professional, I was dealing on a daily basis with various HR processes, such as TM policies that, in my company, consisted of six areas: talent review (openings, gap analysis), succession planning, retention planning, leadership programmes, leadership evaluation (i.e., 360° feedback performance evaluation) and mentorship. In practice, these policies were embedded into well-defined and time-set procedures, with HR from the Luxembourg headquarters monitoring and acting as a driver. The main focus of my work was to ensure that we employed the right people in the right place at the right time, embedded into our company’s concept of TM consisting of the aforementioned six areas. This was challenging, as it is linked to aspects such as the availability of talents in the country-specific labour market, demographic and educational issues, mobility and diversity, and the institutional context of the job location (e.g., taxes, social benefits and legal requirements). Out of the 850 employees, my company employed 249 co-workers in Luxembourg. Of this workforce, 117 people lived in Luxembourg, but only 55 of these were Luxembourg nationals. The remaining 132 people were composed of 52 Belgian, 32 French and 48 German nationals, who commuted every day to their work - so-called frontier workers.

As stated, almost 50% of the total workforce in Luxembourg consists of frontier workers. Without this influx, the Luxembourg economy would face severe labour shortages and would not be able to sustain the high levels of its social security system, because all these people pay their taxes in Luxembourg. Working as an HR professional in Luxembourg, I encountered the practical issues of TM in an environment characterized by a high degree of frontier working. This fact motivated me to investigate the phenomenon of frontier working and its implication for TM in practice. Furthermore, HR colleagues from Luxembourg expressed their main business concern as being the attraction of talented people from countries outside of Luxembourg, since they cannot be found within the
country borders. Drawing from the experiences collected in the interviews with “talented” frontier workers and HR managers (Chapter Three), the study has general relevance to all businesses in Luxembourg, as they cannot operate without trained and skilled people. Given the growing number of frontier workers in Europe, this topic is also of use and interest to a wider audience. Another factor that motivated me to carry out this study, and why I have chosen to take a closer look into the phenomenon of frontier working, is that I have personal experience as a frontier worker. I will omit this fact during the course of this study, in order to avoid bias by striving for a value-free position. Hence, it is important to set aside my preconceptions and opinions about the topic. Through analysing the data collected from 35 interviews (Chapter Four), the answer to the research question that emerged from the literature review shall be given, and the concept of frontier working will be placed into a broader view of GTM, as applied in practice.

1.5 The Luxembourg context

The following information aims to underline the significance of the phenomenon of frontier working in Luxembourg and its implications for HR managers. In order to understand why frontier workers are the key components of the labour market in Luxembourg, some background on country-specific issues will be given.

Luxembourg, with its central location in the middle of Europe, is geographically embedded into the global competition for talents. The country has experienced rapid economic growth over the last three decades, which has substantially increased employment. This has been largely met by inflows of frontier workers and, to a lesser extent, immigration (Lawson, 2010). The labour force influx started from the 1990s onwards (Pauly, 2010). There are several global industrial groups located in Luxembourg, such as ArcelorMittal, Goodyear, Dupont, Husky, Delphi, Guardian and Lindab, as well as information technology and communication providers like RTL Group, Amazon and eBay. Luxembourg hosts many European institutions, with a local workforce of 45,000 people, and is one of the leading investment and financial centres worldwide, employing 176 different nationalities (STATEC, 2014).
As of the 21st century, telecommunications, satellite technologies, life sciences and green technologies are other new industries that are settling down in Luxembourg (Luxembourg.public.lu, 2014). Between 1986 and 2008, the number of workplaces increased on average by 3.4% every year (STATEC, 2013). From 1995 to 2011, 145,000 new jobs were created, of which nine out of ten were in the service sector, with the highest growth rates being in the service sector (by 228%), Research and Development (R&D) (by 203%) and the financial sector (by 153%) (German-Luxembourg Economic Conference, 28/01/2013). Luxembourg has the second highest Gross Domestic Product (GDP) per capita in the world (IMF, 2014). The labour market in Luxembourg is characterized by an environment of international and multicultural working, an exceptional rate of foreign labour, multilingualism, a predominance of the tertiary sector and an unemployment rate below the European average. Luxembourg presents itself differently to its surrounding countries, and is characterized by an annual growth of, on average, up to 4% in net employment (Genevois, 2011). Between 1999 and 2009, the percentage of frontier workers grew by 88.9% and, by 2013, approximately 45% of the total domestic employment was accounted for by frontier workers (STATEC, 2013). In 1995, the number of frontier workers in Luxembourg already outnumbered that of resident foreigners (Wille, 2012a). More than half of the employment created in 2011 was occupied by frontier workers, which is a net increase compared to 2009 and 2010 (then only one third), and it increased by 3.2% – more dynamic than the national employment (2.3%) (Luxemburger Wort, 27/04/2012, p. 4). French and Belgian frontier workers mainly work in the service sector, whereas Germans are predominantly employed in the construction sector.
The credit and insurance field is also a major attraction point for frontier worker employment, as the following table shows:

**Table 1.1: Occupational sectors of frontier workers in Luxembourg**

<table>
<thead>
<tr>
<th>Position</th>
<th>Germany</th>
<th>Belgium</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>Position 1</td>
<td>Construction (18%)</td>
<td>Services (22.6%)</td>
<td>Services (25.3%)</td>
</tr>
<tr>
<td>Position 2</td>
<td>Credit and insurance (16%)</td>
<td>Credit and insurance (16.7%)</td>
<td>Manufacturing (15.4%)</td>
</tr>
<tr>
<td>Position 3</td>
<td>Telecommunication (14.6%)</td>
<td>Trade, repair services (15.7%)</td>
<td>Trade, repair services (14.8%)</td>
</tr>
<tr>
<td>Position 4</td>
<td>Manufacturing (13.6%)</td>
<td>Construction (11.7%)</td>
<td>Credit and insurance (12.5%)</td>
</tr>
</tbody>
</table>

(Source: author, adapted from STATEC report, 2010)

Table 3.3 in Chapter Three, section 3.2.2.1 will show the participants in the study sample and their sector of employment.

In December 2013, there was a total domestic working population of 365,475 people, of which 161,258 were frontier workers (statistiques.public.lu, 2014). With almost 50% of the frontier-working labour force, France provides the largest contingent, followed by Belgium (26%) and Germany (24%) (STATEC, 2013).
As the graph shows, the number of frontier workers in Luxembourg has risen considerably since 1975, hence indicating the growing relevance of frontier working in Luxembourg:

**Figure 1.2:**

![Graph showing cross-border wage earners by country of origin until 2nd Quarter 2011](image)

(Source: EUROSTAT 2012)

With German, French and Luxembourgish, there are three official languages in Luxembourg. The roles of the bordering countries, in respect to Luxembourg, are those of a labour reservoir that compensates for labour shortages, and as a barrier against the ageing resident population (Lawson, 2010). Most importantly, though, their role is to keep the viability and maintenance of the generous Luxembourgish social welfare system (Zanardelli et al., 2012). Luxembourgers mainly work in the public sector, whereas resident foreigners and frontier workers are predominantly employed in the private sector (STATEC, 2014). As will be shown in the data-collection chapter, this study deals with interviewees from the private sector only, since hardly any frontier workers or non-Luxembourg nationals are admitted to work in the public sector, the main condition being fluency in all three official languages, German, French and Luxembourgish.
The high influx of the workforce is a phenomenon that can be attributed to two major factors: firstly, the high unemployment levels in Luxembourg’s bordering regions, mainly in France, and, secondly, the country as a job-creating economy, with skills required by Luxembourg firms that are not available inside the country borders. Overall, the Interregional Labour Monitoring Agency (IBA) (2009) predicted a rise in the population inside Luxembourg with, at the same time, a shrinking employee potential and a growing number of frontier workers. There are difficulties in recruiting within Luxembourg. Genevois (2011) showed that one quarter of openings were difficult to fill, especially for positions demanding higher education or in very specialized functions, although only 3% of job seekers were imposed to fill a vacancy with a lower profile (p. 11). The finance sector faced the most difficulties with the biggest number of openings. Filling these openings took longer for specialized profiles, from normally 2.9 weeks up to 11.1 weeks, and more recruitment channels had to be used (Genevois, 2011, p. 9).

Overall, the specific Luxembourg labour market faces future challenges in sustaining the current high level of job employment opportunities, but needs to address various Talent Management issues. Having said this, it is of particular importance to identify how HR managers in Luxembourg approach frontier working, so as to create a sustainable and attractive working environment for the frontier workers and to analyse how the group of frontier workers experiences frontier working in Luxembourg.

1.6 Thesis outline and overview of the chapters

Chapter Two presents the literature review. It first provides an overview of TM debates and key definitions, and discusses the relevant themes. This is necessary in order to understand the theoretical framework of the research. Going further, factors related to frontier working within the context of GTM, such as mobility, commuting, demographics and diversity, are discussed. The concept of frontier working is presented, by choosing the practical example of frontier working in Luxembourg. The chapter concludes with a summary of the literature review, the formulation of the research question and the research objectives of the study.
Chapter Three presents the methodology. After an overview of the methodology and the methods, the philosophical underpinnings and the research philosophy, the research approach and the chosen research strategy – thematic analysis – are described. Based on interpretivism as a philosophical stance, a qualitative, inductive, mono-method research, using semi-structured, face-to-face interviews as data collection methods, is undertaken. The different steps during the data collection phases are described in detail.

Chapter Four discusses the findings from the qualitative research interviews, through the application of inductive thematic analysis. Given that there are two groups in the sample, frontier workers and HR managers, the results are presented separately.

Chapter Five presents the findings and relates them back to the literature.

Chapter Six contains the overall conclusion and answers the question as to whether my research objectives and aims have been met and how these contribute to the understanding of the topic displayed in the literature. The chapter furthermore sets out the implications of frontier working for frontier workers and HR managers in Luxembourg, and indicates the potential strengths, weaknesses and limitations of this study.
2 Literature review

2. Frontier working viewed from a Talent Management perspective

2.1 Introduction: the process of doing a literature review

This literature review (LR) aims to develop an argument that targets the key issues of the research field and to end with the identification of a problem that the existing literature has not yet come to grips with. The purpose of the literature review is thus to explore the experiences of frontier workers in Luxembourg and consider the issues and implications of frontier working viewed from a TM perspective, by taking into account the views of both frontier workers and HR managers in Luxembourg. The study is based upon the problem of filling open positions that demand qualified – i.e., “talented” – personnel that are not available within the country borders of Luxembourg (Lawson, 2010), and has risen from my personal experience as an HR manager. Furthermore, the aim of reviewing the literature is to take the identified issue and use it to shape the research question. Following the analogy of a funnel, in the explorative process of selecting a research question, the wide end of the funnel is the general field of study (Marshall and Rossman, 2006). At the end of the funnel the research question shall be the outcome from the literature review; as Remenyi et al. (2005) stated, “[although we can take the] working experience as a good starting point for establishing the research question, it is the literature review that should reveal problems or areas of incomplete knowledge in the field of interest” (p. 67).

The literature search began in mid-2010, when a research proposal had to be submitted before commencing the DBA. In order to conduct a comprehensive review of the relevant literature, that, to the best of my knowledge, located and reviewed the literature that is of central relevance to my topic, I reflected on keywords and related terms as the result of a brainstorming process, and discussed them with my supervisors. I noted down key ideas and issues within the field under study, i.e., frontier working. I selected terms that, in my view, are closely linked to the topic. I considered the term “frontier worker” (what does it involve?) and related terms such as “cross-border worker”. I looked at the term
“talent” (what is the definition?) and related areas, such as Talent Management (TM) (what does it include and what is its scope?), the factors influencing TM (such as globalization, diversity and demographics) and the factors specifically influencing TM in Luxembourg as the focus country (such as the labour market, international workforce and working environment). I arrived at these with the help of a mind-mapping process that I had conducted before the start of the literature review, so as to become clear about the topic and to explain how I saw its structure. The results from this brainstorming process were discussed with my supervisors. The keywords were entered into databases such as EBSCOhost and Sage. The identified literature was screened by type of publication – i.e., academic journal articles, research reports and consultancy studies – and time of publication. As will be shown later, the phenomenon of frontier working has been acknowledged in the literature for 30 years (Fehlen, 1997). Therefore, I concentrated mainly on literature published after 1990. Relevant literature was further identified using the “summon” function of the University of Surrey e-library, accessible via remote access, Google scholar and the references found in the resulting articles. Appendix A shows a screenshot from an Excel table prepared to structure the search. I grouped the references into alphabetical order, stored them on my computer and inserted links into the table so that, with a simple click, I could access the respective articles easily whenever needed. I divided the search results into journal articles, books and reports. At the time of writing up the literature review, this table proved to be very useful.

Searching the literature for the term “frontier working” and related themes resulted in scarce findings. Therefore, I broadened my search to relevant concepts linked to frontier working, such as mobility and commuting. Reading through these areas of the literature brought about the link to TM as an underlying theme for several reasons. Frontier workers in Luxembourg are searched for because of their skills and experience (Wille, 2012a). The amount of open positions in Luxembourg cannot be filled by Luxembourgers, since they lack the suitable education (Lawson, 2010) and, consequently, there are not enough “talents” available on the Luxembourg labour market. The fact that there is high unemployment in the bordering regions of France and Belgium and, to a lesser extent, in Germany, with a large pool of well-educated people available, makes it
easier for organizations to attract these people to work in Luxembourg (Genevois, 2011). Since the study is based on the necessity of employing frontier workers to close the gap of talents in Luxembourg, the question considers how frontier workers experience frontier working – for example, what attracts them to work in Luxembourg and what do HR managers undertake to attract, hire, develop and retain them? These activities can be summarized by the term “Talent Management” (Tansley et al., 2007). Therefore, the literature review includes the key definitions for TM as an underlying theme. Chapter Three, Section 3.2.1.2 establishes the criteria for “talented” frontier workers as a targeted group of interviewees.

The initial search on the subject of TM led to various books approaching the topic on a rather broad basis as a first source for the theoretical background. I started my search by reading extensively around the subject of TM to obtain a basic understanding of the existing literature in that field. Going further, I focused my search on peer-reviewed literature, such as articles in academic journals. Evidence on TM is also provided by conference proceedings, such as those from the University Forum of Human Resource Development (UFHRD) 2012, 2013 and 2014, and the European Association of Management (EURAM) 2013 and 2014. These proceedings proved an invaluable source for the most authentic research in my topic area.
The following figure provides an overview of the structure of the literature review chapter and its aims:

**Figure 2.1: Structure of literature review chapter and aims**

- **2.2 Frontier working: the overall framework**
  - 2.2.1 Introduction to the term “talent”
  - 2.2.2 Introduction to the concept of Talent Management
  - 2.2.3 Talent Management and Talent Management practices
  - 2.2.4 Global Talent Management
  - **AIM:** define, explain, present relevant literature

- **2.3 The phenomenon of frontier working**
  - 2.3.1 Frontier working: a definition and framework
  - 2.3.2 Frontier working in Luxembourg
  - **AIM:** describe and put into context

- **2.4 Concepts related to frontier working**
  - 2.4.1 Mobility
  - 2.4.2 Commuting
  - 2.4.3 Demographics
  - 2.4.4 Diversity
  - **AIM:** introduce conceptual framework (2.4.5)

- **2.5 Summary of LR, research question and objectives**
  - 2.5.1 Summary of the literature review
  - 2.5.2 Formulation of the research question
  - 2.5.3 Presentation of the objectives of the study
  - **AIM:** address areas of incomplete knowledge

(Source: author, 2014)

Overall, the literature review chapter aims to show how the approach of frontier working maps onto a model of what TM consists of and how it operates. Therefore, to locate the phenomenon of frontier working within the concept of TM, it is necessary to first define the key terms in TM and create the link to frontier working in general, as well as to Luxembourg specifically, as the country under study and then review the related concepts. This background information is relevant so as to identify the issues around frontier working in Luxembourg. Starting from an overall description explaining the terms “talent” and “TM”, TM
and TM practices as well as the framework for GTM are presented, followed by a focus on the concept of frontier working in general and as applied in practice within the labour environment in Luxembourg. After a review of the concepts related to frontier working and a summary of the findings from the literature review, the underlying conceptual framework is introduced. The chapter concludes by stating the findings from the LR, the research question and the objectives of the study.

2.2 Frontier working: the overall framework

It is argued that, in order to be efficient in TM, organizations must understand what “talent” is and what TM effectively implies (Thunnissen et al., 2013b). This section aims to define the terms “talent” and “TM” as the underlying rationale for the concept of frontier working in Luxembourg. The study focuses on the practical application of TM in business and management and, to a lesser extent, on the theoretical frameworks since, to date, they can rarely be found in academic literature (Lewis and Heckman, 2006; Collings and Mellahi, 2009; Gelens et al., 2013). With this work being a DBA, I will adopt the perspective of scholarly practitioner (Gold, 2013; Stewart and Gold, 2011), advocating the building of bridges between academia and practice, where professional and research practices can contribute to each other (Van de Ven, 2007). This allows the gaining of a greater insight into the phenomenon under research and has relevance to my study.

2.2.1 Introduction to the term “talent”

“Talent is the fuel that drives the engine of the global economy.”

- (World Economic Forum Davos, 2012)

This metaphor from the World Economic Forum 2012 in Davos elucidates the importance of talent for the business world. The following section analyses how the term is discussed in the literature, as a basis for understanding what TM is about.
2.2.1.1 **The term “talent” in the literature**

The etymologic origin of the term “talent” is derived from the Greek word *tálanton* and means scales. It was used as a weight unit during ancient Greek, Hebrew and Roman times (Duden, 2007). Its meaning has varied throughout the ages. In the 17th century, “talent was related to a special natural ability or aptitudes and faculties of various kinds”, and in the 19th century “talent was viewed as embodied in the talented – hence, a person of talent and ability” (Tansley, 2011, p. 267). Discussion of the term in business and management started in the 1960s, when Drucker coined the term “knowledge worker” to describe a new class of employees whose basic means of production were no longer capital, land or labour, but rather the productive use of knowledge (Drucker, 1994). According to Drucker, the employees are the main assets and an organization’s most valuable resource (Drucker et al., 2008).

In modern literature, talent is considered as a synonym for “a key source of value creation” (Michaels et al., 2001, p. xiii), highlighting the strategic importance of talented co-workers. Talent in a broader sense is described as the entity of the competent and motivated persons that an organization needs for its successful functioning. Literature uses the term predominantly as a synonym for high potentials, top performers, highly qualified persons or knowledge workers (Lubitsh et al., 2007; Altrock, 2009; Collings and Mellahi, 2009; Mäkelä et al., 2010; Tarique and Schuler, 2010; Farndale et al., 2010). According to Collings and Mellahi (2009), talented people can enjoy a different human resource architecture in contrast to the rest of the workforce, and talented people contribute to the business to a much larger extent than others (Lubitsh et al., 2007). There is a common understanding that “talent has become a precious resource fought over by competitors in a global war for talent” (Cheese et al., 2008, p. 9); talent, as a social and organizational resource, is gaining importance (Dries, 2013).
Table 2.1 provides an overview of the most-used expressions for talent in the literature.

Table 2.1: The term “talent” in the literature

<table>
<thead>
<tr>
<th>Source/Author</th>
<th>Synonym for...</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drucker</td>
<td>Knowledge worker</td>
<td>1994</td>
</tr>
<tr>
<td>Michaels et al.</td>
<td>A key source of value creation, the sum of a person’s ability – his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive</td>
<td>2001, p. xiii</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2001, p. xii</td>
</tr>
<tr>
<td>CIPD/Tansley</td>
<td>Talent consists of those individuals who can make a difference to organizational performance, either through their immediate contribution or, in the longer-term, by demonstrating the highest levels of potential</td>
<td>2007, p. 8</td>
</tr>
<tr>
<td>Lubitsh, Altrock</td>
<td>High potentials, top performers, highly qualified persons or knowledge workers</td>
<td>2007, 2009</td>
</tr>
<tr>
<td>Collings and Mellahi, Mäkelä, Björkman and Ehrnrooth, Tarique and Schuler, Farndale, Scullion and Sparrow</td>
<td>2009, 2010</td>
<td>2010, 2010</td>
</tr>
</tbody>
</table>

(Source: author, 2014)
As the table content shows, most of the authors replace the term “talent” with a different expression when they discuss talent as a concept. Tansley et al. (2007) are more specific in their description when they detail what talent consists of. According to Lubitsh et al. (2007), it is commonly accepted that talents deliver or have the potential to deliver a much greater contribution to the business compared to others. High performance and high potential is associated with talent (e.g., Lubitsh et al., 2007; Collings and Mellahi, 2009; Tarique and Schuler, 2010). High performance usually refers to the top few per cent of employees, but Collins (2001) contradicts this by stating that it is about the right people. He therefore warns not to generalize but, instead, stresses the importance of focusing on those persons identified as talents. Michaels et al. (2001) describe talent as the best and the brightest. Beechler and Woodward (2009) call talented people (talents) the highest achievers or top performers. So it can be seen that there is quite a variety of expressions for the term “talent”.

Talent and its meaning are discussed further in other academic literature. Overall, talent is considered as one of the most valuable assets in an organization that is placed into a global environment (Bartlett and Ghoshal, 1992). In their HR architecture theory, Lepak and Snell (2002) advocate a differential management of employees, according to their relative potential contribution to the competitive advantage of an organization. They point to the fact that regarding every employee as talented is too simplistic, because it ignores the different levels of skills and capabilities of different categories of employees. The success of a business depends on the usage of its resources and their commitment to the organization (Marquardt et al., 2004), and this is strongly linked to the success of high performing organizations (Huselid, 1995). Furthermore, this is one of the few sources of competitive advantage that is difficult to replicate. Dierdorff and Morgeson (2007) add an interesting component to the discussion when they state that talents must be capable of adapting to working in diverse contexts, and that there is a shift to “generic competencies” (Garavan et al., 2012, p. 8) – i.e., problem solving, analytical skills, communication skills, teamwork competencies and skills to identify, access and manage knowledge. As a consequence, talents must possess more than just technical skills. Despite the increasing attempts of both scholars and practitioners to look for a common definition for talent in order
to advance TM research and practice, Boudreau (2013) advocates allowing diversity in the discussion, as talent systems will advance on the individual, organizational and social levels anyway. So, overall, there is an ongoing discussion about what “talent” constitutes, and further attributes can be found, such as in the HRM literature that looks at talent via four capital lenses – human capital, social capital, political capital and cultural capital – which all contribute to an organization (Sparrow, 2007; Farndale et al., 2010). It deals with the social exchange relationship between organizations and their employees. In recent years, the discussion has continued and was brought to a different level when Gallardo-Gallardo et al. (2013) started the debate on the conceptualization of talent. The discourse on its scope is ongoing, added to by specific dimensions: object versus subject conceptualization of talent, and exclusive versus inclusive approaches (Gallardo-Gallardo et al., p. 293). There are manifold definitions and explanations for the term “talent”, with the inclusive versus exclusive perspective receiving the most attention (Dries, 2013). Tensions in the literature do exist between object versus subject perspectives on talent (what or who constitutes talent); between inclusive versus exclusive perspectives on talent (all people are talented, but some are more talented than others, thus more valuable); between innate versus acquired perspectives (is talent inborn or can talent be taught and learned?); between input versus output perspectives (does talent depend more on ability or motivation?); and between transferable versus context-dependent perspectives (does the environment influence talent?). (Dries, 2013, p. 280). In the world of work, talent within the object approach refers to “exceptional abilities and attitudes demonstrated by an individual” (Gallardo-Gallardo et al., 2013, p. 297), whereas the subject approach is concerned with talent as people. Dries, in her recent paper, identified six theoretical perspectives on talent – talent as capital, talent as individual difference, talent as giftedness, talent as identity, talent as strength and talent as the perception of talent – in order to define talent as a concept (Dries, 2013, p. 272). Further distinctions are being made between the innate construct (nature) that goes along with the talent recruitment, identification and retention processes, and the focus on talent development that relates to talent as mostly acquired through experiences (nurture) (Meyers et al., 2013, p. 318). Talent as natural ability is often suggested in dictionary definitions, or can be nurtured, as organizations often imply.
Therefore, looking at the organizational level, talent is used as “a code for the most effective leaders and managers at all levels, who can help a company fulfil its aspirations and drive its performance” (Michaels et al., 2001, p. 111). Mäkelä et al. (2010) questioned which people in MNCs are labelled as talented. To effectively find the best talent, practices such as performance appraisal evaluation have to be carefully crafted, and the decision-makers need to be well trained. Researching the literature on talent and TM implies that, at an individual level, talent characterizes only a limited group of people, “a limited pool of organizational members who possess unique managerial and leadership competencies” (Garavan et al., 2012, p. 7). Many scientists and researchers share the same opinion when they state that a large portion of a business’ success is owed to the excellent performance of a few key people in the organization. This view is also reflected in a quote from Bill Gates, the founder of Microsoft: “If we would miss our 20 best employees, then we would be just an average computer business like many others.” (Cited in Scheffler, 2008, p. 4)

Ready and Conger (2007) share his view: “Any company aiming to grow – and, in particular, to grow on the global stage – has little hope of achieving its goals without the ability to put the right people on the ground, and fast” (p. 76). This is also supported by the following quote: “As a creative company, our success is absolutely dependent on our employees, their ideas and intellectual resources.” (Hartmut Ostrowski, Chairman and CEO Bertelsmann AG, cited in PWC, 2010a)

The lack of available talents, or talent shortages, is of increasing concern to employers worldwide, with a lack of available applicants or no applicants as the main reason identified. This ratio jumped from 24% in 2011 to 33% in 2012 (Manpower Group, 2012, p. 3). Al Ariss et al. (2014) contradict the general statement that there is a lack of talents, but speak of “global abundance with local scarcity of talent” (p. 178).

In the Chief Human Resource Officers Survey by the Cornell Center for Advanced Human Resource Studies (CAHRS) (2011a), talent was a guiding theme on the CEOs’ agenda. Talent issues were perceived as some of the biggest challenges, with the lack of talent seen as the greatest obstacle to achieving the CEOs’ objectives (Wright et al., 2011, p. 1). Furthermore, this reflects the fact that talent is perceived as important by businesses, and that businesses have adopted the
discourse of talent. One of the key roles for a Chief Human Resource Officer (CHRO) is as a talent architect or strategist, with activities focused on building and identifying the human capital that is critical to the present and future of the company (Wright et al., 2011, p. 12). There are three types of competencies required for a talent: general business competencies, cross-cultural competencies and competencies for creating and managing the knowledge required for business performance (Tarique and Schuler, 2010). Tarique and Schuler discuss the role of global talent when they look at the wider demographic picture, with baby boomers nearing the end of their careers cited as another reason to hold on to the best. The retention of crucial talent is therefore key to a business’ continued growth and success. This becomes even more evident within a globalized working environment, where people move around for a better position.

As argued above, there is no clarity within the business world about the meaning of “talent” and, consequently, this hinders the establishment of widely accepted TM practices and theories (Gallardo-Gallardo et al., 2013). In a similar vein, Tansley (2011) stated: “People are rarely precise about what they mean by the term talent in organizations and the implications of defining talent for TM practices” (p. 266). Many books (e.g., Cappelli, 2008a) and journal articles (e.g., Collings and Mellahi, 2009) on the subject of TM take talent as given and, therefore, do not explicitly define it.

To sum up, similarities and differences do exist with regards to the various perceptions and application of talent definitions. Iles et al. (2010a) are of the opinion that researchers should broaden their scope to include cultural and language issues in the (social) construction of talent, and point to a lack of consensus when it comes to the inclusive versus exclusive approach in respect of talent development. From an inclusive perspective, “talent is often merely a synonym for staff” (Iles et al., 2010b, p. 127). Bersin and Associates (2007) share this view and advocate recognizing the contribution of every employee to an organization. In a similar vein, Christensen and Rog (2008) suggest that everyone has the potential to generate ideas. Tansley (2011) contradicts this view when she states that talent is limited to a minority:“if everyone was [a talent], there would be no way to predict or explain differential success” (p. 268). Swailes
and Downs (2014) propose that we should be open to a “fully inclusive approach” (p. 6). Meyers and Woerkmom (2014) reason that TM will experience a shift towards a more inclusive stance, as it will help to overcome the focus on the specific talents in the organization in times of a global scarcity of talents and fast changes in the environment. They therefore advise implementing hybrid TM systems for two groups of employees, as proposed by Stahl et al. (2012), whereas TM typically concentrates on those employees who “rank at the top in terms of capability and performance” (Stahl et al., 2007). The opinion of Meyers and Woerkom (2014) is supported by Minbaeva and Collings (2013), who argue for a differentiation between A, B and C performers – “we suggest that all positions do not require A players” (2013, p. 1766) – but note that there should be a distinction between strategic and non-strategic positions. Huselid et al. (2005) note that organizations simply cannot afford to have A-players in all positions.

### 2.2.1.2 The term “talent” as applied in the study

This study adopts an exclusive approach to TM as the most widely implemented perspective in firms (Collings and Mellahi, 2009), and reflects the general trend in HRM literature of applying differential HR practices (Becker et al., 2001). Talent equals human capital (Farndale et al., 2010), meaning that employees are assessed on their potential contribution to the organization and their uniqueness (how easily they can be replaced) (Lepak and Snell, 2002), according to the definition given by CIPD (2007) and supported by Tansley, that it is about those co-workers who – based on their education, skills and experience – add value to an organization’s performance now and in the future.

Talent refers to the ability to undertake new learning and adapt to the different and challenging working environment, here exemplified by the frontier workers in Luxembourg. However, the terms “talent” and “TM” and their associated practices can have multiple meanings for different organizations (Festing and Schäfer, 2014). Whereas in one company developing talents is following one single training course, in another it might involve long-term development training followed by job rotation or expatriation.
For this research, I will take the definition of “talent” by Gallardo-Gallardo (2013) as its basis with talent referring to “exceptional abilities and attitudes demonstrated by an individual” (p. 297). A “talent” is someone who possesses the specific skills required by an organization. This study concerns “talented” frontier workers who, due to their specific education and experiences, are hired by employers in Luxembourg that cannot find such qualified profiles on the Luxembourg labour market. The term “high potential” results from the consulting world and refers to a more general label (Gelens et al. 2013), therefore I do not adopt it. However, I adopt the objective perspective of talents, including the representation of those individuals who are pivotal for their organization (Tansley, 2011; Thunnissen et al., 2013b). Collings and Mellahi (2009) call this the resource-/human capital-based view. One portion of the sample for this study (see Chapter Three) is composed of frontier workers who meet the criteria of being talented in the sense that they possess the necessary skills and knowledge to perform in and sustain their organizations. The frontier workers were hired because no such highly-skilled workforce was available within the country boundaries.

Following on from this clarification of the term “talent”, the concept of TM, as reflected in the literature, will be placed into the broader context of IHRM, before creating the link to concepts that are relevant in respect of the phenomenon of frontier working as a central topic for this study.

### 2.2.2 Introduction to the concept of Talent Management

TM encompasses many aspects of human resources management (HRM). It refers to the development of individuals, their training and the creation of leaders. The process of TM normally consists of the following components: attraction, recruiting, development, retention and evaluation (CIPD, 2009a). TM was first brought to attention by Michaels et al. in their book “The War for Talents” (2001). At that time, the economy in the industrialized countries was booming, and HR departments were struggling to hire and retain the workforce they needed. Michaels et al. identified three important streams having an impact on the war for talent: “the irreversible shift from the Industrial Age to the Information Age, the intensifying demand for high-calibre managerial talent, and the growing
propensity for people to switch from one company to another” (2001, p. 3). The concept of TM is built upon the premise that “[organizations] that will win in the competitive arena are those that are the best at locating, assessing, recruiting, and keeping the most talented people” (Pfeffer, 2001, p. 248). Boudreau and Ramstad (2005) suggest that TM leaders must know the business tools and apply them as rigorously to TM decisions as they would to decisions about asset investments, consumer segments, inventories, supply chains and engineering components. Seeing how the business tools apply to TM offers untapped opportunities to redefine common talent dilemmas.

2.2.2.1 The concept of Talent Management in the literature

The definitions of TM are wide in scope. It can be summarized that there is no exact or broadly accepted definition of TM that can be found in the literature. Michaels et al. (2001) are quite vague when discussing TM. Over the years, the strategic component, with well-defined processes and practices, has been put into the forefront. TM activities aim at building up a pool of employees that are capable of filling their roles and are of particular importance to the organization. Collings and Mellahi’s (2009) definition (see Table 2.2) best captures what we refer to when we talk about TM, as it reflects the broad variety of approaches to TM that can be found in the literature. The following table presents the leading definitions of TM in the literature on TM:
Table 2.2: Definitions of TM in HRM literature after 2000 for authors cited in the thesis

<table>
<thead>
<tr>
<th>Year</th>
<th>Author</th>
<th>Quotation</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>Michaels et al.</td>
<td>A phenomenon that many people had been experiencing but had not fully articulated.</td>
<td>p.1</td>
</tr>
<tr>
<td>2008</td>
<td>Cappelli</td>
<td>At its heart, TM is simply a matter of anticipating the need for human capital and setting out a plan to meet it.</td>
<td>p.1</td>
</tr>
<tr>
<td>2008</td>
<td>Bersin and Associates</td>
<td>An integrated, dynamic process, which enables organizations to define, acquire and develop the talent that it needs to meet its strategic objectives. A set of organizational processes designed to attract, develop, motivate and retain key people.</td>
<td>p.4</td>
</tr>
<tr>
<td>2009</td>
<td>Collings and Mellahi</td>
<td>We define strategic TM as activities and processes that involve the systematic identification of key positions which differentially contribute to the organization’s sustainable competitive advantage, the development of a talent pool of high potentials and high-performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization.</td>
<td>p.304</td>
</tr>
<tr>
<td>2010</td>
<td>Scullion, Collings and Caligiuri</td>
<td>All organizational activities for the purpose of attracting, selecting, developing, and retaining the best employees in the most strategic roles.</td>
<td>p.106</td>
</tr>
<tr>
<td>2011</td>
<td>Iles, Preece and Chuai</td>
<td>The strategic management of the flow of talent through an organization.</td>
<td>p.127</td>
</tr>
<tr>
<td>2014</td>
<td>CIPD</td>
<td>The systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their “high potential” for the future or because they are fulfilling business/operation-critical roles.</td>
<td>online</td>
</tr>
</tbody>
</table>

(Source: author, 2014)
As the table content shows, the definition of TM over the past 15 years has shifted from a rather vague expression (“a phenomenon”, Michaels et al., 2001, p. 1; “an integrated, dynamic process”, Cappelli, 2008a, p. 1) towards strategic components encompassing defined activities and processes (Collings and Mellahi, 2009; Scullion et al., 2010; CIPD, 2011). It therefore becomes clear that, over the years, TM has developed into one of the key strategic issues that managers are facing (Huselid et al., 2005; Ready and Conger, 2007; Boudreau and Ramstad, 2007; Cappelli, 2008b; Collings and Mellahi, 2009), and has become a popular topic in both academic and practitioner literature (Berger and Berger, 2004; Lorsch and Tierney, 2004; Boudreau and Ramstad, 2005, 2007; Lewis and Heckman, 2006; Björkman et al., 2007; Ready and Conger, 2007; Cappelli, 2008; Collings and Mellahi, 2009; Beechler and Woodward, 2009; Tarique and Schuler, 2010; Iles et al., 2010b). TM has gained interest in the area of HRM/HRD research and has become a key component of corporate HR strategies (Berger and Berger, 2004; Cappelli, 2008; Burbach and Royle, 2010).

The concept of TM in the literature is not well defined (Lewis and Heckman, 2006), and there is still ambiguity and diverse perceptions when it comes to definitions (Lewis and Heckman, 2006; Garrow and Hirsh, 2008; Collings and Mellahi, 2009; Iles et al., 2010a). A great body of knowledge has still been created through conceptual articles around TM (Lewis and Heckman, 2006; Collings and Mellahi, 2009; Farndale et al., 2010; Iles et al., 2010a; Tarique and Schuler, 2010). These studies contribute to a better understanding of what TM is about and help TM towards becoming a mature field. TM appears to be closely related to concepts that include human resources planning, strategic human resource management and employability (Lewis and Heckman, 2006; Collings and Mellahi, 2009).

Lewis and Heckman identify several key streams located around the concept of TM, with the first approximating the terms Human Resource Management and TM and involving typical human resource department practices and functions, such as hiring, development and succession planning. The second definition is defined in terms of HR planning, and “projecting employee/staffing needs and managing the progression of employees through positions” (Lewis and Heckman, 2006, p. 140), whereas the third is focused on managing talented people. An
additional fourth stream concentrates on key positions with the potential to impact on the competitive advantage of the organization (Huselid et al., 2005, Boudreau and Ramstad, 2005; Collings and Mellahi, 2009).

There are five aspects of TM: the identification of talent; training and development; succession planning; retention management (Dries and Pepermans, 2008); and recruitment (Stahl et al., 2012). In their research, Meyers et al. (2013) offer ways to justify the existence of TM as an independent research stream. Instead of marketing and finance, the new business paradigm is “talentship” (Boudreau and Ramstad, 2005, p. 21). Lewis and Heckman (2006), in their critical review of TM, found “a disturbing lack of clarity regarding the definition, scope and overall goals of TM” (p. 139), and found that “the terms in the debate are not clear and confuse outcomes with processes with decision alternatives” (p. 140). They consider TM as “a popular topic that lacks coherence and rigour” (p. 152) and that is “not well grounded in research” (p. 143); furthermore, they note that the concept itself is not new, but just a way “to re-package standard solutions in HR challenges” (p. 142).

In a similar vein, Reilly claims that “TM has always seemed to me to be a tricky subject. It is at risk of becoming mere hyperbole, as in “The War for Talents”, or of becoming the fad of the conference circuit because the term lacks a clear definition.” (Reilly, 2008, p. 381) Similarly to Lewis and Heckman (2006), other scholars even consider it as “old wine in new bottles” (Illes et al., 2010b, p. 126). Illes et al. explored whether TM is just a fashion and could be grouped within the already-existing topic of Human Resource Development. He concluded that TM is still developing, therefore it cannot be said whether it is a true institution or just a trend. As a result, a research agenda was formulated as further questions were raised. Illes et al. (2010b) relate TM to a set of processes that are implemented in organizations with regards to how to attract, select, develop and manage co-workers in an integrated and strategic way. However, there are unresolved issues when it comes to establishing a conceptual framework for TM (Scullion et al., 2010). On the other hand, Cappelli (2008a) noted that internal development practices, such as implementing high-potential programmes, succession planning or executive coaching, were all common already in the 1950s.
Cappelli proposed four actions in order to better tackle TM: hiring or developing talent according to the business strategy as an investment, reflecting on the uncertain future, improving the cost-efficiency of employee development, and balancing individual and organizational interests in development investment.

Another aspect in the debate is the importance of stressing that TM must be linked to the business strategy: “TM cannot be isolated from business strategy. Those that rely solely on the HR department to drive their strategy for talent are missing an opportunity to align the behaviour and capabilities of the workforce with the priorities of the business.” (Guthridge and Komm, 2008, p. 10) According to Meyers et al. (2013), “TM can be seen as a scientific discipline that falls under the umbrella term of HRM.” (p. 318). Although the term “human resource” is rather generic, the term “talent” embraces employees who are the addressees of specific HR practices, and thus TM practices. Organizations need to approach the topic in a well-structured and systematic way with well thought-through policies to ensure a sustainable and attractive work environment.

Various studies in the TM field – such as those of Berger and Berger (2004); Lorsch and Tierney (2004); Lewis and Hackman (2006); Björkman et al. (2007); Ready and Conger (2007); Collings and Mellahi (2009); Tarique and Schuler (2010); and Iles et al. (2010b) – have shown that organizations that confer importance to TM practices have employees that are more involved in reaching their best performance and are more satisfied with their jobs. This means that TM has a significant influence on employee performance and organizational effectiveness, like turnover avoidance or employee work engagement. In order to achieve its business objectives, the organization plays a crucial role in managing its talent. In times of constant changes in the working environment, TM is gaining increasing importance as a tool for achieving competitive advantage in the human resource-based field (Collings and Mellahi, 2009; Tarique and Schuler, 2010).
There is controversy in the academic debate of what TM means in practice. There are four views that co-exist (Lewis and Heckman, 2006; Collings and Mellahi, 2009):

1) TM as a newer fashion of human resource management, adopting an inclusive and universalistic approach with all employees having talent;

2) TM as succession planning, taking a narrow view and aiming to develop talent pipelines;

3) TM as the management of talented employees; and

4) TM as the strategic management of “pivotal positions”.

Critique surrounding the first view is that it does not differentiate between talented and non-talented employees, and that it is not new (e.g., Lewis and Heckman, 2006; Iles et al., 2010b). In contrast, the second perspective limits the scope and does not take into account potential uncertainties in the business environment and what organizations should plan for these (Cappelli, 2008b). Approach number three risks overemphasizing the individual high-performer, with negative consequences for the rest of the team (Collings and Mellahi, 2009). The fourth view is an integrated approach, bringing systems, processes and people together, and extends the key positions not just to managerial roles, but also to other roles that might have an influence on the performance of the organization (Collings and Mellahi, 2009), hence advocating strategic TM. All in all, these four critiques reflect the fact that there is still no clear and precise globally accepted definition of TM.

In the aftermath of the 2008 global financial crisis, scholars began to adopt a more critical view of TM and to question whether there was still a war for talent, given the large number of redundancies (McDonnell, 2011; Somaya and Williamson, 2011; Swailes and Downs, 2014). In recent years, TM has emerged as a focus area for many HR practitioners and academics, also using the term “talent development” (e.g., Holland et al., 2007), which is often used as a synonym for employee, people or workforce development.
According to a PWC survey (2010a) with 1,200 CEOs globally, TM is more important to business leaders than risk and investment. The study revealed that 83% of the surveyed CEOs planned to change their organization’s TM strategy over the next 12 months. It also showed that there is likely to be a limited supply of candidates with the right skills, and those with the right skills are lacking flexibility and creativity. The study pointed out that 97% of the CEOs stated that having the right talent was the most critical factor for their business growth. Seventy-nine per cent said they would be changing their strategies for managing talent. The winners of the next decade will be those who are able to attract, retain and deploy their key talent globally. With regards to the war of talents, it is interesting to read that “there is no shortage of talent – just an opportunity to better develop your people” (p. 12). So, TM is “not just another HR instrument. It is a business strategic priority” (p. 12).

Overall, the main body of literature surrounding TM uses an exclusive approach that focuses on a small proportion of high performing employees with high potential (Gallardo-Gallardo et al. 2013), whereas it remains vague and not well defined when it comes to an inclusive perspective (Swailes and Downs, 2014). Swailes and Downs favour an inclusive TM approach, as “the recognition that all employees have talent together with the ongoing evaluation and deployment of employees in positions that give the best fit and opportunity for employees to use those talents” (2014, p. 6). They refer to the “Capability Approach” (Sen, 1999) as a tool to conceptualize and inform of what TM actually is in practice. Other more emotional terms used for TM call it “TM: the new silver bullet” (Oakes, 2006, p. 1) or note that “TM practices can create the most enduring competitive advantages” (Heinen and O’Neill, 2004, p. 67), but leave it open as to what exactly is meant. As already argued, there is no common ground for understanding. For some, it is a mind-set (Creelman, 2004); others perceive it as “additional management processes and opportunities that are made available to people in the organization who are considered to be talent” (Blass, 2007, p. 3).

To sum up, despite there having been thousands of articles issued on TM so far, only around 100 have been published in academic journals. This suggests widespread practitioners’ interest but relatively little empirical research to date. However, over the past four years, there has been an upsurge of academic
research activity (Gallardo-Gallardo et al., 2013) that indicates growing attention amongst scholars. Still, many issues around TM remain unanswered, such as:

- What exactly do we understand when we talk about TM (Lewis and Heckman, 2006)?
- Is it just “old wine in new bottles” (Iles, 2008)?
- What is the link to knowledge and competency management (Iles et al., 2010a)?
- Is it really a matter of best practices or just about best fit (Garrow and Hirsch, 2008)?
- How can TM be linked to related concepts, like Strategic Human Resource Management, by linking strategies to the management of talents (Collings and Mellahi, 2009)?
- How can talents be managed on a global scale in IHRM (McLean, 2010)?
- Does more empirical work with regards to TM help to explain what TM is about (Dries, 2013)?

The above questions represent the most relevant open questions found in the literature in respect of TM. Many studies do not clearly present their central concept and are carried out within HRM, with only a few studies on TM using qualitative methodology (Tarique and Schuler, 2010). Almost all sources are practitioners’ articles, which consider TM as an important business issue globally that decides on an organization’s success or failure, but do not question the discourse of TM. There is a consensus that TM and HRM are related to one another (Meyers et al., 2013, p. 318). Empirical articles are rarely to be found and, when they are, they are in the form of case studies, surveys or interviews, in which the views of the HR managers versus the TM practices applied in their organizations are explored (e.g., Collings and Mellahi, 2009). Hence, there is a gap that needs to be addressed by researchers as many questions remain unanswered, such as how firms operationalize TM, whom they perceive as talent, and who from the organization engages in TM, as it has different meanings to
different people. TM is perceived as “a phenomenon rather than a theoretical construct” (Dries, 2013, p. 269). One should be aware that it is “a construct originating from the consulting world” (Dries, 2013, p. 269), and that robust empirical evidence is lacking (Collings and Mellahi, 2009). The experiences and perceptions of talented employees is an under-researched phenomenon in HRM (Collings and Mellahi, 2009). As will be shown in Section 2.3.2, talented employees – such as the talented frontier workers in this study – are usually researched only on a numerical basis, and the results are presented in consultancy reports. Furthermore, the debate around TM so far is very much US- and UK-centred. Therefore, this study adds new insights by analysing how it is applied in Luxembourg, supporting the view from Collings et al. (2011) that “as the field moves into adolescence it is important that insights from beyond the US context influence the debate. [It is] a call for a counterbalance from different perspectives and traditions.” (p. 455)

All in all, the literature points to the fact that TM has still not reached its maturity, but that it has been receiving growing attention, mainly since the year 2010: “The field is partly still in its infancy, with some progress towards adolescence.” (Thunnissen et al., 2013a, p. 328) The concept of TM over recent years has evolved into “a common and essential management practice” (Chambers, 1998). It is no longer associated with recruitment only, but deals with areas such as individual development, workforce planning and succession planning. However, there has still been little theory development, and there is a lack of robust evidence (Collings and Mellahi, 2009). Nevertheless, the following similarities become apparent when reviewing the literature on TM:

- TM is not so much a theoretical construct but rather a phenomenon that is interesting to study (Dries, 2013);

- TM originated from the consulting world; therefore, scholars should question and collect evidence on the assumptions made (Dries, 2013);

- TM involves an ethical dimension (Swailes and Downs, 2014).

Uncertainty and a lack of clarity remain as to whether the perspective that one takes should be a singular TM paradigm or whether multiple perspectives are
allowed (Dries, 2013). Overall, TM is about the implementation of processes and strategies that are designed to enhance the productivity of businesses, by attracting, hiring, developing and retaining skilled – i.e. talented – people that match with their current and future business needs (CIPD, 2009). It helps organizations to identify succession and talent gaps and is the distinguished key driver of organizational performance. It furthermore stresses the importance of the role of the HR function as a strategic partner, and discusses the role of talent in the process. TM is composed of a set of HRM practices with a focus on attraction and retention (Lewis and Heckman, 2006) for a group of talented co-workers in relation to the other various stakeholders, such as the remaining employees, clients, etc. (Tarique and Schuler, 2010). TM systems are bundles of TM practices that are strategically aligned (Stahl et al., 2007). There is a lack of theoretical frameworks in the academic field of TM (Lewis and Heckman, 2006; Scullion et al., 2010), where the practice and discourse of TM has been largely driven by consultants and businesses (Al Ariss et al., 2014). All in all, TM literature is rather conceptual, with a still-limited amount of empirical research. The main themes revolve around the definition of talent, the intended outcomes or effects, and TM practices and activities (Thunnissen et al., 2013a). The last helps to achieve the goals of an organization by effectively recruiting, developing and retaining talents.

There is a general understanding that the field needs more theoretical positioning (Gallardo- Gallardo et al., 2013) and more differentiated approaches (Thunnissen et al., 2013b). According to Thunnissen et al. (2013b), the current TM literature can be characterized as managerialist and unitarist, with a limited view of the practices and activities of human resources. Thunnissen et al. demonstrate avenues for how to broaden the perspective. Tarique and Schuler (2010) advocate transferring knowledge from academics to HR managers (and vice-versa).

This study extends this need and aims to also transfer knowledge to frontier workers (existing and future) to help them cope with their daily challenges in the labour market in Luxembourg.
2.2.2.2 The concept of Talent Management as adopted in the study

The above sections have presented different theoretical perspectives on TM. In this thesis, the perspective of TM as an HR practice is adopted, being aware of and intending to take into account critiques of the discourse of TM, such as the “The War for Talents” (Michaels et al., 2001). The study seeks to add to the knowledge surrounding HR practice. Frontier working, as a phenomenon occurring within the context of talent mobility and working across borders, is looked upon through the lens of GTM, where talents move around for their work. Section 2.2.4 will detail the issues that are involved. Beforehand, and in order to understand what managing talents implies – in this study “talented” frontier workers – the next section will provide a brief overview of TM practices.

2.2.3 Talent Management and Talent Management practices

The purpose of this section is to build a theoretical basis for analysing the frontier workers’ and HR managers’ interviews in the discussion chapter. The section reviews HR practices as applied in TM, with a focus on the group of frontier workers, and serves to explain the practical framework.

2.2.3.1 Talent Management practices as discussed in the literature

In these times of borders becoming fluid and talents becoming more and more mobile, the effects of the often expensive TM practices are important to know and understand (Sonnenberg et al., 2014). Further to this, how TM practices are discussed by scholars will be analysed.

TM in the literature is often limited to a set of HR practices and processes. Boxall and Macky (2009) call these employment practices: “[…] all the practices used to recruit, deploy, motivate, consult, negotiate with, develop and retain employees, and to terminate the employment relationship” (p. 7). Further definitions describe TM as all “policies, practices, and systems that influence employees’ behaviour, attitudes, and performance” (Noe et al., 2010, p. 4). Today, the main focuses of TM practices and activities are still on recruitment, staffing and succession planning; training and development; and retention management (Thunnissen et al., 2013b, p. 1753). TM can help an organization identify critical roles that are
worth investing in: “TM practices help employers to make sense of their employment relationship” (Sonnenberg et al., 2014, p. 279). Sonnenberg calls it a “communication mechanismus […] that signals the expectations of the organization regarding the desired behaviours of employees, and also the organizations’ reciprocal promises to these employees” (p. 272). Research on effective HR practices is dominated by an approach to identify particular HR practices that explain high levels of organizational performance, such as high performance work practices (Pfeffer, 1996) or practices that positively impact on the firm’s performance (Huselid, 1995). Contingency theory, as an approach, posits that HR practices must be aligned to the organization’s particular strategy (Lepak and Snell, 2002).

HR practices have developed throughout the years (Armstrong, 2009; Bratton and Gold, 1999). Twenty years ago, they were mostly related to aspects of administration, such as salary, working hours, headcount and holiday (Kraut and Korman, 1999). Later on, issues of recruitment, training and evaluation were at the fore, more recently shifting to communication (English et al., 2007), international HRM (McLean and McLean, 2001), recruiting in a globalized world (Sparrow, 2007) and networking (Tixier, 2004; Slagter, 2009). The CIPD (2006) has listed 16 practices, such as coaching, mentoring and development programmes.

As argued previously, the field of TM is still lacking theoretical frameworks (Lewis and Heckman, 2006; Gelens et al. 2013). Lewis and Heckman (2006) conclude from their critical review on TM that “[it] seems to be the new phase designed to re-package standard solutions to HR challenges” and that is “nothing more than the application of sound HR practices” (2006, p. 142). Consequently, they ask “which practices efficiently meet our talent goals and can be captured by our systems” (p. 149), concluding that there are no evidence-based guidelines for HR managers. Additionally, a minority of organizations do inform their people about TM practices (Dries and Pepermans, 2008). Collings and Mellahi (2009) suggest the creation of talent pools within HR, with TM practices used to identify critical positions regarded as the first stage in the TM system. Such a pool of high potentials and high performers would enable talents to retain work motivation and organizational commitment, resulting in sustainable performance. This view is
supported by Boudreau and Ramstad (2005), who state that such key positions have the potential to differentially influence competitive advantage. Stahl et al. (2007) associate setting up particular career or succession plans when they report which talent pool strategies most organizations follow. It is argued that organizations move away from filling open positions to recruitment ahead of the curve (Cappelli, 2008a; Collings and Mellahi, 2009). With regards to training and development, it is important to involve the line managers (Stahl et al., 2007) and discuss make-or-buy talent (Cappelli, 2008a; Collings and Mellahi, 2009; Ulrich and Ulrich, 2010), and this underlines the importance of getting the right balance between internal and external talent (McDonnell and Collings, 2011). Stahl (2012) stresses that “Practices are only ‘best’ in the context for which they were designed.” (p. 26)

To summarize, many scholars remain rather vague, promoting a best fit model and not prescribing specific activities or practices (Thunnissen et al., 2013a). Nevertheless, these various contributions show that the area of practice in TM has been a longstanding theme in TM research (Lewis and Heckman, 2006). The literature suggests that, despite the great importance attributed to TM, many organizations fail to manage their talents effectively (Scullion and Collings, 2011). There is a lack of integration of the key elements into the TM system (Farndale et al., 2010), and many organizations have difficulties in effectively developing and implementing TM practices and programmes (Vaiman and Collings, 2013). Further studies focus on the impact of HRM practices on important organizational outcomes (Becker and Gerhart, 1996). However, most of the studies are limited to either the US (e.g., Huselid et al., 1997) or the UK (e.g., Brewster, 1999). Only recently, research undertaken in other geographical locations shows that organizations apply both convergent and divergent TM practices, with a focus on performance (Stahl et al., 2007). Appelbaum et al. (2000) propose the ability, motivation and opportunity (AMO) framework, which theorizes how HR practices can improve employees’ performance. Combs et al. (2006) list enhancing employees’ knowledge, skills and abilities, creating opportunities for employees to act, and encouraging and motivating employees to perform well. Nonetheless, most of the TM practices focus on high potentials and, therefore, it is questionable as to whether the net effect of this workforce differentiation is positive, as there
might be negative reactions among those who are not considered as high-potentials, as they might be less committed and show less identification, resulting in higher turnover intentions (Gelens et al. 2013).

TM practices are increasingly implemented in a global context, due to the internationalization of businesses (Ashton and Morton, 2005). Shen and Hall (2009b) researched the global dimension that is reflected in TM practices, and suggest that connectedness to the job, colleagues, the organization and the community have an influence on the wish to stay with the same employer. Al Ariss et al. (2014) take this further when they state that TM perspectives and practices need to be studied within particular social and organizational contexts. In a similar vein, Iles et al. (2010a) and Iles et al. (2010b) speak of creating new opportunities and approaches to traditional HRM practices that impact on TM policies and practices.

Looking at the employee side, it is argued that some employees are not aware of the TM practices used in their company as the practices are not displayed to them (Bournois and Rousillon, 1992), even if their application might have crucial consequences on their careers (Larsen et al., 1998). To take this further, some employees, although identified as talents, do not know how to go about managing their own careers (Dries and Pepermans, 2008). Consequently, organizations should properly inform their staff about how, why and which TM policies and practices are in place. On the other hand, a lack of attention is paid to work practices such as the organizing and structuring of work in the organization with the active engagement of the employees (Thunnissen et al., 2013a). Pfeffer (1996) advocates establishing HR practices for the combined benefit of the organization and its employees. The organization should stress the value of communication channels such as Q&A sessions, open door policies, quality circles or regular meetings (Spencer, 1986), which help enhance the perceived effectiveness of HR practices (Zhu et al., 2013). A starting point for this debate was when Spencer coined the signaling theory (1973). This states that each TM practice represents what the organization expects from its employees and the other way round. This means that employees will react based on these signals and adjust their behaviour, which is in line with social exchange theory (Blau, 1964).
Gelens et al. (2013) developed a theoretical framework introducing workforce differentiation to explore exclusive TM practices. In a similar vein, Sonnenberg et al. (2014) examined the effects of perceived TM practices, perceived talent-differentiation strategies and incongruent talent-perceptions on psychological-contract fulfilment, and conclude that the more TM practices that are used, the higher the psychological-contract fulfilment. As a result, the more attention that is attributed to TM practices, the better the understanding within the organization of who is considered as talent. Furthermore, Sonnenberg et al. (2014) vote for an exclusive talent-differentiation strategy.

2.2.3.2 Talent Management and Talent Management practices as adopted in the study

Adopting an exclusive perspective on talent, as stated in Section 2.2.1, this thesis intends to assess the implications of frontier working in Luxembourg, not only focusing on the outcome for the organization, but also on the concerned persons, i.e., the talents – in this case the “talented” frontier workers. This work therefore lifts the “secretiveness” that exists among the workforce about the practices applied in their organization (Dries and Pepermans, 2008, p. 108).

As a consequence resulting from the literature review, it is argued that TM practices and processes must be transparent, because employees who do not understand them might get the impression that they are not equally treated in comparison to other employees. According to Al Ariss et al. (2014), there will be a shift from an employee focus to a focus on globally available talents, and “practices will be customized to the individual level and often defined by workers themselves” (p.178). This work envisages broadening the focus to the people in the organization, by taking the example of frontier workers as a second target group for the interviews in addition to HR managers (Chapter Three). As previously argued, only well-educated and trained frontier workers – i.e., “talented” frontier workers – will find a job in Luxembourg, as there are high entrance barriers such as the usage of multiple languages and educational degrees. Chapter Four strives to find out the implications of frontier working in respect to TM – hence looking into TM practices as applied in Luxembourg – by analysing the interviews of both frontier workers and HR managers.
2.2.4 Global Talent Management

The review of TM literature implies that TM has got a global connotation. As argued, the labour world is becoming more and more interconnected and interdependent. Therefore, it is necessary to take a deeper look into the concept of GTM, which is defined as an organization’s efforts to attract, select, develop and retain key talented employees on a global scale (Stahl et al., 2007). Permanent changes in the global business environment affect the quantity, quality and characteristics of the talents that are in demand (Ashton and Morton, 2005; Guthridge and Komm, 2008; Beechler and Woodward, 2009; Vaiman and Collings, 2013), thus influencing the way in which organizations deal with TM. Both employers and employees need to be capable of handling more complex working situations and structural changes in the organization (Thunnissen et al., 2013a).

Along with increasing economic integration beyond the country border, globalization strongly impacts on the struggle for talents (Beechler and Woodward, 2009). Whereas TM in general has received a lot of attention, TM in the global context is so far an under-researched area (McDonnell and Collings, 2011). Only scarce research is currently dedicated to GTM (McLean, 2010; Scullion et al., 2010). Global competition and the demand for more specialized skills and knowledge have emerged as the main drivers, with the need for the labour pool to constantly strive to raise the skills bar. Pringle and Mallon (2003) speak about the concept of the boundary-less career, which challenges the traditional concept of careers, supporting Baruch’s (2006) view, stating that the “actual career or meaning of the career transcends the boundary of a single path within a single employer” (p. 128). The changes brought about by globalization and the raising competitive factor in the global economy have a direct influence on the workplace and its employees. According to Drucker (1994), due to the nature of global competition, individuals need to capitalize on knowledge and drive the transference of their knowledge within and across organizations. Cappellen and Janssens (2005) define three domains that shape a global career path: the individual, the organization and the global environment. A survey performed by McKinsey shows that the more and more global the nature of the competition for talents, the larger will be the impact on organizations in the
following five years. As a consequence, organizations must react by putting in place suitable policies and practices.

GTM, as a field of study, has emerged from the strategic international human resource management and TM literature (Tarique and Schuler, 2010). It is about “the strategic integration of resourcing and development at the international level that involves the proactive identification, development and strategic deployment of high-performing and high-potential strategic employees on a global scale” (Collings et al., 2007, p. 102). Thus, GTM is defined as an organization’s efforts to acquire, develop, and retain talent to meet organizational strategies on a global scale, as well as in light of their global and cultural contexts (Scullion et al., 2010; Tarique and Schuler, 2010). The latter identify challenges influencing GTM activities, and call them "exogenous" (external) and “endogenous” (internal) drivers (Tarique and Schuler, 2010, p. 126). Globalization, workforce demographic changes and shortages of talent are considered as external drivers, and regional specification, retaining talent and competencies are seen as internal ones. Additional TM approaches include succession planning and leadership development (Iles et al., 2010b).

As a result from their literature review, Tarique and Schuler (2010) note that GTM research can be categorized as a “bridge field” (Tarique and Schuler, 2010, p.131). Despite the recent global recession resulting in massive downsizing and restructuring, the majority of organizations recognize TM as one of their organizational priorities, because it was identified as a necessity when it comes to the expansion of a market into the global world, the deficiency of talent, and the competition for talent (Tarique and Schuler, 2010). According to Collings and Mellahi (2009), organizations with operations in more than one country need different strategies and action plans, and this provokes GTM. Linked to GTM is the concept of global migration, which has become a crucial part of the global transformation.

This brief account of the concept of GTM shows that, in this globalized war for talents, organizations need to carefully think over talent supply actions and practices (Bhatnagar, 2008). This study is placed into the concept of GTM, with frontier working being one resulting feature. The phenomenon of frontier working
will be looked at through the lens of a GTM perspective. Talented employees in the private sector in Luxembourg are not sourced within the country borders, but across boundaries, since Luxembourg nationals tend to work in the public sector. Going further, the concept of frontier working is at the heart of this research. Therefore, some study-relevant definitions will be given now, followed by an analysis of the implications of frontier working on the Luxembourg labour market.

2.3 The phenomenon of frontier working

As argued previously, frontier working can be categorized as a distinct concept occurring within a global war of talents and talent mobility. The following section first provides a definition of what it is about, and then establishes a framework by taking the example of Luxembourg to show how this concept maps onto TM as applied in practice.

2.3.1 Frontier working: a definition and framework

This section expands on a phenomenon that is of particular interest in the European context: frontier working. For this DBA thesis, Luxembourg has been chosen as the country under research and the underlying framework. The phenomenon of frontier working describes the situation of working abroad but living at home, where a national of country “A” is living in country “A” but working in country “B”. It is of particular relevance for Europe. The literature search will not be extended to other parts of the world, as it would go beyond the scope of this study. To obtain a better understanding of the concept of frontier working, this section starts with the definition of “frontier worker” and comments on its creation.

“Frontier worker” is a term used among the Member States of the European Union, which describes a person who pursues employment in one country while residing in another country: “A frontier worker is taken to be one who works in one Member State and lives in another to which he returns at least once a week.” (COM 1990, p. 75) In terms of terminology, the EU framework legislation uses the term “frontier worker”, but in studies, reports or other documents from the EU
institutions, the terms “cross-border worker” or “cross-border commuter” can be found (ec.europa.eu/taxation, 2013), so it is similarly used for “a person who resides in a particular national area while working on the other side of a boundary in an adjoining country, and who keeps going to and from across that border area on a daily or weekly basis” (Hamman, 2008, p. 860). Mainly in political literature, the term “cross-border worker” is used to describe the role model for a modern Europe or as an indicator of a successful European integration process: “The cross-border worker is an individual who lives Europe daily.” (Kessler, 1991, p.17). Based on Regulation (EC) no. 1408, Art. 20, a cross-border worker may “obtain benefits in the territory of the competent State”.

The starting point for the discussion on frontier workers was in October 1985, in a communication (COM/85/529) to the Council, the European Parliament and the Member States on the question of frontier populations, with the result that it was not advisable at that time to establish a specific status for frontier workers. In 1997, the Commission issued a communication: “Frontier workers in the European Union. On the living and working conditions of Community citizens resident in frontier regions, with special reference to frontier workers.” Ever since, it has been a term used among the Member States of the European Union that describes a person who pursues employment in one country while residing in another country. It was also stated that “Cross-border movements tend to be asymmetrical, depending mainly on job opportunities, higher wages and social and tax advantages on one side of a border”, as well as that “the abolition of frontiers within the Community opens up new prospects in the field of employment, particularly for trans frontier regions” (European Parliament, 1997).

The legal status of frontier workers under European law is the following: “Frontier workers are migrant workers.” (European Parliament, 1997) The principle of the free movement of persons applies within the European Union and the European Economic Area (ETUC, 2011). This means that every European worker has the right to move to another State to work or to look for a job, and is based on Article 45 of the Treaty on the Functioning of the European Union (TFEU). The freedom of movement is a fundamental right guaranteed by Article 15, Paragraph 2 of the Charter of Fundamental Rights of the European Union. The Community principle states the importance of non-discrimination because of nationality, whereby a
frontier worker must be treated in the same way as nationals with regards in particular to the access to work, the conditions of work and employment, and social and tax benefits. The Community principle distinguishes between different forms of mobility for workers in Europe: posted workers, migrant workers, multinational workers and cross-border/frontier workers. In order to understand the meaning of these terms according to the literature, they will now be explained and placed into the overall context:

- A *posted* worker is an employee who normally works in the territory of one Member State – i.e., the originating State – and who is sent by his employer to work in another Member State. During this period, the posted employee works exclusively in this Member State and is subject to the employment laws, social security and income tax of the given Member State (ETUC, 2011).

- A *migrant* worker describes a worker who has lived and worked in more than one Member State, and lives and works in the last of these Member States (ETUC, 2011). The term was chosen by the International Labour Organization (ILO) in 2000, to reduce confusion regarding synonyms such as foreign worker, alien worker, immigrant workforce or labor emigrant. The term describes a person who returns to his domiciled country at least once per week. The border worker is a specific type of migrant worker. Frontier workers are migrant workers and, as such, are covered by the EC legislation on the freedom of movement for workers within the Community.

- A *multinational* worker means an employee who conducts his/her professional activities in more than one Member State at any given time. Neither the country where the employer is based nor the country of residence of the employee necessarily have to be one of these countries of employment (ETUC, 2011).

- A *cross-border* worker depicts an employee who works in one Member State – i.e., the State of employment – and lives in another – i.e., the State of residence (ETUC, 2011). It is essential that he/she retains his/her normal place of residence outside the State of employment. If the cross-border employee moves to the State of employment, he/she becomes a migrant worker. A resident who moves to a neighboring State but continues to work in his/her original State of employment – i.e., a migrant resident – is also a cross-border
worker, with frontier worker being a synonym. Frontier workers residing and working in the European Union benefit, like all migrant workers, from the principle of non-discrimination and equal treatment practices applicable to workers moving within the territory of the Union (Article 7 of regulation no. 1612/68).

- *Atypical* frontier workers are persons who are not living in their home country, but in a bordering country, and who commute to work to their home country.
- A *border*, in the sense of the EU terminology, implies both geographical and conceptual contexts.

In this study, I adopt the term “frontier worker”, because it is the most frequently used expression for the phenomenon under study in the literature and the most used in the literature from the European Union in respect of working across borders (European Parliament, 2010). Furthermore, I argue that it accurately describes the fact that there is a frontier between the place of work and residency.

Overall, various sources can be found with regards to the legal and social framework for working in Europe in general, with the aim of helping and supporting workers and jobseekers who wish to go to another Member State for work and to live and/or work there, such as the EURES mobility portal. EURES is a European network service responsible for developing the exchange of information and cooperation laid down in the EU regulation. Further information is given on the right of residence of EU citizens and on the free movement of workers. The topic of cross-border or frontier working from a legal point of view is broadly discussed in EU literature, but it is limited to only definitions. Still, issues around frontier working are not being submitted to the political authorities, due to the matter of who is responsible: “Cross-border workers are all facing potential misery, because of the existing gaps within the legal and social systems.” (Hamman, 2008, p. 864) Hamman (2008) studied the topic under a legal framework in a cross-border labour market, to understand how EC law applies to transnational workers and how recourse to law is developed. He claims that the trade unions are not really defending the frontier workers, and that national law is difficult to take into responsibility in cross-border issues. Hamman speaks of an “in-between” situation (p. 863), where frontier workers on the one hand benefit from the open borders, but on the other hand there are still differing national social
insurance and tax systems. The question refers to issues such as claims to pension rights, unemployment benefits or invalidity and sickness benefits. He calls this the increase of the phenomenon of “pendular workers” (p. 864), where frontier workers seek advice from one of the associations for frontier workers. There is common sense in respect of the growing importance of frontier working, and Mayerhofer et al. (2004) stress that the ongoing integration of the highly industrialized countries of the European Union creates a growing demand for cross-border talent.

There is only very limited coverage in the literature on the concept of frontier workers and, where it is found, it is mainly reduced to definitions and geography. Giroux (1993) defined that individuals or groups would cross different barriers that may divide or unite. Wille (2012a) has carried out a lot of research on Luxembourg through the lens of a sociologist. He is of the opinion that frontiers should not only be considered in a geographical or national sense, but can also be seen as frontiers between private and public, men and women, religious and mundane, and linguistic or social categories. These aspects are not the focus of this research, however, and will therefore not be detailed more broadly.

To recap, the concept of frontier worker is mainly grounded in political and geographical literature. Kessler is one of the few who gives an insight into how frontier workers are perceived: “There are voices who portray them as profiteers who have their meals in two canteens.” (1991, p. 136) Going further, the phenomenon of frontier working will be described within the example of Luxembourg.

2.3.2 Frontier working in Luxembourg

As well as organizations, countries and capital cities also endeavour to attract talent (Dickmann and Mills, 2010). Multinational enterprises in particular would not be able to keep their competitive advantage if they didn’t succeed in recruiting the right people in foreign countries (Scullion, 1994; Collings et al., 2007). Luxembourg, as the context for this study, is a good example of attracting talent from abroad, as it struggles to fill the talent pipeline from within the available labour pool in the country. Minister for Labour and Economic Affairs, Nicolas
Schmit, is aware of this fact when he states: “We need to be open.” (Cited in Delano, 2011, p. 14) The success of this is clear in the increasing numbers of frontier workers year after year. Even though the number of frontier workers continues to rise, unemployment within the country borders is growing at the same time. Schmit also sees a growing gap between the available skills and requirements in the different sectors. Fifty per cent of the unemployed people are unskilled – mainly young people without diplomas or immigrants (AmCham conference, 28/11/2012). More highly-skilled people are in demand, specifically with more specialized profiles, but, as an Economic Survey of Luxembourg by the OECD revealed, the educational performance level is relatively weak, as it does not match the demand for highly-skilled workers (OECD 2010). Given this, Schmit predicts a shortage of labour in the coming years. In order to meet the challenges, he plans a social dialogue reform and a stronger role for the workers’ unions.

Little research has so far been undertaken with regards to Luxembourg, with the existing literature being mostly descriptive and dealing with its geography or numerical facts only (Dumont et al., 2008). For this thesis, I carried out the research on the topic of frontier working in Luxembourg viewed from a TM perspective using three types of literature: academic and journal literature, economic and demographic data available online, and consultancy reports. No single article about Luxembourg could be found in peer-reviewed academic journals. Hence, the literature review reflects the relevant content from the other sources. English is the language predominantly used in books about the broad subject of TM in general, whereas French is the official language in Luxembourg, applied for example in the Labour Code. There is also some publishing in Luxembourgish and German, mainly for newspaper articles. Given this, sources in all four of these languages will be used, in order to satisfactorily reflect findings from the literature. It would not be possible to give a comprehensive overview of the subject matter and treat it sufficiently without referencing from the different language sources. In fact, using several language sources will add considerable value to this research.

The first non-EU-initiated source on frontier working in Luxembourg dates back to 1997, when Fehlen predicted: “Each commuter in its family, in its circle of
acquaintances, in its residential surroundings is an advertising medium for the Luxembourg job market and even more inhabitants of the areas close to the border will consider working in Luxembourg as a potential possibility." (1997, pp. 41–56) He describes the special status of the Luxembourg job market, which created its wealth by utilizing international niches, reflected in the banking sector. The industrialization, followed by the expansion of the service sector, led to a strong upwards mobility, also promoted by the high proportion of foreigners, occupying lower level functions. However, in recent decades this has changed, since the co-workers from the border areas do not begin in low level jobs, but enter the job market at the same level as inhabitants. This new competition led to an escape of the Luxembourgers into the public and semi-public sectors, where they created high entrance barriers for foreigners due to their – at least – tri-lingualism. In a difficult situation, we find the old immigration generations that are less educated and trained than the cross-border workers, and cannot enter the safe environment of the public sector due to missing language knowledge (Fehlen, 1997).

Frontier working can be described as a form of mobility and migration, and a modern form of living. Krämer calls it a “new form of existence” (1998, p. 43). It is discussed mainly in political literature, which describes it as a role model for a modern Europe or as an indicator for a successful European integration process: “Le travailleur frontalier est un individu qui vit l’Europe au quotidien” / “The frontier worker is an individual that lives Europe day-to-day” (Kessler, 1991, p. 17). Other works limit it to the documentation and analysis of official statistics, viewed under the labour market or regional development aspects (Ricq, 1981). Krämer is one of the few who monitored frontier working in the French–German border, and stated that there was almost no evidence regarding the phenomenon: “We practically do not have any information about all what concerns socialization, identity construction, relationship between cross-borders and the surrounding area, etc.” (Krämer, 1998, p. 35), adding: “Pour le moment le frontalier est une terra incognita” / “The frontier worker for the time being is a terra incognita” (Krämer, 2004, p. 192). However, there is abundant literature that deals with borders from a geographical and sociologist perspective (Wille, 2012a). This will not be discussed here, as it goes beyond the scope of this research.
In a similar vein to Krämer, Huber and Nowotny (2007) add: “While the migration channel has been much analysed in recent literature, cross-border commuting has been largely ignored.” (p. 31) According to Bolzmann and Vial (2007), the reason for the lack of research on frontier working might lie in fewer problems to integrate into the labour market than with resident foreigners, so there is no need to further investigate. Within the European Commission, frontier working was the topic for two studies in 2001 and 2009, aiming at introducing a monitoring system for the frontier worker situation in Europe: “…regular data concerning commuting activities is rarely available…because monitoring is still missing or conducted in much lower frequency” (MKW, 2009; European Commission, 2009). Again, here, the focus is on statistical data. Only one book could be found dealing exclusively with frontier workers in Luxembourg, looking at the phenomenon from a sociologist point of view (Wille, 2012a). In his publication, Wille examined the creation of new, transnational areas in Luxembourg and described more thoroughly the effects on frontier workers, the job market and the characteristics of cross-bordering. In a different publication, he studied the status that is assigned to the frontier workers in Luxembourg. Interviews with native Luxembourgers revealed that one third consider frontier workers as competitors in the job market (2011, p. 105); however, more than half see them as positive contributors to the Luxembourg culture (2011, p.106), while the other half see them as a threat to their local language (Luxembourghish). Wille argues that, in the past 35 years, there has been constant growth in the number of frontier workers that can be attributed to a European integration process, with free movement of workers, open borders and a common currency. As a consequence of the extension of the EU Member States, frontier workers are included in statistics. Furthermore, due to the imbalance of economically strong and weak regions in Europe, frontier working has seen an upsurge (Wille, 2012a).

It is argued by Government officials, as well as Luxembourg employers, that frontier workers are an indispensable source for the country’s economy to maintain its high standard of living (Lawson, 2010). A study by Löh (2011), asking “Who are the frontier workers in the ‘Greater Region’?”, revealed that most of the frontier workers in Luxembourg are aged between 35 and 44 years, work full-time and are mostly male. The “Greater Region” involves the areas surrounding
Luxembourg – that is, the bordering countries. Most of the frontier workers are well educated and occupy management positions. Löh’s study, like many others, is based on numerical and statistical data, such as that from Pierrard (2008), who monitored the influx of frontier workers from a statistical perspective and reports that the 1990s were characterized by an increasing influx of the foreign workforce, because internal resources were not sufficient. It was mainly the cross-border workers that profited from a broad creation of jobs, particularly Germans. The average duration of a private sector job is 50 months, whereas it is 200 months in a public sector job (Pierrard, 2008, p. 572). Foreign residents in Luxembourg mainly occupy the hotel sector, construction sector or household cleaning sector, with a low pay. Another source explaining the specifics of the Luxembourg labour market is a report carried out by Lawson (2010), senior economist at the OECD. He underpinned the fact that rapid economic growth is attributed to the in-flow of frontier workers and, to a lesser extent, to immigrants. In his paper, he unveiled the shortcomings of the current labour market, even if the overall picture looks positive.

For this study, consultancy reports are a relevant source of knowledge, because they are one of the very few resources that deal with the phenomenon of frontier working and, therefore, can be taken as a means to clarify the underlying concepts. The reports used in this research come from McKinsey, Boston Consulting Group (BCG), Deloitte, PriceWaterhouseCoopers (PWC), KPMG, Tempo-Team, Manpower and SHL. These consultancy reports are an invaluable source of information when it comes to actual trends in HR management in Luxembourg, such as the employment of non-nationals and non-resident workers, i.e., frontier workers. A large variety of statistics exist with regards to the numbers and countries of origin of frontier workers in Luxembourg, but there are very few examples of articles dealing with aspects such as issues, motivation and experiences regarding working in Luxembourg. Studies on frontier working in Luxembourg are mainly number-driven, with the exception of those from KPMG (2011) and Deloitte (2006, 2010 and 2012). KPMG revealed that the country has to fight to bring in talent, and up-skill people. KPMG, who employs almost 1,000 people in Luxembourg, screens the Luxembourg labour market on a regular basis. So does Deloitte, another consulting multinational, who already spoke
about a shortage of talent in Luxembourg in 2005, and analysed strategies of how to overcome this. It concluded that the war for talent of the past decade is not the best way to deal with talent shortages. Rather, organizations should develop their own talent inside the company and reinforce actions to attract them (Deloitte, 2006).

A more recent Deloitte study, published in 2010, was launched to better understand the talent issues that organizations in Luxembourg are facing when it comes to aligning their talent strategies. Attracting talent was identified as a top business priority, mainly to attract those experienced persons who are strongly aligned to the strategic needs. Organizations are working on their brand recognition and enhancement of development possibilities, in order to sustain and improve their attractiveness. TM efforts aim to train and develop the personnel to facilitate internal mobility and flexibility. Organizations strive to improve internal communication as a consequence of the global decrease in employee morale and trust in leadership. They try to involve their workforce and optimize its efficiency and performance, focusing on retaining top talents. Instead of outsourcing, organizations put a focus on internal redeployment (Deloitte, 2010).

Two years later, Deloitte Luxembourg examined the market, revealing a lack of financial incentive and/or career perspectives as the biggest barriers to talent retention. It highlighted the expectations of around 200 experts from industry and other sectors in Luxembourg. The study states that the general trend in Luxembourg is restraint, as the economic upturn is seen with caution. Top priorities are recovery, business development, building customer loyalty and innovation through new products. Regarding HR, the attraction and retention of talent and high potentials/performers are valued the most. It is also stressed that competition for talents is global rather than local, as career opportunities present themselves all over the world. The main TM forces identified were employee engagement and workforce flexibility (2012, p. 9). There were also deficits in the existing HR systems. Retention was seen as a great challenge, since turnover is expected to rise. To combat this, organizations plan to raise their attractiveness, especially through employer branding. The results of the study revealed that the expectations and doubts surrounding TM around the globe – with the exception
of some developing countries – were quite similar, and that Luxembourg is no exception in this respect. The central emphasis and problems are, in particular, recruitment; the development of high-level personnel and follow-up planning; the creation of a link between remuneration and goal achievement; and the improvement of HR information systems to better promote TM programmes. As an effect of the economic crisis, starting in 2008, Luxembourg’s organizations are also less focused on limiting staff and reducing costs, but, instead, try to raise flexibility in the job and intensify the participation of their people in the activities of the enterprise. Despite the trend in other European countries, Luxembourg organizations have been conscious of keeping dismissals to a minimum over recent years. Instead, they put a focus on their TM programmes, so as to create new opportunities for career advancement and organize vocational training. These measures enhance the motivation and commitment of the workforce. Many examples show that some of the skills needed by Luxembourg organizations are not readily available within its borders. For certain specialist roles, such as in the IT or engineering areas, it takes more time to fill vacancies than for others. The most pressing talent concerns over the next three years are recruiting specialized skills, developing leaders and employee retention, as well as creating career paths. The survey from Deloitte suggests that the biggest barriers to talent retention are the lack of financial incentives and/or career perspectives (Deloitte, 2012).

Further evidence on the topic comes from reports by the Interregional Labour Monitoring Agency (IBA). Since 2005, the IBA has monitored developments in the “Greater Region” on a regular basis. A study for IBA, led by sociologist Wille in 2005, researched the topic of frontier workers and transnational jobs. The detailed study provides an overview of the extent and the structure of the frontier worker stream in the entire region, as well as the reasons for high employee mobility. It also covers problematic topics, such as residence mobility, overloaded and badly coordinated traffic infrastructure, language problems and administrative obstacles. Further measures and recommendations for action are compiled, in order to promote employee mobility (IBA, 2005). Another detailed report from 2006 shows the current demographic situation in the “Greater Region”. It examines topics such as general population trends, natural growth,
migration movements, problems and risks, and effects on the job market, and gives recommendations for action so that older people and women can be better integrated into the occupation world.

According to a study carried out by research institute CEPS/INSTEAD (2004), with the aim of exploring modalities of recruitment in organizations and finding out the influence of recruiting policies on unemployment, frontier workers are given lower starting salaries than locals. They also rarely tend to negotiate wages. According to the results, the average wages of native employees are 10.5% higher than those of commuters. The prevailing reason listed is different language skills. The study also found that 22% of frontier workers negotiate wages, the same percentage as for locals. It is mainly highly-qualified specialists who make wage demands, as well as scientists. Experienced job seekers are more likely to negotiate salaries than job starters. Linked to this is the quality of life and costs of living in the frontier worker’s home country, as well as competition between more applicants. The differences in salaries get smaller, the longer a frontier worker is employed in Luxembourg.

TM is clearly on the agenda and in the minds of the Luxembourg business community, since several publications in Luxembourg journals have recently referred to TM, stating that, due to the fact that Luxembourg is a high-wage country, it needs to attract more highly qualified talent, including women and foreigners, and that Luxembourg furthermore competes through innovation. Issues are unemployment and involve women as well as working permits for highly qualified immigrants (Delano, December 2011). In one of these articles, Steven Kiefer, President of the American company Delphi Powertrain, sees the advantages of being in Luxembourg grounded in its central location in the heart of Europe, which enables organizations to visit any European customer within a day. He underlines the uniqueness in its cultural makeup and the fact that, due to his company employing 25 different nationalities, they are able to serve customers in their own language. Another important factor is the supportive and pro-business-oriented government and the safe, clean and friendly environment to live in (Kiefer, 2012)
The skills making the difference is the essence of an article in KPMG Business Review, which reflects the view of HR managers (Evans, 2011b). A panel of HR managers discussed solutions for an effective TM in Luxembourg (Evans, 2011a). Everyone agreed that when employers engage, the staff will reciprocate. Honest communication can foster trust and motivation, and the employees need to know about the organization’s vision and strategy. The other important features are to communicate better, boost socializing by organizing more business meetings, and encourage mobility inside and outside the country within the same firm. The HR department should regularly review its policies and practices, and amend where necessary. The organizations are becoming more selective in the candidates they hire, and specific experiences and skills paired with personality are hard to find (Evans, 2011b).

The HR managers in Luxembourg use traditional practices such as advertising on job-related websites, but they also rely on networking through social sites and through the personal networks of their employees. The organizations in Luxembourg conduct numerous training programmes for their staff and new recruits. Speaking more than one language is a must, as Pierre Gramegna, Director of the Chamber of Commerce, notes: “Multilingualism is a necessity. We speak the language of our customers, both inside and outside the country.” (Cited by Gordon, 2011) A survey revealed that 87% of the responding 100 HR managers in Luxembourg agreed on the multilingualism of the workforce as being an effective argument for attracting business to Luxembourg. But another factor that creates Luxembourg’s competitive advantage is its highly skilled people.

Sergio Caredda (2012), Manager of Human Capital at Deloitte, notes what it takes to manage frontier workers and points to the factors impacting on frontier working in Luxembourg:

“What our evidence shows is that cross-border workers do require special attention. Luxembourg imports workforce from its neighbouring countries because it does not have enough skilled labour. The ability to face the talent challenge is linked to a delicate mix of higher salaries, a good taxation system and a good employment environment and opportunities. If any of these points
cease to be a differentiator, organizations will start having issues in recruiting. And of course organizations have direct impact only on one of the three points: creating good job opportunities in a positive environment. It is all a matter of pay off. As long as a resident from Metz – just to give an example – has an engaging job and can gain more money, he will stand the commuting.”

To recap, it becomes clear that the phenomenon of frontier working has an influence on the way organizations operate. This is demonstrated in the example of Luxembourg, where half of the employment is taken up by frontier workers. However, so far there is no empirical evidence of what implications this has in practice, because, to date, the phenomenon of frontier workers in Luxembourg has mainly been analysed on a quantitative basis. The available literature is limited to the documentation and analysis of official statistics, with regards to the cross-border labour market and region development aspects only. The gap addressed in this work is the lack of qualitative research about frontier working (Wille, 2012a). The research undertaken so far in this field looks at frontier working from a sociologist point of view (Krämer, 1998, 2004; Wille, 2012a), is limited to geographical connotations (Hamman, 2008) or considers political implications (Kessler, 1991). There are many country-specific consultancy reports (e.g., Deloitte, 2006, 2010, 2012; PWC, 2010b), but these report numbers only and do not research the phenomenon of frontier working as such.

The HR managers in Luxembourg seem to be aware that frontier working talents need to be treated in a special way, but that they deserve a lot more attention in the near future, in order to successfully cope with the challenges to the Luxembourg labour market, with its broad links to the global market (Evans, 2011a). So far, no specific focus on the role of the frontier worker within TM in Luxembourg has been established, even though almost half of the working population is made up of such workers. As already argued, organizations face difficulties in filling their open positions with talented people. This is a phenomenon that occurs in Luxembourg, where the gap in talents cannot be filled with locals and residents. Hence, employers need to be innovative in their TM practices in order to attract qualified people, and this is where the concept of frontier workers steps in. Frontier workers value the favourable working
conditions in Luxembourg, and this leads to the number of frontier workers constantly growing year after year. Luxembourg is a unique place in Europe, as its labour market is characterized by an impressive cross-border flow of workers (Lawson, 2010). This is attributed to high unemployment rates in the bordering regions, mainly France, and to a lack of the skills required by the organizations established in Luxembourg (Clément, 2010). The latter is a result of unsatisfying professional training. Frontier workers fill the gaps in positons where the local workforce does not possess the right skills and experiences.

2.4 Concepts related to frontier working

Reviewing the literature on concepts relating to frontier working resulted in four themes that will be described and put into context now. According to Beechler and Woodward (2009), there are four significant factors that impact on TM: global demographic and economic trends; transformational changes to business environments, skills and cultures; growing levels of workforce diversity; and the increasing mobility of people and organizations (p. 275). These and other significant factors will be discussed now, with the aim of addressing issues that influence frontier working and GTM as an overarching framework.

2.4.1 Mobility

Section 2.2.4 presented the concept of GTM, which is gaining attention in academia and practice. Further to this, what this involves will now be analysed. Talent competition between employers has shifted from the country level to regional and global levels (Ashton and Morton, 2005). “Talent itself has become more mobile and organizations are therefore having to coordinate the way they manage it on a global basis.” (Brewster et al., 2007, p. 309) The global labour competition has changed the mobility of people across geographic and cultural boundaries (Baruch, 2006). Organizations no longer only rely on permanent transfers as a means for the transfer of knowledge, but also consider other types of cross-border moves, such as localized transfers, international commuting, short-term assignments and extended business travels (Roberts et al., 1998). Nevertheless, there are only few studies on the new form of globally mobile
employees (Pucik and Saba, 1998; Suutari, 2003). Other studies reveal that higher skilled employees have a higher tendency towards mobility, since “people with special talent show little loyalty to a country or region” (Scullion and Collings, 2011, p. 9). Consequently, one assumes that there are few barriers to individual mobility. However, studies show that employees are reluctant to relocate internationally, as it disrupts family and personal lives. Furthermore, studies demonstrate that the mobile talents cannot be sure about the move being a progression for their careers (Collings et al., 2007).

Moving across borders for work and returning home in the evening – i.e., frontier working – as one form of labour mobility was detailed in Section 2.3. Labour mobility owing to demographic shifts, increased globalization, changing career norms and new trends in education is an increasing factor (Minbaeva and Collings, 2013). Somaya and Williamson (2011) even state the following: “Perhaps it is time to declare that the war for talent is over…talent has won!” (p.75), expressing the fact that it is the employee who is searched for on a global scale, hence bringing about the need for mobile and flexible employees. Bonss and Kesselring (1999) describe mobility as characteristic of a modern spirit, as a symbol of freedom and designing the world, reflected in the fact that global talent mobility was placed high on the agenda of the World Economic Forum 2010, as it gains in prominence and importance (PWC, 2010b). The Forum came up with recommendations to “create a global workforce around adaptability and mobility” (p. 29). It was stated that the global mobility of talent is becoming as critical as that of goods and capital (World Economic Forum, 2010a, p. 8).

The Global Mobility Survey Report 2012 states that the number of international assignments is growing, with the emerging markets overtaking as the most common destinations for international assignments, and with expansion driving them up. An investigation carried out by PWC projects talent and global mobility into the year 2020, when a drastic rise in activities in the emerging markets will force organizations to source people and talent from all around the world (PWC, 2010b). PWC predicts a different future business world from that of today, with increasing numbers of assignments and the need for organizations to think over their mobilization strategies, which will need to become more sophisticated and complex. Several reasons for the continued growth in global mobility are listed:
closely aligned international regulatory frameworks; the growth of cross-border acquisitions by sovereign wealth funds; lingering public investment in private business concerns; greater security cooperation between nations; and information technology that can identify and connect talent in an instant (p. 19). PWC also identifies barriers to mobility, such as the fear of losing social networks and disrupting families, or uncertainty about the environment for a new job (p. 21), as argued previously.

Empirical literature identifies wage differentials, employment opportunities and individual risk assessment as parameters determining the decision to move between the home and the workplace (Marthã and Wintr, 2007; MKW, 2009, p. 2). It only discusses the causes of mobility, and not the effects. Kakihara and Sorensen (2002) suggest a more extended perspective on mobility, demonstrating three interconnected dimensions relating to different aspects of human interactions: spatiality, temporality and contextuality. But mobility also touches on other aspects: "Key to mobility is connectivity between people. Interpretations of mobility are still too often limited to humans’ independency from geographical constraints." (Deschryvere, 2010, p. 2) In his paper, Deschryvere talks about the impact of mobility on human behavioural needs, and reflects upon useful aspects of new mobility and traditional mobility. Although the article has got a geographical connotation, mobility does also have a temporary and contextual dimension: “Mobilization of human interactions between people has culminated in a mobile network society.” (2010, p. 5) In a different vein, Cappelli developed the talent-on-demand framework, based on the concepts of talent mobility and global talent mobility (Cappelli, 2008a). Cappelli uses the term “mobility” in the sense of changing employer, not in a geographic sense as postulated by other TM literature, such as Janssen (2000). He describes mobility as movements to overcome territorial distances. Similar to his ideas, further scholars approach this phenomenon under the aspect of the importance of physical distance between the migrant’s place of origin and destination (van Houtum and Gielis, 2006; Khagram and Levitt, 2008). Better pay, as one of the motives for moving across borders for work, was identified as the main reason for labour migration as one sort of labour mobility (Soutif, 1990; Hamman, 2006).
Further to this, transnationalism and border studies are becoming the subject of sustained attention (Strüver, 2005; van Houtum and Gielis, 2006; Jagodic, 2011, cited in Balógh, 2013, p. 189). The concept of transnational social space is used to overcome the unity of territorial and social space. A transnational space is constructed in border regions, with cross-border labour markets being the result and expressed in the cross-border commuter phenomenon (Wille, 2008). Another study researched the geographic mobility in the European Union and its effects on the individuals (IZA, 2008), since one of the founding principles of the European Union is the freedom of movement of workers, as laid down in Article 39 of the treaty establishing the European Union. The year 2006 was declared “The European Year of Workers’ Mobility”, with the aim of boosting mobility within the European borders (ec.europa.eu, 2006). More than 2,000 events have been organized in a campaign to raise people’s awareness of their rights to work in another EU country; as Vladimir Spidla, EU Commissioner for Employment, Social Affairs and Equal Opportunities, put it: “More and more people have become aware of the opportunities for mobility in 2006 and are now willing to try them out. In 2007, we need to draw on these lessons and develop a real mobility culture in Europe.” (ec.europa.eu/social, 2006) So, from an EU level, there seems to be a change in Europeans’ attitudes towards geographic and job-to-job mobility. There is also an increasing awareness that there are obstacles besides legal and administrative factors related to housing, language or the employment of partners, as well as issues of return, namely reintegrating workers in their home market after working abroad. Mobility should become an essential element in the professional career of Europeans. By the end of 2012, 3.1% of the EU labour force – i.e., 7.5 million people out of 241.1 million people – lived and worked in another EU country, twice as many as in 1999 (ec.europa.eu, 2013).

It can therefore be stated that the cross-border mobility of labour is increasing in importance, with labour mobility as a “prerequisite of further European integration” (Pierrard, 2008, p. 565). This sort of mobility has been observed in Western Europe for some decades now (Meusburger, 1969). Particularly in Europe, the cross-border mobility of labour is gaining attention and presents itself in two forms: migration and commuting. In literature, it is also referred to as cross-border residential mobility (CBRM) (Jagodic, 2011; Carpentier, 2012, cited in
Balógh, 2013, p. 189). In the European Union, cross-border labour mobility is a core phenomenon, resulting from improvements in infrastructure, globalization and economic restructuring, and the enlargement of the EU (MKW, 2009, pp. 1–2).

Another type of mobility is when talents migrate between countries, also called talent flow (Carr et al., 2005). The study of globally mobile careers has so far been centred on the assignment of expatriates (Thomas, 2008). Carr et al. (2005) focused on a group that they considered to be more important, and these are migrants. Migrants are highly skilled persons that expatriate themselves to another country independently of any employer. With global migration, interest has grown in geographical and international boundaryless careers (Suutari and Brewster, 2000). The European Union, with its 28 Member States and its open borders, is a good example.

2.4.2 Commuting

Commuting, as a phenomenon related to mobility, is considered to substitute geographic mobility (IZA, 2008). To live in one country and commute to another for work is an actual reality for many people. Viewed from a European perspective, commuting is by far the most frequent form of EU cross-border geographic labour mobility (Heinz and Ward-Warmedinger, 2006). Commuting leaves the place of residence unaffected and is more temporary in nature than migration (MKW, 2009). Longer distances to the work place are travelled on a regular basis. Literature distinguishes between cross-border commuting (working in one country while residing in another) and regional commuting (working in a region different from the place of residence) (IZA, 2008).

Van Ommeren et al. (1997) examined the consequences of relocation behaviour on commuting behaviour, and underlined the importance of moving behaviour in understanding the commuting behaviour. Coulson et al. (2001) developed a two-region search equilibrium model where people are free to commute across regions, and showed that, although commuting is allowed, unemployment rates will be higher in the sector with the highest number of vacancy posts. In their intra-urban search model (“monocentric city”), Wasmer and Zenou (2002) built
on the hypothesis that all firms are located at one point, with workers distributed around. They argued that job distance negatively influences search efficiency. Furthermore, they showed that workers choose their optimal residence location, and that the distance to jobs negatively affects the search efficiency. Pilegaard (2003) was of the opinion that a more flexible labour market reduces the expected duration of unemployment, but creates negative congestion externalities.

All the above authors assume that commuting takes place in a single country, whereas Pierrard (2008) researched the role of foreign commuters, mainly with the example of the “Greater Region” around Luxembourg, an open economy where, in recent years, domestic unemployment has increased at the same time as the share of commuters. Pierrard distinguishes two forms, migration and commuting: “Migration means moving to another place; commuting means no change in place of residence.” (2008, p. 565) According to Pierrard, labour mobility is a new form of commuting. He researched the effects of foreign commuters on domestic unemployment, in order to analyse the dependency between workers’ productivity and employment perspectives. He lists two opposite effects of the higher rates of frontier workers on home unemployment: the congestion and vacancy effects. While the congestion effect means that the influx of workers generates more competition in the labour market and raises unemployment, the vacancy effect stimulates job creation and lowers unemployment. He showed that it is not due to foreign commuting that domestic unemployment increased, despite competition from commuters.

Commuting, as one form of mobility, is dominant in Luxembourg and presents itself through the phenomenon of frontier working. Mobility as applied in Luxembourg was researched in a study by Tempo-Team (2011), with a representative sample of employees and HR managers. It identified a huge gap between the supply of talents that do not possess the proper education or experience and the demand. Internal rates of mobility are much lower than rates of orientation towards a new employer, with 30% of employees declaring the wish to change employer within the next five years (2011, p. 8). Sociologists Kmec and Wille (2012) studied the mobility between employments and found that “there is an impressive immobility in the country whereas there is a big international mobility” (2012, p. 53).
In a report issued in December 2011 by the statistical offices of the “Greater Region” and the International University Institute of Luxembourg (STATEC/IUIL, 2011), the phenomenon of employees commuting across borders was considered as an important part of the “Greater Region’s” economy structure and a remarkable economic factor. Applied to Luxembourg, in recent years the share of commuters has increased while, at the same time, domestic unemployment has risen. This fact is often negatively perceived by the host population as having an unfavourable impact on wages and employment, so challenges remain. “Whilst the mobility of frontier workers, which is a central plank of European integration, has significantly improved in recent years, it continues to pose a major challenge for the regional, national and European level.” (Lambertz, 2013) Lambertz advocates the removal of obstacles in the area of tax measures in favour of frontier workers, better coordination of Member States’ social security systems, combating social and wage dumping, more effective protection of the rights of posted workers, and easier recognition of vocational qualifications. Consequently, organizations will have to adapt their TM policies and practices to the changing labour environment.

The above two sections indicate the relevance of the topic of frontier working as one feature of mobility and commuting, although so far it has not been given much interest: “…regular data concerning commuting activities are rarely available… because monitoring is still missing or conducted in much lower frequency” (European Commission, 2009, p. 9). Overall, not much in the way of data and facts is at hand, and several authors do point to this fact (Belkacem, Borsenberger and Pigeron-Piroth, 2006).

2.4.3 Demographics

Global demographic trends are factors that influence TM (Beechler and Woodward, 2009). In times of declining birth rates in continental Europe, China and Japan, and, on the other hand, increasing longevity due to higher levels of sanitation and healthcare making people stay longer in their jobs, TM on a global scale – i.e., GTM – is gaining attention from businesses and HR managers around the world. With a low fertility rate of between 1.4 and 1.6, Europe is in a state of demographic decline (Policy network, 2014). Depending on national
demographic contexts, there will be more older people heading towards retirement and fewer young people (Al Ariss, 2014). Due to several generations working, similarities but also differences in attitudes will occur. The rapidly changing business environment implies the need for globally aware managers, and professionals that possess the ability to operate in different cultures, structures and markets (Chambers et al., 1998). A report from Bertelsmann (2007) summarizes the results of a longitudinal research project looking at demographic changes, the effects on the future, and the demand for workers in terms of transnational employee mobility. It states that changes of work and occupation will create a cross-border job market and foster developments.

On top of this, there is a significant shift from product-based to knowledge-based economies that impacts on the global war for talents (Beechler and Woodward, 2009), leading to the referral to the coming age of knowledge-based economies and rapidly increasing global mobility as the age of “talentism” (Policy network, 2014). Employers view employees as being responsible themselves for their careers and employability and for monitoring their own development of skills and training. The availability and use of social media and innovations in technology will also change the landscape for TM in many ways (Al Ariss et al., 2014). Social platforms, like LinkedIn or Xing, will speed up the search for talents. Crowd sourcing and open sourcing allow firms to source brainpower with no costs. Linking to the phenomenon of frontier working in Luxembourg, local statistics show that the number of Luxembourg nationals is declining, whereas Portuguese residents in particular – representing the largest foreign community – tend to have rather big families with, on average, three children or more (STATEC, 2014). The Portuguese are mainly to be found in the cleaning and hotel sectors, occupying lower level jobs. Hence, they do not meet the characteristics of “talented” employees, as per this study’s definition (see Section 2.2.1.2). Again, here, frontier workers are needed to overcome demographic changes.
2.4.4 Diversity

Changes in the working environment also bring about growing levels of workforce diversity (Beechler and Woodward, 2009), which increase organizational effectiveness and enhance productivity (Thomas and Ely, 1996). In a global environment, organizations deal with a range of different cultures, nations and modes of work, as well as with a diversity of customers, suppliers and investors. On top of this, organizations are confronted with generational diversity, which is paired with different values and expectations. Around the world, there is increased female labour participation, which presents an advantage for organizations when they hire and retain talented women that fill the gap of talent supply (Beechler and Woodward, 2009). Another example of labour diversity is flexible working solutions, such as part-time, working from home or limited employment contracts. The model of education, work and retirement no longer stands; lifelong learning is a must, especially for those with in-demand skills and experience. This also has an impact on how HR managers set up and adapt their TM policies and practices. There is a trend towards more diverse, remote and virtual workforces, new relationships and new methods of working between suppliers and users of talent (Al Ariss, 2014). As was argued in Section 1.5 of the introductory chapter, there are specific framework conditions in Luxembourg: almost half of the population is non-Luxembourgish, there are 176 different nationalities, and 45% of the workplaces are occupied by frontier workers (STATEC, 2014). Consequently, Luxembourg offers a large range of diversity in respect of different human beings but also in terms of the range of organizations that are installed there.

2.4.5 The conceptual framework

A dearth of empirical research within varying national and organizational contexts exists (Festing et al., 2013). In this vein, Collings et al. (2011) call for a more European perspective on TM. Luxembourg, as a strong economy and an important absorber of talents, is under-represented in current research (Krämer, 1998, 2004). As stated, not even one academic contribution to TM in Luxembourg could be found in the leading HR journals. With research on Luxembourg so far limited to numerical data only (e.g., Deloitte, 2006, 2010, 2012), this study seeks
to make a contribution to European research in order to understand the experiences, issues and implications of the phenomenon of frontier working, occurring in the framework of GTM and viewed from a TM perspective. Hence, this constitutes the research gap identified through the literature review. This study intends to find out what leads frontier workers, who have become an indispensable resource in the Luxembourg labour market, to commute across the border from Germany, France and Belgium for work, and to consider what is implied for HR managers in Luxembourg. Frontier working is a phenomenon that is gaining momentum in business and management (European Commission, 2006, 2009), but is still lacking a broader theoretical framework as well as empirical studies, despite affecting the work of organizations and, in particular, HR managers. Taking the example of Luxembourg as the second most important country for frontier workers in Europe (European Parliament, 2010), the implications for the work of HR managers shall be demonstrated.

Hence, the study aims to examine the experiences of frontier workers in Luxembourg and the important features of frontier working as the first research objective.

The research carried out so far on the subject has centred on numbers and the prevailing sectors of employment for frontier workers only, without further questioning what the phenomenon of frontier working is about. No source could be found that reflects the view of the frontier workers specifically. This underlines what Stahl et al. (2007) revealed from their research, that it is only the HR managers that are asked to typify their organizations’ experiences with TM practices and their underlying rationale, without taking into account the views of the employees.

The following examples from HR managers in Luxembourg describe their experiences as HR managers in Luxembourg and in respect of frontier workers. Gerstlauer (2012), partner of an executive search firm, sees the Luxemburgish economy and labour market as being in transition. Banks are reducing their personnel whereas the IT sector is seeking highly qualified people and has difficulties in finding them. Hence, the Luxembourg government and enterprises should question themselves – what are they doing in order to attract people to
come to work in Luxembourg and what are they offering to someone who could also choose to work in London, Barcelona or Munich? Renardy (2012), Executive Manager of Michael Page Luxembourg, notes the issue of where to best recruit talents, and states that organizations in Luxembourg explicitly look over the border in order to recruit qualified personnel: “We look systematically at the European level, starting with the neighbouring countries France, Belgium, and Germany.” Hurlin (2012), Business Development Manager at Rowlands International, sees a difference in the profile of today’s talents, lying in their capability to successfully anticipate future trends and tendencies. New job roles are created to adapt to the changing working environment, such as the Community Manager. He is of the opinion that people are able to tackle technology, but that the challenge concerns the human factor. He gives the example that E-commerce profiles cannot be found in Luxembourg. Organizations are becoming more and more demanding when it comes to language skills. Experienced finance profiles are hard to find, and fund experts are in competition with places such as Paris or Dublin. He adds that the financial crisis in 2008, which also hit Luxembourg, brought about lower willingness to change position, as it is related to uncertainty.

Given that so far there is no evidence in the reviewed literature of interviews reflecting the view of one half of the working population – i.e., the frontier workers – this research bridges the gap by involving an important stakeholder in the process: the frontier worker who, per se, holds the attribute of “talent” as classified for this study previously. Returning to the above scarce evidence of HR managers discussing frontier working, it seems that TM, in regards to frontier working in Luxembourg, is on the agenda of HR managers, but deserves a lot more attention in the near future, in order to successfully cope with the challenges to the Luxembourg labour market, for both the business community and also empirical research. The absence of research with a focus on frontier workers leads to the formulation of the second research objective, which is to identify key Talent Management issues according to HR managers in Luxembourg.

There are important yet unexplored issues between HR managers and employees with regards to their knowledge and experience of HR practices (Dries and Pepermans, 2008) and what frontier working implies. So far, there is no
evidence in the literature as to how frontier working influences the work of the HR managers in Luxembourg. Therefore, the third research objective aims to inform practice about the issues related to frontier working through the perspectives of both frontier workers and HR managers, and to identify the implications for HR managers in organizations that employ frontier workers.

To sum up, the Luxembourg labour market, being unique, faces future challenges in order to sustain the current high level of job offers and placements (Genevois, 2011), but needs to address the various TM issues discussed above, with special contributions to the frontier-working population. As will be detailed in the following chapter, a qualitative approach will be taken and interviews with different stakeholders in TM in Luxembourg – i.e., frontier workers and HR Managers – will be conducted. Thus, my research contributes to further exploring the phenomenon of frontier working on an empirical basis.

2.5 Summary of the literature review, research question and objectives

2.5.1 Summary of the literature review

The literature review, as presented above, has discussed the overall framework of frontier working by placing it into the context of TM. As a first step, the key definitions and issues of TM, with a focus on TM in business and management, were described. Furthermore, explanations as per the literature review of the terms “talent” and “TM” aimed to better understand these concepts. GTM, as a form of TM that is applicable to the phenomenon of frontier working, was introduced, with frontier working as the underlying rationale for the thesis. Furthermore, concepts that are closely linked to frontier working, such as mobility, commuting, demographics and diversity were discussed.

The literature review highlighted the complexity of TM and the diverse concepts impacting on it, whereas the available literature on frontier working is dedicated only to documentation and the analysis of official statistics with regards to the cross-border labour market and region development aspects. Besides the few studies from consulting firms, which mostly contain numerical data, so far there is only scarce evidence of research on frontier workers in Europe. A current
addition to the body of knowledge in TM, with a particular focus on GTM in relation to frontier working in general and its application in Luxembourg in particular, revealed a gap in country-specific research in that area, although the importance of frontier working for the Luxembourg labour market has been indicated by historians (e.g., Trausch, 1992) and sociologists (e.g., Wille, 2012a, 2012b).

The literature review demonstrated a lack of empirical studies in a field that is receiving more and more attention over recent years: “The experiences and perceptions of talented employees in empirical articles rarely can be found and if so, in the form of case studies, surveys or interviews in which the view of the HR managers versus TM practices in their organization is explored.” (Collings and Mellahi, 2009) Hence, a gap in the literature can be identified, which will be addressed in this study by including “talented” frontier workers in the interview sample. Furthermore, many studies have so far limited their focus on HR practices to recruiting, leadership and succession planning (Tarique and Schuler, 2010). This deficiency will also be discussed and bridged within the framework of this research.

2.5.2 Formulation of the research question

This study conceptualizes TM and its effectiveness for organizations, with a special focus on the Luxembourg business environment. The thesis intends to contribute to the academic literature on GTM and to advance the conceptual and empirical grounding of the emerging interest in the field. Special attention is given to the situation in Luxembourg, where the phenomenon of frontier workers deserves further investigation as, so far, the phenomenon of frontier workers viewed from a perspective other than numerical has been neglected almost completely by researchers (Wille, 2012a). The available literature is dedicated only to the documentation and analysis of official statistics with regards to the cross-border labour market and region development aspects.

To conclude the literature overview, the research question, as the underlying problem that the DBA researcher is facing, will again be presented. An as yet under-researched topic is addressed, with the aim to “fill a void” or “develop a new idea” (Collis and Hussey, 2003, p. 116, citing Creswell, 1998).
So, the aim of this study is to describe and explain a phenomenon occurring within GTM and talent mobility – i.e. frontier working – viewed from a Talent Management perspective, in order to address the gap in research in this area. So, the overall research question that has been derived from the literature, based on the identified issue, is therefore as follows:

**What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?**

### 2.5.3 Presentation of the objectives of the study

With the intention of finding answers to the above question, this research adds to the understanding of the phenomenon of frontier working and its implications for HR. It aims to inform “talented” frontier workers (existing and future) and HR managers about the implications of working in Luxembourg. Hence, the objectives of this study are as follows:

1) To explore the experiences of the frontier workers in Luxembourg and the important features of frontier working;

2) To identify key Talent Management issues according to HR managers in Luxembourg;

3) To inform practice about the issues related to frontier working through the perspectives of both frontier workers and HR managers, and to identify the implications for HR managers in organizations that employ frontier workers.

In a nutshell, my thesis sets out to answer the above research question and aims to close the gap by conducting this research into the phenomenon of frontier working in Luxembourg and its implications for HR in practice.
3 Methodology

3. Introduction to the methodology

In this chapter, the choice of methodology appropriate for answering the research question, “What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?”, which was formulated at the end of the literature review chapter, will be presented. The justification for the methodological stance and my part in this research project will be described – in other words, my “position in the field” (Pratt, 2009, p.859). This position concerns the relationship between the researcher and the researched (Antebay, 2008, cited by Pratt, 2009). As a DBA researcher, I see my role as a “scholarly practitioner” (Gold, 2013), which allows me to gain a greater insight into the phenomenon under study. Furthermore, my understanding of the theory–practice link and academia–work relationship has significantly grown during the research work.

Stewart and Gold (2011) advocate the building of bridges between academia and practitioners, and this study aims to contribute to this. In a similar vein, Aram and Salipante (2003) promote “bridging scholarship”, seeking to “meld rigour and relevance” (p. 210), where professional and research practices contribute to each other and engage (Van de Ven, 2007). According to Van de Ven, engaged scholarship is “a participative form of research for obtaining the different perspectives of key stakeholders (researchers, users, clients, sponsors, and practitioners) in studying complex problems” (p. 9).

This study has been undertaken to describe and explain a social phenomenon, i.e., frontier working. Van de Ven calls this form of research “informed basic research” (2007). It is “engaging research” (Gioia et al., 2012, p. 19) or “research as engagement”, as Morgan and Smircich (1980, p.492) put it, “to obtain both retrospective and real-time accounts by those people experiencing the phenomenon of theoretical interest” (Gioia et al, 2012, p. 19).
The following figure summarizes the structure and objectives of the methodology chapter:

**Figure 3.1: Structure of methodology chapter**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1.1 Research philosophy:</td>
<td>• Interpretivism</td>
</tr>
<tr>
<td>3.1.2 Research approach</td>
<td>• Qualitative, exploratory study using induction</td>
</tr>
<tr>
<td>3.1.3 Analysis framework</td>
<td>• Thematic Analysis</td>
</tr>
<tr>
<td>3.1.4 Methodological choice</td>
<td>• Qualitative mono-method</td>
</tr>
<tr>
<td>3.1.5 Time horizon</td>
<td>• Cross-sectional</td>
</tr>
<tr>
<td>3.1.6 Reliability, validity and generalizability in qualitative research</td>
<td>• How reliability, validity and generalizability in qualitative research are promoted</td>
</tr>
<tr>
<td>3.1.7 Data collection method</td>
<td>• Semi-structured interviews</td>
</tr>
<tr>
<td>3.1.8 Ethics in qualitative research</td>
<td>• Why ethics are important in qualitative research</td>
</tr>
<tr>
<td>3.1.9 Summary and justification of selected methodology</td>
<td>• Justification of the selected methodology</td>
</tr>
<tr>
<td>3.2 Steps in data collection</td>
<td>• Preparation phase, key phase, closing phase</td>
</tr>
</tbody>
</table>

(Source: author, 2014)
There are different approaches to exploring the experiences of frontier workers in Luxembourg and the issues and implications of frontier working in Luxembourg viewed from a TM perspective. This chapter aims to justify the means used to investigate the topic. Going further, the overall methodology will be rationalized. A general overview of the philosophical propositions will be presented, while Section 3.2 provides the details of the various steps undertaken to collect the data. To start with, the underlying research philosophy, interpretivism, will be presented, followed by a discussion of why a qualitative, exploratory study using induction has been chosen for this empirical study. Thematic analysis, as the selected data analysis framework for this mono-method, cross-sectional study, will be introduced, and how reliability, validity and generalizability are promoted in this research will be explained. Furthermore, semi-structured interviews, as the chosen data collection method, will be introduced, and why ethics are important will be discussed. The first section of this chapter concludes by summarizing and justifying the methodology applied. The second section will deal with the data collection and outline the further actions taken. An adapted research “onion” (Saunders et al., 2012, p. 128) is used as a structuring device for the chapter, as shown below.

Figure 3.2: From research philosophy to the data collection method

(Source: Saunders et al., 2012; Thietart, 2001; adapted by author)
This DBA thesis strives to combine the practitioner and researcher’s view by, on the one hand, answering the underlying relevant and practical question regarding the phenomenon of frontier working in Luxembourg and, on the other hand, reaching doctoral standard by thoroughly applying standards in terms of methodology, analysis and rigour.

3.1 The research design: epistemological and ontological underpinnings

The previous literature chapter ended with the formulation of the research question, the statement of the objectives and the conceptual framework. The task is now to produce an adequate method that points to suitable data and data collection techniques. In order to obtain a robust and rigorous methodological foundation, one has to be clear about what information is needed to answer the research question, what data should be collected to illuminate the topic under research, where the data can be found and how to collect it. Answering these questions will result in crafting the framework and steps for going further with the study.

The general plan to link the conceptual research problem to pertinent and feasible empirical research is known as the research design. It is a framework that guides the data collection and analysis. Sekaran describes the theoretical framework as “the foundation on which the entire research project is based” (2003, p. 73). According to Remenyi et al. (2005), research constitutes “a scholarly enquiry involving a careful and diligent research” (p. 289). In business and management, the empirical approach prevails, although the nature of research can be either empirical or theoretical. The absence of a design increases the risk of getting into difficulties during the course of the research, although it is no guarantee of the final result (Thietart, 2001). There are six principal choices for developing a research design, as formulated by Easterby-Smith et al. (2008).
They are based on certain criteria forming two opposing standpoints, as shown below.

Table 3.1: Key choices of research design

<table>
<thead>
<tr>
<th>Researcher is independent</th>
<th>Researcher is involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large samples</td>
<td>Small samples</td>
</tr>
<tr>
<td>Testing theories</td>
<td>Generating theories</td>
</tr>
<tr>
<td>Experimental design</td>
<td>Fieldwork methodologies</td>
</tr>
<tr>
<td>Universal theory</td>
<td>Local knowledge</td>
</tr>
<tr>
<td>Verification</td>
<td>Falsification</td>
</tr>
</tbody>
</table>

(Source: Easterby-Smith et al., 2008, p. 43)

I see myself relating with the right side of the table, as I am involved in collecting evidence from 35 interviews. The aim is to generate theory created from what I will find out, based on fieldwork in a local context that will be questioned. Given this, and delving deeper into the subject, I found an expression from Merriam (2006), who compares the shaping of a theoretical framework to the construction of a new building. In empirical research, the research design guides the researcher. Having identified the research problem or question, it is of utmost importance for the researcher to select a research strategy (Thietart, 2001), i.e., the methodology. The emphasis of the study is on practical, applied research with the aim of exploring the phenomenon of frontier working to inform practice. In order to elicit information from two different key informant perspectives – frontier workers and HR managers – semi-structured interviews are proposed for the two participant groups, with a purposive approach to sampling, and findings to be derived inductively from the data. As a next step, the philosophical underpinnings for my research will be explained, including why a qualitative research approach, as well as exploratory research using induction, has been chosen. Thematic analysis will be introduced as a suitable analysis framework, followed by comments on ethics in qualitative research. The chapter ends with a summary and justification of the methodology used.

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3.1.1 The chosen research philosophy: interpretivism

Methodology, ontology and epistemology are the three main components of the research process, with “the research methodology refer[ing] to the theory of how a research is undertaken” (Saunders et al., 2012, p. 2). Methodology as a research strategy influences the research design and choice of methods, and refers to the ways of determining knowledge or reality (Guba, 1990). According to specialized literature in the field of research, the method selected to answer the pre-defined research question(s) needs to be appropriate (Flick et al., 2004). Methodology can be approached in several ways. Gill and Johnson (2002) developed a framework distinguishing two dimensions: 1) human subjectivity is recognized or ignored; and 2) what is being researched is thought to have an objective existence (realism) or focuses on the subjective meanings that those individuals and societies use to make sense of their world (nominalism) (2002, p. 173). There are diverse perceptions when it comes to methodology, as Silvermann (1993) argues: “Like theories, methodologies cannot be true or false, only more or less useful.” (p. 2) In order to enable legitimate evaluation and justification of the knowledge elaborated on in a research project, it is important to locate it within a philosophical tradition (Morgan and Smircirch, 1980; Guba and Lincoln, 1989; Johnson et al., 2006; Van de Ven, 2007).

The research position and a researcher’s stance are critical factors when undertaking qualitative research, because they affect the data collection, analysis and interpretation. Therefore, at the start of every research project, one should reflect on one’s philosophical set of beliefs and establish a paradigm of enquiry, as formulated by Guba (1990). The research paradigm, i.e., the philosophy, is a guide for the researcher to develop knowledge in a specific field (Saunders et al. 2012). To understand the nature and development of knowledge, researchers have to engage with the concepts of ontology and epistemology. Ontology and epistemology will inform methodology and subsequently guide the choice of methods. The research paradigm, as the general approach to research, influences the research design with epistemology – how we know the world – and ontology – the nature of reality and methodology shaping the researcher’s position. The researcher in business and management needs in the first place to understand which personal paradigm to follow and its basic beliefs, hence
deciding upon the future course of the entire research project (Collis and Hussey, 2003).

Epistemology and ontology are two of the most central concepts in the philosophy of science and social research (Gilbert, 2011). Epistemology uncovers the logic of knowledge, whereas ontology deals with the logic of being. I will now discuss epistemology and ontology and then present the philosophical perspectives of this study and how this may (or not) influence my research – in other words, how my epistemological and ontological positions affect my research.

### 3.1.1.1 Epistemology

Epistemology is “the theory or science of the method or grounds of knowledge” (Blaikie, 2003, p. 8) and refers to the claims made about the potential means of acquiring knowledge of social reality – claims about the ways in which what is presumed to be existent may be known. It is a branch of philosophy concerned with “how we know what we know and our justification for claims to knowledge” (Williams and May, 1996, p. 197). Epistemological perspectives influence the researcher’s approach to data analysis. Three major paradigms can draw inspiration from this: the positivist, interpretivist and constructivist paradigms (Thietart, 1996, p. 14). Epistemology deals with the “resources” researcher who uses the positivist approach to the development of knowledge, whereas the “feelings” researcher adopts the interpretivist philosophy (Saunders et al., 2003, p. 113). Interpretivism believes that the understanding of differences between humans who are influenced by variances in social factors is necessary. The objective, at the end of the dissertation, is to link practitioners’ and academic knowledge to tease out the implications of the research findings for practice. This approach is called “interpretivism”, although the preferred term in many textbooks is “phenomenology”. The epistemological assumptions minimize the distance between researcher, informant and interacting premises, whereas the axiological assumption relies on an inductive research approach referring to the methodology of the research. In the phenomenological paradigm, the researcher considers reality as subjective and draws conclusions by observing phenomena. According to Collis and Hussey (2003), the chosen paradigm has a great impact on the introduced methodology. My focus as a DBA student is on a phenomenon
that is commonly experienced, identified as frontier working. The epistemological stance I take is that of interpretivism, as it describes the view of science by generating valid knowledge through my research undertakings – qualitative research – as will be detailed further. I position my study within the phenomenological or interpretivist paradigm because the purpose of the study is to understand how frontier workers and HR managers in Luxembourg see their working environment, underpinning the basic philosophical assumption that “we can only know what we experience” (Husserl, 1970, cited by Patton, 2002, p. 105). Therefore, the focus of the study is the experiences of frontier workers and the implications that frontier working has on the work of HR managers in Luxembourg, in order to “understand their world from their point of view” (Saunders, 2012, p. 137).

I justify interpretivism as the adopted research philosophy as it allows me, as a researcher, to obtain access to the minds of the subjects (in my case, frontier workers and HR managers), and see the world from their point of view. Interpretivism will generate a wider perspective on frontier working issues, whereas positivism would focus only on one perspective. Within this paradigm, I choose thematic analysis as the most appropriate approach for this qualitative research project, to capture how frontier workers experience frontier working and how this affects the work of HR managers in Luxembourg.
The table below provides an overview of the two poles of positivism and phenomenology.

**Table 3.2: Key features of the positivist and phenomenological paradigms**

<table>
<thead>
<tr>
<th></th>
<th>Positivist paradigm (quantitative paradigm)</th>
<th>Phenomenological paradigm (qualitative paradigm)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic beliefs</strong></td>
<td>The world is external and objective</td>
<td>The world is socially constructed and subjective</td>
</tr>
<tr>
<td></td>
<td>Observer is independent</td>
<td>Observer is part of what is observed</td>
</tr>
<tr>
<td></td>
<td>Science is value-free</td>
<td>Science is driven by human interests</td>
</tr>
<tr>
<td><strong>Researcher should:</strong></td>
<td>Focus on facts</td>
<td>Focus on meanings</td>
</tr>
<tr>
<td></td>
<td>Look for causality and fundamental laws</td>
<td>Try to understand what is happening</td>
</tr>
<tr>
<td></td>
<td>Reduce phenomenon to simplest elements</td>
<td>Look at the totality of each situation</td>
</tr>
<tr>
<td></td>
<td>Formulate hypotheses and then test them</td>
<td>Develop ideas through induction from data</td>
</tr>
<tr>
<td><strong>Preferred methods include:</strong></td>
<td>Taking large samples</td>
<td>Using multiple methods to establish different views of phenomena</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Small samples investigated in depth or over time</td>
</tr>
</tbody>
</table>

(Source: Easterby-Smith et al., 1991; adapted by author, 2014)
3.1.1.2 Ontology

Ontology, as the “science or study of being”, refers to the “claims or assumptions that are made about the nature of social reality, claims about what exists, what it looks like, what units it makes up and how these units interact with each other” (Blaikie, 2003, p. 8). Hence, ontological assumptions are concerned with what we consider initiates social reality. While the ontological assumption in qualitative research leads to subjective and multiple realities, it is objective and singular in quantitative research (Collis and Hussey, 2003). Ontology deals with the existence and nature of things that exist. Ontology, as a branch of philosophy or metaphysics, can be described as being “concerned with the nature and relations of being” (Remenyi et al., 2005, p. 286) or “whether the object of investigation is the product of consciousness (nominalism) or whether it exists independently (realism)” (Remenyi et al., 2005, p. 103). Ontology is concerned with assumptions about the nature of reality in two aspects: objectivism and subjectivism. Objectivism believes that the existence of reality has no connection to social actors, whereas subjectivism believes that reality is a construct of the perceptions and consequent actions of social actors.

I see myself positioned within subjectivism, as I plan to research how participants in TM in Luxembourg – i.e., frontier workers and HR managers – experience their work and working environment; I therefore want to explore the “social phenomena (that) are created from the perceptions and consequent actions of social actors” (Saunders, 2012, p. 132).

3.1.2 The chosen research approach: qualitative, exploratory study using induction

3.1.2.1 Qualitative study

This research reports on a qualitative study into the application of TM practices in Luxembourg, acknowledging that collecting qualitative data is very time-consuming. A multi-sector interview study method is chosen. I consider that using a qualitative research approach is the most suitable technique to answer my research question, supporting the view from Yin (in Tucker et al., 1995) that it is the most appropriate method for someone trying to understand the characteristics
and components of a phenomenon, as it allows deeper insights into the subject of study as a result of building an understanding of the experiences relating to the particular phenomenon (Tucker et al., 1995). It has also been defined as “any kind of research that produces findings not arrived at by means of statistical procedures or other means of qualification” (McLeod, 1994, p.77). As argued in the literature review chapter, the phenomenon of frontier working has already been researched on a numerical basis, but without giving answers to explain the phenomenon of frontier working in Luxembourg.

“Qualitative inquiry means going into the field.” (Patton, 2002, p. 48) It is therefore about fieldwork with human beings under study; as Flick puts it: “Qualitative research is of specific relevance to the study of social relations.” (Flick, 2012, pos. 576 e-book) Qualitative data differs from quantitative data in the sense that meaning is expressed through words instead of derived from numbers, and the results from its collection require classification into categories since they are non-standardized. While quantitative data is analysed through the use of diagrams and statistics, qualitative data analysis is conducted through the use of conceptualization (Saunders et al., 2009, p. 482). The results of a qualitative study are outlined within a written statement or a proposition derived from qualitative data (see Section 4.8). Creswell’s (1998) definition of qualitative research and its characteristics adds the concepts of exploring “a social or human problem” and the researcher building “a complex, holistic picture” by analysing words, reporting detailed views of informants and conducting the study in a natural setting (pp. 14–16). Qualitative research allows a relatively large amount of information about the research subjects to be collected, and can be used to obtain a full and round understanding of a subject’s behaviour, attitudes or situation. There are three ways for data collection to produce an output from qualitative findings: in-depth, open-ended interviews; direct observation and written documents (Patton, 2002, p. 4). The steps undertaken to collect the data for this study are presented in Section 3.2.
3.1.2.2 Exploratory research approach using induction

The purpose of a study can be explanatory, descriptive or exploratory. Descriptive research only aims to describe “what is”. Explanatory research aims at identifying the causal relationship between variables, and exploratory research concerns finding out what is going on in a specific field with the aim of gaining “new insights, asking questions and to assess a phenomenon in a new light” (Saunders et al., 2009, p. 139, citing Robson, 2002). Exploratory research serves successfully to understand a research problem (Saunders et al., 2009). It is used when the research problem is unstructured or not well understood (Ghauri and Grönhaug, 2002).

The method employed to conduct this study is an in-depth, exploratory approach, focused on gathering qualitative data from a specified group – frontier workers and HR managers in Luxembourg – through the interview technique, since the objective of the study is to identify and develop a suitable way to approach the issues around frontier working, to develop an understanding of these issues and to obtain insights, hence it is best achieved via an exploratory study. With reference to Sekaran (2003), this is the right choice in cases where there are only a few or no earlier studies available that one can refer to, or those that depend on the already-generated knowledge about the subject of interest. Findings from the literature review showed that the topic under research has not been given much attention so far, thus confirming Sekaran’s statement.

According to Saunders (2012), qualitative research in general follows the induction building theory: “Data collection is used to explore a phenomenon, identify themes and patterns and create a conceptual framework” (p. 144). For inductive studies, it is important to address why it is relevant to fill the gap identified in the literature. If little is known about a problem, which is the case in this study, working inductively (qualitatively) is the right approach. Induction can be accurately described as a bottom-up approach (Gilbert, 2011), which goes from specific to abstract, generating knowledge from empirical observation and concluding in theories. Remeny et al. (2005) describe induction as “the inference of a generic or generalized conclusion from the observation of particular instance” (p. 284). Doing inductive analysis leads to the discovery of patterns, themes and
categories that are the results of the interaction with the data. Chapter Four will provide further details, when themes will be derived from the data collected. According to Saunders, induction is “building theory” and “owes more to interpretivism” (2003, p. 87), whereas deduction “owes more to positivism” (2003, p. 86). A deductive researcher should start by following a schema based on research knowledge, devise a theory, break it down into a hypothesis and finally, by observation, obtain – or not obtain – confirmation of the initial theory. Using an inductive approach works the other way round.

I intend to use an inductive research approach, because I want to explore a phenomenon, identify occurring themes and patterns with regards to frontier working and then create a conceptual framework. This consists of combining a qualitative research process with collecting data and developing a theory as a result of data analysis (Bryman and Bell, 2003). An inductive research approach is appropriate for finding answers to the question of what is going on and to better understand the nature of the issue of being a frontier worker in Luxembourg. It allows the researcher to consider the data and to analyse it with the understanding of frontier workers' relationships to their work and working environment, as well as adding the perspective of HR managers in Luxembourg.

3.1.3 The analysis framework: thematic analysis

This study applies thematic analysis as the selected analysis framework, agreeing with Braun and Clarke: “A rigorous thematic approach can produce an insightful analysis that answers practical research questions.” (2006, p. 28) Thematic analysis in practice involves different steps and procedures. In order to analyse the data collected, I will follow the model developed by Braun and Clarke (2006).

Braun and Clarke distinguish between six phases for thematic analysis: familiarizing with the data; generating initial codes; searching for themes; reviewing themes; defining and refining; and reporting. The different phases will be discussed in detail in Sections 4.1 to 4.6.

Thematic analysis concerns involvement and interpretation by the researcher, and identifies and describes ideas found within the data, also called themes (Guest et al., 2012). It is “a rigorous, yet inductive, set of procedures designed
to identify and examine themes from textual data in a way that is transparent and credible" (Guest et al., 2012, p. 15), and is the most commonly chosen method of analysis in qualitative research. Guest also uses the term “applied thematic analysis” to point out that it deals with research problems of a more practical nature and that concern our understanding of the world (Guest, 2012, p. 12). It is considered as a single methodological framework that contains elements from grounded theory, positivism and interpretivism/phenomenology. Braun and Clarke see it as a “foundational method for qualitative analysis” (2006, p. 4), allowing flexibility and theoretical freedom, and providing a rich, detailed and complex account of data. Another definition of thematic analysis is provided by Hartman and Conklin (2012): “Thematic analysis is a way of seeing, making sense, analysing, systematically observing, or simply converting qualitative information” (p. 828). Various aspects of the research topic can be interpreted (Boyatzis, 1998). Thematic analysis needs ongoing reflexive dialogue and should represent an accurate reflection of the content of the entire data set. The themes identified are strongly linked to the data itself, so it is data-driven (Patton, 2002). Data is described and summarized for interpretation. Frith and Gleeson call this an inductive bottom-up method (2004), although it is a recursive rather than linear process, moving back and forth as needed and developing over time. In contrast to content analysis, which tends to focus more on a micro level, often providing frequency counts, thematic analysis normally does not quantify themes, although it sometimes may do so (Boyatzis, 1998). Examples of thematic analysis can be found from Ellis and Kitzinger (2002), Kitzinger and Willmott (2002), Auerbach and Silverstein (2003), Frith and Gleeson (2004) and Smith and Osborn (2008). During the data analysis process they served as models to consult.

3.1.4 The methodological choice: qualitative mono-method

The study applies interviews as the single data-collection method, and a corresponding analysis procedure within a qualitative research design. This technique will be detailed in Section 3.2.1.1.
3.1.5 The time horizon: cross-sectional

This thesis is cross-sectional, with data to be collected in a certain period and “at a given time, a ‘snapshot’” (Saunders, 2012, p. 669). As to the exploratory nature of the study, it necessitates face-to-face, in-depth interviews with the targeted group members. The research question is posed to guide the empirical research methodology based on an “interview guide” (Patton, 2002, p. 343), in order to collect the same data in all the interviews. The plan is to ask a few open questions, starting with conducting pilot interviews in order to fine-tune the methods before the main study with the rest of the interviewees. Reviewing the literature on forms of interviewing, semi-structured interviews seemed to me the most suitable approach for gaining insights into the phenomenon of frontier working, as well as for collecting rich and abundant data. During the preparation of the interviews, I kept in mind the advice from Saunders regarding the “five P’s: prior planning prevents poor performance” (Saunders, 2012, p. 384). More explanations on semi-structured interviews will be provided in Section 3.2.1.1.

3.1.6 Reliability, validity and generalizability in qualitative research

The credibility of the research findings or, differently worded, the reduction of the chance of getting answers wrong, points to two particular emphases on the research design: reliability and validity. Saunders (2012) advises providing relevant information to participants before the interview, in order “to promote validity and reliability” (p. 385). In qualitative research, validity, reliability and issues concerning generalization viewed from a phenomenological view are discussed controversially. Some authors contend that these criteria, such as external validity, are not applicable, because small samples or case studies make it difficult to generalize (Smallbone and Quinton, 2004).

This study sets out a framework of criteria for validity that is compatible with the selected methodology. Validity concerns the whole study design, i.e., to do with giving confidence in the findings.
The following steps are applied in order to show evidence of how the study satisfies these criteria and the quality of the interview process specifically:

- Provide list of themes before the interviews (Saunders, 2012) (see Appendix C and D);
- Choose appropriate location for interviews (here: participant office or company meeting room);
- Use open questions that help avoid bias (Easterby-Smith et al., 2008) (see interview transcript examples in Appendices F and G);
- Give reasonable time for answers and avoid projecting own ideas (Easterby-Smith et al., 2008; Ghauri and Grönhaug, 2002; Robson, 2011) (average duration of interview was 52 minutes);
- Enjoy the interview opportunity (Robson, 2011) (documented by the fact that only two persons rejected participation);
- Compile full record of the interview, including contextual data (Saunders, 2012) (see logbook sheet in Appendix H);
- Tape-record data in interviews (audio-recorded digitally with a Sony ICD-BX112 dictaphone).

Reliability in qualitative research is concerned with whether alternative researchers would reveal similar information (Easterby-Smith et al., 2008; Silvermann, 1993). According to Ghauri and Grönhaug (2002), “reliability refers to the stability of the measure” (p. 81). Saunders states that “reliability refers to the extent to which your data collection techniques or analysis procedures will yield consistent findings” (2003, p. 156). He stresses four threats to reliability: subject or participant error, subject or participant bias, observer error, and observer bias. Remenyi et al. (2005) explain that reliability “implies that similar results will be obtained by researchers on different occasions and the concern...therefore [is] with how replicable the research study is” (p. 288). Potential bias based on the researcher’s own perspective, assumptions and interpretations can be limited by a sound theoretical base as the foundation of the process. In qualitative research, reliability depends on the capability and ability of the researcher to condense and analyse data (Miles and Huberman, 1984, cited by Thietart, 2001).
In addition to constantly considering the reliability of their research during the whole process, researchers must also proof its validity. As Saunders (2003) puts it, “validity is concerned with whether the findings are really about what they appear to be about” (p. 157). Validity is concerned with how widely the interviewer obtained access to participants’ knowledge and experience. There are various types of validity: the validity of the measuring instrument, the internal validity of the research results and the external validity of the research results (Thietart, 1996, p. 196). Regarding internal validity, Bryman and Bell (2003) consider it as a strength of qualitative research, whereas Guba and Lincoln (1994) adopt a different stance, and introduce the criteria of trustworthiness and authenticity as a means of assessing qualitative research. This involves meticulously managing the data, including contact records, interview transcripts, field notes and documents (Lincoln and Guba, 1985). In order to maximize the trustworthiness of the data collected, inductive research needs constant revision, analysis and checks of findings (Denzin and Lincoln, 2005). Yin (2003) demands multiple sources for evidence.

In this study, interviews, as well as direct observation and taking notes, are the multiple sources of evidence. According to Thietart (1996), “there is no single method for testing the validity and reliability of a research project” (p.197). The difference is that, in quantitative research, its validity and reliability are assessed, whereas with qualitative research, “we take precautions to improve validity and reliability” (Thietart, 1996, p. 197). To ensure that data are made completely and genuinely anonymous, it should be stored separately (Saunders et al., 2012). A high level of validity in semi-structured and in-depth interviews can be achieved by conducting them “carefully to the scope to clarify questions, to probe meanings and to be able to explore responses and themes from a variety of angles” (p.384).

As a researcher in management, I need to demonstrate in the thesis the extent of data-collection techniques that will lead to consistent findings, whether similar observations can be made and how conclusions can be reached. This means that reliable but also valid facts, which show the implications of frontier working, have to be elaborated on. In order to satisfy the specific criteria for validity, I will work as accurately as possible to make sure that all findings are complete. The
interviews are to be stored digitally in an organized study database. Furthermore, the utilization of data and permission for interviews with participants and participating organizations must be checked at the start, and complete anonymity has to be ensured. The plan is to issue a confidentiality statement that will be read and handed out to the participants before the interviews. During the interviews, I will have to take a step back in my role as interviewer in terms of the way I ask questions, so as not to influence the interviewees and to avoid interviewer bias. Nevertheless, potential interviewee or response bias might occur when the interviewee does not tell the full story, fearing that sensitive questions could follow. In such a case, it will be my role as interviewer to create an environment where the participant feels comfortable and to ask suitable questions. More details on the fieldwork will follow in Section 3.2. Another criterion in research is concerned with generalizability, i.e., how the findings of the study can be transferred or are applicable to other settings. The extent of this criterion will be analysed in the conclusion chapter.

3.1.7 The data collection method: semi-structured interviews

Section 3.2.1.1 will discuss in detail why semi-structured interviews have been selected as the interview method, and how the interviewing process unfolded.

3.1.8 Ethics in qualitative research

“Ethics is a sense of understanding of what is right and what is wrong.” (Remenyi et al., 2005, p. 282) Moral principles and values have an impact on how a researcher conducts research activities (Ghauri and Grönhaug, 2005). The relationship between the researcher and participant is a very sensitive issue. It is the responsibility of the researcher to ensure confidentiality and anonymity when promised to the participant. Qualitative researchers are confronted with ethical issues in each consecutive procedure in the research (Braun and Clarke, 2006), “from deciding upon the topic through to identifying a sample, conducting the research and disseminating the findings” (Northway, 2001, p. 3, cited in Flick, 2012, pos. 1176).
Potential ethical issues that might come up in my study begin with the selection of the interview sample and continue throughout the data collection and analysis phases. Therefore, it is essential to be aware that there might be ethical issues arising during the whole research process, and to find solutions for tackling them so as to legitimate the research undertaken. In order to manage these, I will strive to establish an ethical framework by assuring strict confidence as well as integrity towards all participants of this research, noted down in a “letter of confidentiality” (see Section 3.2.1.3).

3.1.9 Summary and justification of the selected methodology

A clear methodological underpinning establishes the basis for the research frame. My role is that of an engaged contributor as a scholarly practitioner. The plan for the methodology of this study is to use a mono-method, qualitative approach based on interviews. By using semi-structured interviews, the researcher’s target is to gradually progress in relation to the research question (Thietart, 2001). Hence, this is applied research for the purpose of informing practice. The research philosophy chosen is interpretivist, also described as phenomenologist, in order to “understand differences between humans in our role as social actors” and originating from the intellectual tradition of phenomenology, which refers to the “way in which we as humans make sense of the world around us” (Saunders et al., 2012, p. 137). According to Saunders, some would argue that the interpretivist perspective is appropriate, particularly in human resource management (p. 137), which is the underlying field of my research undertaking and interest. Consequently, an interpretivist paradigm underpinning the qualitative research strategy is justified as the best means of answering the research question, with thematic analysis as the most suitable tool for analysing the data collected. By following an inductive approach to research, knowledge from empirical observation will be generated and concluded as theories. A single-method approach will be applied over a given time horizon, by collecting the data gained from interviews.

The above sections outlined the link between the literature on methodology, the methodological approach chosen and my standpoint as researcher, supporting
Patton’s perception that there is a “creative interplay among the process of data collection, literature review, and researcher’s introspection” (Patton, 2002, p. 163). The following section discusses the different steps undertaken for the data collection.

### 3.2 The steps in data collection

Having explained the underlying methodological choices in the previous sections, the purpose of the following section is to describe in detail the steps undertaken to collect the data. The main content of the three phases for data collection is summarized in the following figure:

**Figure 3.3: Steps in data collection**

- **PREPARATION PHASE:**
  - October 2012 – February 2013
  - Interview set-up: semi-structured interviews
  - Sampling: recruitment for the pilot interviews
  - Pilot interviews as preparatory means
  - Learning from pilot interviews

- **KEY PHASE:**
  - March 2013 – August 2013
  - Sampling: recruitment for the main study
  - Semi-structured interviews with key informants
  - Learning from key informants’ interviews

- **CLOSING PHASE:**
  - September 2013 – October 2013
  - Transcription of the interview data using multiple languages
  - Decision on analysis framework: thematic analysis

(Source: author, 2014)

The process of data collection for this study took place from October 2012 until October 2013 and contained three different phases, namely the preparation phase, the key phase and the closing phase. In the context of qualitative interviewing, these stages are also known as fieldwork. Patton distinguishes between the entry stage, the routinization of the data-gathering period and the closing stage (2002, p. 310). Towards the end of the data collection phase, one becomes more knowledgeable about the topic under research, a process Guba
describes as “moving back and forth between the discovery mode and the verification mode like a wave” (Guba, cited in Patton, 2002, p. 323).

3.2.1 The preparation phase

The preparation phase began in October 2012 and lasted until February 2013. It involved preparing the interview guidelines, making a decision on the sampling, recruiting for the pilot study, carrying out the interviews and considering the lessons learnt. Further to this, the decision was taken to declare the first five interviews as pilots.

3.2.1.1 Interview set-up: semi-structured interviews

Given the exploratory and qualitative nature of this study, the data were collected through interviews. According to Fontana and Frey (1994), interviewing is one of the most common and powerful ways of trying to understand our fellow human beings. It “remains the most common method of data gathering in qualitative research” (King, cited in Cassell and Symon, 2004, p. 11). An interview should be structured in such a way as to encourage a conversation focusing on a number of themes, with the intention of piecing together an intellectual puzzle (Mason, 2002). Due to the personal and exploratory nature of the subject material, as revealed in the previous chapter, it is necessary that the researcher develops a relationship of trust and respect with the respondents. Kvale (2007) describes qualitative interviews as “living conversations” (p. 192).

Interviews can be distinguished between standardized interviews, with pre-defined questions and pre-defined answers; half-standardized interviews, having pre-defined questions and no pre-defined answers; and non-standardized interviews, where neither questions nor answers are pre-defined. As TM is a fairly big field, it is recommendable to pose questions that best fit the interview devolution but that are in line with the research question. Cassell (2004) identifies four steps needed to lead qualitative research interviews: defining the research question, creating the interview guide, recruiting participants and carrying out the interviews (p. 14). Questions defined for qualitative interviews have to be phrased in an open-ended, neutral, singular and clear way (Patton, 2002, p. 353).
According to Easterby-Smith et al. (2008), semi-structured, in-depth interviews are most advantageous where the issues to be covered are complex. Furthermore, this interview mode allows the flexibility of order and the logic of questioning. Semi-structured interviews, according to Merriam (2006), are the best way of identifying the interviewees’ broader perceptions. Transferred to this study they allow the gaining of insights into the working experience of frontier workers and HR Managers in Luxembourg. Furthermore, semi-structured interviews are the most effective way of identifying key TM issues, as such forms of interviewing enable participants to tell their stories, experiences and opinions in their own words (Smith et al., 2009); they are the dominant form for qualitative interviews, where the researcher has prepared interview guidelines beforehand but does not rigidly adhere to them (Patton, 2002). The interview guideline development does not end with the first interview; rather, it may be modified later, according to the phenomenological nature of the interviews, which tend to be less structured than realist interviews (King, cited in Cassell and Symon, 2004). Issues that arise during the interview are discussed, thus this requires flexibility on the researcher’s side (Rubin and Rubin, 1995). It is about “non-standardized, one to one, face to face interviews” (Saunders, 2012, p. 375).

Hence, the structure for opening the semi-structured interviews in this research looked as follows:

1) Thanks for participation;
2) Outline purpose of the research;
3) Confirm confidentiality and anonymity;
4) Right not to answer questions and stop if participant wishes;
5) Outline on what happens to data;
6) Offer of summary;
7) Request permission to record;
8) Check amount of time available;
9) Ready to sign consent form.

The research question, as resulting from the literature review, was defined at the end of Chapter Two, and “should focus on how participants describe and make sense of particular element(s) of their lives” (King, cited in Cassell and Symon,
2004, p. 14). As a next step, the content for the interview guidelines was created based on the key elements of TM emerging from the literature review, with the plan of sending it to the participants after their acceptance. The interview guidelines are “prepared to ensure that the same basic lines of inquiry are pursued with each person interviewed” (Patton, 2002, p. 343), and offer help for more systematic and comprehensive interviewing. They contain a list of topics that the interviewer should address during the interview.

The interviewer has the freedom to follow a list of themes and questions (Saunders et al., 2012). The interview guidelines, including open questions and minimizing any source of influence for the interviewees, should be used to lead through the meetings lasting about 60 minutes each, using audio taping. All interviews have to be transcribed in order to facilitate the analysis of their content, and should be conducted in the interviewees’ native language – either German, French or Luxembourgish. The aim is to make the interviewees feel as comfortable as possible during interviewing, so that they are able to concentrate on what they want to say instead of concentrating on the language. According to Robson (2011), the interviewee should enjoy the interview opportunity, and the interviewer should project interest and enthusiasm through their voice and demonstrate attentive listening. Furthermore, reasonable time for responses should be given, and the interviewer should avoid introducing their own ideas (Easterby-Smith et al., 2008; Ghauri and Grönhaug, 2002; Robson 2011).

The underlying interview guidelines (see Appendix C) distinguish between questions for frontier workers and HR managers with the same overall structure. The interview questions have been put together to identify the key TM issues in relation to frontier working with the aim to get answers to the underlying research question. The main components of the interview guidelines are as follows:

1) Introduction (researcher, research project, aim and purpose, confidentiality and anonymity);
2) Biographical questions (age, education, level, experience);
3) Attraction (which practices for attracting);
4) Hiring (why, which talent, why working in Luxembourg);
5) Development (what programs are offered);
6) Retention (which practices for staying);
7) Final part (thanks, further procedure).

When sent out to the respondents, I made it clear that the interview guidelines should be used for brainstorming and preparation only, and that during the interviews we would not go through question-by-question, since the nature of semi-structured interviews requires no strict adherence to the sequence of questions. Appendix B provides an example of an email request sent to the HR manager of a Luxembourgish bank, asking for permission and participation in my research.

3.2.1.2 Sampling: recruitment for the pilot interviews

As the next logical step, I reflected on the sampling population, also called the unit of analysis. This contains individuals, events, objects, relationships or an aggregate (Collis and Hussey, 2003). According to Marshall and Rossman (2006), the population and selection of the interviewees – i.e., the sample – as the intended audience of the study, is an important consideration when compiling the research methodology and qualitative research, because the research focuses on contextual and real-world issues and, therefore, necessitates an “interactive and humanistic” approach (p. 3). Ghauri and Grönhaug (2005) explain that the sample refers to a “portion of the population which is actually studied” (p. 145). In qualitative interviewing, the objectives of the study and its theoretical, epistemological and methodological positions decide on the recruitment of the participants (King, cited in Cassell and Symon, 2004, p. 16).

The target population of relevance for this study consists of 35 interview partners from Germany, France and Belgium, employed by multinational organizations established in Luxembourg, and acting in the main sectors of employment in Luxembourg, i.e., industry, the service sector and banking. “There is no ‘magic number’ of interviews or observations that should be conducted in a qualitative research project.” (Pratt, 2009, p. 856) The aim is to understand a certain phenomenon, allowing deeper understanding of experiences (Smith, 2009), here frontier working in Luxembourg. Corley and Gioia (2004) speak of an “evolving sample of informants and increasingly focused data until further data collection
and analysis yields no further explication of a given category and theme” (p. 180). In this sense, Glaser and Strauss (1967) introduced the expression “theoretical saturation”.

I started with an initial sample of five pilots and ten semi-structured interviews with German nationals only. For the main study, also French and Belgian informants were involved, so as to obtain a full picture of frontier working, since there are three bordering countries to Luxembourg. In this second step, I contacted another 22 frontier workers, and all of them accepted interview between mid-July and end of August 2013 except for two.

There are debates around sufficiently large samples or the point at which the level of saturation is reached. Patton (2002) has a pragmatic answer to it: “It depends. There are no rules for sample size in qualitative inquiry.” (p. 244) He furthermore states that it is more important to obtain rich information and to observe well. As Chapter Four will reveal, the data collected from the 35 interviews are very rich and amounted to more than 300 pages of transcribed interviews. Lincoln and Guba (1985) see redundancy as “the primary criterion”, and consider the sampling “terminated when no new information is forthcoming from new sampled units” (p. 202). For this project, purposive sampling (Lincoln and Guba, 1985), also called convenience sampling, involves key informants as a source of information, supporting the view that “qualitative samples tend to be purposive, rather than random” (Miles and Huberman, 1994, p. 27). “Key informants are people who are particularly knowledgeable about the inquiry setting and articulate about their knowledge.” (Patton, 2002, p. 321) For my study, “talented” (as defined in Section 2.2.1) frontier workers, who meet specific requirements that will be detailed now and HR Managers, are considered as key informants.

The first condition for participation was that the interviewees were either “talented” frontier workers from the bordering countries to Luxembourg, i.e., Germany, France or Belgium or HR Managers (irrespective of nationality). During the interview process, it turned out that some of the participating HR Managers had both roles – HR manager and, at the same time, frontier worker. These
participants were asked at the end of the interview to talk about their personal experiences of frontier working in Luxembourg.

In addition to personal criteria, four organizational conditions were established, as per the table below.

**Table 3.3: Selection criteria for interview participants**

<table>
<thead>
<tr>
<th>Personal criteria</th>
<th>OR “talented” frontier worker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational criteria</td>
<td>Luxembourg employment contract AND at least 2 years of working in Luxembourg AND employed by MNC AND working in banking, service sector or industry</td>
</tr>
</tbody>
</table>

(Source: author, 2014)

The first criterion was to be employed under a Luxembourg contract. Assuming a better understanding and experience of frontier working, I fixed a minimum of two years' working in Luxembourg and employed by an organization that is not only based in Luxembourg as further requirements. I approached potential interview candidates by phone, email or social network (Xing, LinkedIn), and checked the above conditions when recruiting them. Contacts were made through my professional network and by recommendation. The first point of contact in organizations from the three sectors that employ the most people in Luxembourg – i.e., banking, the service sector and industry – were the heads of HR, either to check their interest and/or for them to make proposals for potential interview partners within their organizations.

Interviews were to be conducted at the interviewees' organizations in a separate meeting room, in order for the researcher to gain insights into the working environment and context. Notes in this respect were taken after the interviews. The scale of research was limited to the boundaries of Luxembourg, with its straightforward distances (80km North to South and 34km East to West). Neither travel costs nor renting costs for rooms for the interviews applied, as all took
place in the interviewees’ company offices, and I used my company car to travel there. From all the 35 people contacted, only two refused – one due to work overload, and the other for time issues due to frequent travelling and me having to meet my timeframe of conducting the interviews before my move to Egypt by the end of August 2013. Two more organizations were contacted and accepted for participation, so that in total there was a sample size of 35. Interviews with German nationals took place between January and May 2013 (of which the first five were later declared as pilots), and between July and August 2013, interviews took place with German, French and Belgian participants. Two of the HR managers were Luxembourg nationals. The figure on the next page provides an overview of the interview process roll-out.
Figure 3.4: Interview process roll-out

Objectives

- To explore the experiences of frontier workers in Luxembourg
- To identify key TM issues according to HR managers in Luxembourg
- To inform practice about the issues related to frontier working through the perspectives of both frontier workers and HR managers, and to identify the implications for HR managers in organizations that employ frontier workers

Choice of Method

- Semi-structured, face-to-face interviews with key informants

Sampling

- Purposive sampling
- 35 interviews including 5 pilots with key informants: frontier workers, HR managers (also having both roles) recruited via email or phone from HR network and/or recommended by colleagues and contacts

Ethics

- Interviewer and project introduction
- Letter of confidentiality

Interview roll-out

- Introduction of researcher, topic and research objectives
- Explanation of ground rules and data protection
- Leading themes: frontier working in Luxembourg viewed from a TM perspective
- Audio taped, duration between 30 minutes and 1.5 hours each
- Separate meeting or conference room at company

Handling of recorded data and analysis

- Transcripts and translation into English by author
- Inductive thematic analysis

(Source: author, 2014)
3.2.1.3 Pilot interviews as preparatory means

Following the advice from Teijlingen and Hundley (2001, p. 1) – “Pilot studies are a crucial element of a good study design” – a pilot study to pre-test the interview guidelines’ face validity was conducted between January and February 2013. Pilot testing as a term is mainly used in social science research, as a trial run and preparation for the major study. It is recommended to apply pilot testing in order to adjust the research setting if necessary. This sort of pre-testing should be conducted before the in-depth interviews, so as to be comfortable with the interviewing and probing techniques, and the data-capturing process. It is a means to increase the success of the main study.

In order to obtain a breadth in the interviewee population and to make the most of it, the pilots varied in sector, gender, years of experience and age, and there were three frontier workers, one HR manager and one person having both roles. Three people were working in the service sector (telecommunications, translation services and training), one in banking and one in industry. The sample contained three males and two females as participants, with a working experience of between 4 and 13 years in Luxembourg, and they were aged between 28 and 48 years old. Overall, it is clear that the sampling parameters were fulfilled (Miles and Huberman, 1994). Each interview was audio-recorded digitally with a Sony ICD-BX112 Dictaphone, subject to participant consent after the participant had read the letter of confidentiality that was handed out at the beginning of the interview. Complete anonymity and confidentiality were ensured. Hence, ethical issues were addressed right at the beginning, where the ground rules were explained when the project was introduced, as well as its aims and my role. The interviews, as per the nature of phenomenological design, lasted between 30 minutes and one and a half hours. The findings and improvements made to the study design are reported in Section 3.2.1.4.
Overall, the plan was to collect data during a preliminary study, to analyse it and to use the findings to progress to the main study. The process is depicted below.

**Figure 3.5: Data collection in preliminary and main study**

(Source: author, 2014)

### 3.2.1.4 Learning from pilot interviews

The learning from the pilot study should lead to making any necessary changes. Nevertheless, likely limitations of pilot studies may include “the possibility of making inaccurate predictions or assumptions on the basis of pilot data” (Teijlingen and Hundley, 2001, p. 2). In order to optimize the value of the interview, contextual data, such as the location of the interview, date and time, setting, background information of the participant and immediate impression of how well the interview went, should be noted right after the interview or as soon as possible (Saunders, 2012, p. 395).

The questions that one should pose after interviewing include:

- Do I need to improve the data quality?
- How can I achieve the needs identified?
- How can I seek alternative explanations?
Several researchers recommend ways of developing ideas and retaining information besides taking notes, such as a transcript summary, document summary, research notebook, reflective diary, or interim or progress summary (Miles and Huberman 1994; Strauss and Corbin, 1998; Kvale and Brinkmann, 2009).

As of the first interview, I noted down comments on a “logbook” sheet right after the interview as a kind of self-memo, as well as trying to rephrase the main essence of the answers to obtain a first idea of the themes that emerged. This so-called transcript summary (Kvale and Brinkmann, 2009) should capture the main essence in a few words. A template can be found in Appendix H. During the interviews, I followed the advice from Easterby-Smith et al. (2008) of using open questions in order to avoid bias. I found that I had asked questions that were too lengthy and was sticking too closely to the interview guidelines, which contained long questions. As a result, I reworked the guidelines by keeping the overall structure, but using the same leading interview themes, i.e., attraction, hiring, development and retention, for both groups of informants, distinguishing between specific questions for frontier workers (FW) and HR managers (HRM). The questions have been put together based on the four key themes of TM (Tansley et al., 2007). The new interview guidelines can be found in Appendix D.

Another thing learned was that, in some of the pilot interviews, I had introduced my constructs as a researcher by commenting on the responses, and/or I was “leading” the interview, although this was not on purpose and happened inadvertently. However, the literature about qualitative research interviewing demands keeping oneself back in order to avoid biased responses (Kvale and Brinkmann, 2009). Hence, all interviews must use the same interview approach. Therefore, for the main interviews, I needed to make sure I took a step back as much as possible. When I interviewed the first participant, I asked some general questions at the end. Over the course of the other interviews, I changed the sequence and started with biographical questions as general opening questions, which better led to the subject under research, although qualitative interviews allow a lot of flexibility with no predetermined order. King calls this flexibility “the single most important factor in successful qualitative interviewing” (King, cited in Cassell and Symon, 2004, p. 17). The appropriateness of location is another
important point to consider. The second interviewee proposed that we meet before the start of a conference that took place in the Chamber of Commerce, so we conducted the interview in the lobby area in a rather quiet corner. However, since it was not a closed room, we were interrupted once when someone said hello. This did not stop the interview flow, but was not an ideal situation.

I met the third interviewee in the late afternoon before dinner time in a restaurant that, at such times, is not frequented. It worked out well except for some background noise recorded, but, given the good quality of the recording device, this did not disturb the transcription. Nevertheless, interviewing at organizations’ premises is preferable, in order to create a working environment context. In the restaurant, I had the feeling that the interviewee did not always pay full attention to the interview. Furthermore, this participant turned out not to be very talkative. Following the advice from King (2004), I tried to phrase my questions in as open a way as possible and paused for a few seconds to enhance the conversation. However, I found myself posing a lot of questions that were sometimes rather long. The learning on my side was that I could not avoid uncommunicative interviewees, since most of them were recommended to me by the HR department or through the network, thus I had never met them before. I relied on the judgments of my contacts to recommend “good” interview partners. On the other hand, it is preferable to choose people that one does not know, to avoid any interviewer bias.

The learning from interview number four was that I should enlarge the scope of the interview sampling to include French and Belgian border people to obtain a full picture of frontier working in Luxembourg, since half of the frontier workers are composed of French, and the other half equally of Germans and Belgians. Furthermore, my supervisors also suggested that I engage participants from the three bordering countries.

During the fifth interview I found out that the interviewee played both roles, frontier worker and HR manager, a fact that I had not thought of during the recruitment process. Even if this was no prerequisite for HR managers to participate in my main study (and I did not know whether they lived in Luxembourg or not until I had the interview with them), I considered it interesting to have both roles within
the participants to provide a richness of experiences. Another key lesson was, in Patton’s (2002) words, that “the quality of the information obtained during an interview is largely dependent on the interviewer” (p. 341). Therefore, becoming familiar with interviewing techniques beforehand and proper advance planning proved to be very important and to pay off. Overall, the pilot interviews progressed smoothly and encouraged me to continue with the main interviews after some amendments had been made.

3.2.2 The key phase

The second phase of the study, which lasted from March until August 2013, was the key phase in the process, as it embodied the main study through interviewing a population of 30 participants. At the beginning of this phase, the results from the pilot interviews were presented to my supervisors and at the methodology workshop at Surrey Business School in March 2013, in order to draw conclusions from the data, to raise the level of confidence in interviewing and to choose the right approach. The key phase also involved the recruitment for the main study, a continued reflection on a suitable analysis approach, and the interviews with 30 key informants.

3.2.2.1 Sampling: recruitment for the main study

The focus for the main interview phase was to enlarge the interview sample to French and Belgian frontier workers as well as HR managers, irrespective of nationality, providing they all met the criteria set out in Section 3.2.1.2. The reason behind this was to reflect a full picture of frontier working in Luxembourg that, if limited to German cross-border workers, would have been missed. Recruiting further participants was facilitated by the fact that interviewing in MNCs offered access to a multi-national workforce. Again, personal networking was the key to success. I therefore recontacted the HR departments of the pilot study participants to ask for Belgian and French employees as potential contributors, and also contacted other firms in order to get a mixture of the participating three sectors, organizations of different sizes, and varied businesses and functions. This is summarized in the following table.
<table>
<thead>
<tr>
<th>No</th>
<th>Sector</th>
<th>Main business</th>
<th>Size</th>
<th>Key informant</th>
</tr>
</thead>
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<tr>
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<td>Machinery</td>
<td>700</td>
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</tr>
<tr>
<td>2</td>
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<td>German Both Roles (BR)</td>
</tr>
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<td>Private banking</td>
<td>400</td>
<td>German FW</td>
</tr>
<tr>
<td>4</td>
<td>Service sector</td>
<td>Translation services</td>
<td>650</td>
<td>German Human Resource Manager (HRM)</td>
</tr>
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<td>Training</td>
<td>25</td>
<td>German FW</td>
</tr>
<tr>
<td>6</td>
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<td>Language training</td>
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</tr>
<tr>
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<td>3000</td>
<td>German BR</td>
</tr>
<tr>
<td>8</td>
<td>Service sector</td>
<td>Consulting &amp; coaching</td>
<td>63</td>
<td>German FW</td>
</tr>
<tr>
<td>9</td>
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<td>Robotics</td>
<td>950</td>
<td>German FW</td>
</tr>
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<td>French FW</td>
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<td>950</td>
<td>Belgian FW</td>
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<td>Machinery</td>
<td>950</td>
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<td>Telecommunications</td>
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<td>Belgian BR</td>
</tr>
<tr>
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<td>IT</td>
<td>45</td>
<td>Belgian FW</td>
</tr>
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<td>French FW</td>
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<td>Service sector</td>
<td>Telecommunications</td>
<td>45</td>
<td>French FW</td>
</tr>
</tbody>
</table>

(Source: author, 2014)
Since most of the MNCs headquarters are situated in the City of Luxembourg, I arranged the interview schedule around the interview location and planned second interviews on the same day as other interviews where possible, keeping in mind that there should be a maximum of two interviews per day. This is due to the fact that interviewing requires full concentration and the outcome is highly dependent on the researcher’s capacity to listen, observe and take notes. During the recruitment process, I aimed at having a variety in the number of years of employment of the participants, as well as their ages and genders, with the hope of obtaining rich and interesting insights into the experiences of frontier workers in Luxembourg and the key TM issues. Additionally, I re-worked the questions from the first interview guidelines, based on the experiences gained from the five pilot interviews. The questionnaire is shown in Appendix D.

3.2.2.2 Semi-structured interviews with key informants

The main study interview process took place between June and August 2013 with a total of 30 interviews, including French and Belgian key informants and two Luxembourgish HR managers. All interviews were carried out in Luxembourg with a maximum of two interviews per day. I travelled with my company car, so no additional costs occurred for me. Some of the interviews were scheduled around lunchtime (which normally lasts two hours in Luxembourg), but most took place in the early evening.

As the following bibliographical table shows, the main sample was composed by 13 females and 17 males. Their ages varied from 28 to 65 with an average age of 43, and they had between five and 38 years of working experience in Luxembourg (with a mean of 15 years). Seven HR managers (HRM) participated, as well as 11 frontier workers (FW) and 12 people with both roles (BR).
Table 3.5: Bibliographical table of interview participants

<table>
<thead>
<tr>
<th>No.</th>
<th>Gender</th>
<th>Age</th>
<th>Group</th>
<th>Sector</th>
<th>Years in Luxembourg</th>
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<td>m</td>
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<td>FW</td>
<td>Ss</td>
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</tbody>
</table>

(Source: author, 2014)

Each interview took place on a one-to-one basis, lasted between 28 and 95 minutes, and was guided by the interview guidelines, although the participants were encouraged to speak freely. All interviews went as planned, except for one small disturbance: one interview had to be postponed due to illness. Everybody else was available at the scheduled time and I arrived well before the scheduled
meeting time, keeping in mind the dense circulation after office closure in Luxembourg when the meeting was fixed at the end of the day. I looked up the locations for places where I had never been before on Google maps. Furthermore, I used the GPS system in my company car to check for parking next to the interview areas in cases where the company did not provide one. Some firms, however, had already offered parking in their acceptance emails. In contrast to the uncommunicative interviewee in the pilot study, all participants talked a lot and showed honest interest in the subject.

3.2.2.3 Learning from key informants’ interviews

Keeping in mind the learning from the pilot study, observation, as another element of qualitative interviewing, also took place. “Observation as a data collection tool entails listening and watching other people’s behaviour in a way that allows some type of learning and analytical interpretation.” (Ghauri and Grønhaug, 2002, p. 120) According to Remenyi et al. (2005), observation is “an act of recognizing and noting or recording an occurrence often involving measurement of some sort” (p. 286). Thietart (1996) claims that “our observations, even the most unchecked, are guided by what we are able to see and by what we are prepared to see” (p. 60). Following their recommendations, I took notes straight after the interview or once I arrived home, rather than during the interview, because I did not want to give the impression of being distracted. There are opinions in literature that writing down comments during the interview is a sign of involvement and interest (Kvale and Brinkman, 2009); however, I deliberately decided against it in order to fully concentrate. As was the case in the pilot interviews, a letter of confidentiality was handed out to the respondents after the ground rules had been explained. The participant was asked to read and sign, assuming that he/she accepted the content. An example is shown in Appendix E.

Overall, with every new interview I gained more confidence – even though, in my professional role as HR manager, I had carried out lots of interviews before, conducting research interviews is something different – and became more knowledgeable about the topic. I looked forward to every interview and was curious about whom I would meet next time, since I did not know most of the
interview participants beforehand, which is good for avoiding interviewer bias. The learning experience from the main study was, similarly to the pilot, very positive. My interview partners liked to talk about their experiences of frontier working and enjoyed being interviewed. One respondent emphasized this by saying that this was a great opportunity to reflect and clarify his thoughts on such an important topic where during working hours he had no time to do so.

Nevertheless, the outcome of the research is highly dependent on the quality of the answers gathered in the interviews, which also comes as a result of the relationship between the interviewer and the interviewee as a key feature in qualitative research, with the interviewee “actively shaping the course of the interview” (King, cited in Cassell and Symon, 2004, p. 11). The major task of the data analysis chapter is to review this point and to report it as findings in the findings chapter.

3.2.3 The closing phase

The last phase of the data collection took place from September until October 2013. In the latter month, we had another workshop, this time on data collection methods. I presented some thoughts on analysing techniques and was supported by the chair and the attending students to proceed with applying thematic analysis to reflect my data set. The closing phase involved the transcription of the tape-recorded interviews as a main task and as a first step in the thematic analysis procedures. I then reflected on using computer software (CAQDAS) to analyse my data and collected information from the Internet.

3.2.3.1 Transcription of the interview data using multiple languages

“Transcripts are written accounts using the actual words” (Saunders, 2012, p. 550), with the aim of familiarizing oneself with the data collected (Braun and Clarke, 2006). They are a means for contextual information, like non-verbal communication and tone, in which the interviewees express themselves. The process of transcription is lengthy, as one needs between six and ten hours for every hour of interviewing (Kvale and Brinkmann, 2009). King claims that it is not doable to transcribe more than two one-hour interviews per day (King, cited in
Cassell and Symon, 2004, p. 16). Since I am an experienced ten-finger typist, the relation of tape time to transcription time (in hours) was 1:3, which is a good ratio in comparison to that stated by Tuckett (2005, p. 80). He reports ratios that vary from the best case of 1:3 to 1:5, 1:6 or even 1:10 in his case. My challenge to a greater extent was to first translate the interviews from German, French or Luxembourgish - a task that someone who works in Luxembourg is used to, where switching languages from one second to the next is common. However, it turned out to be a very time-consuming and exhausting process to transcribe all the interviews verbatim. I purposefully decided against involving a professional transcription service for two reasons: first, transcribing interviews gives the researcher a basic idea of the content of the data and allows him/her to become familiar with what was said; second, since I did most of the transcriptions after the completion of the interviewing phase, I had to do it by myself for reason of logistics, because I moved to Egypt the day after my final interview. Nevertheless, the time taken during the whole month of September 2013 was well invested and, together with the observation notes, made it easier to start the data analysis process. The reason for this is that, as a consequence of the interview transcriptions, I obtained a first idea of the data as one of the steps that is involved in thematic analysis (Braun and Clarke, 2006); if the data are transcribed by the researcher him/herself, it provides an early sense of the results of the data, an “appreciation of its richness” (Boyatzis, 1998, p.11).

Hence, to demonstrate rigour in thematic analysis, full transcriptions of interviews are the starting point. To ensure translation accuracy, I listened to the original audio recordings again – several times when needed - and reviewed the transcripts. In cases where I did not understand what the interviewee was telling me, I went back to the interviewed person to validate. Each interview was saved as separate word-processed file, using a filename to maintain confidentiality and preserve anonymity. To give an example, 6HRMG_B means that it was interview number six with an HR manager, male, German and from the banking sector. Each line was numbered and, overall, more than 300 pages of interview material were collected from the 35 interviews recorded. I applied the numbering procedure in order to have easy and quick access to the respective interviews afterwards. Audio-recordings varied from 28.22 minutes to 95.35 minutes each,
with a mean of 52.70 minutes. Appendix F is an example of a full interview 
transcript from a frontier worker, and Appendix G is an example for an HR 
manager.

3.2.3.2 Decision on analysis framework: thematic analysis

Section 3.1.3 described some general features of thematic analysis. Going 
through the different steps of the data collection process also involved ongoing 
reflection on the most suitable analysis framework, which resulted in choosing 
thematic analysis. Thematic analysis is essentially interpretive, straightforward 
and attributes equal attention to the data (Braun and Clarke, 2006). It is used to 
identify common themes throughout a series of interviews and is widely used in 
psychology, although also gaining adherence and followers in other disciplines, 
such as HRM. There is no exact formula existing for how to transform qualitative 
data into findings (Pratt, 2008). Hence, I see my next task as tackling the data 
revealed from 30 interviews, varying from five to 20 pages each. The fact that 
thematic analysis necessitates various competencies and abilities from the 
researcher (Boyatzis, 1998, p. 7) will be a challenge for me as a scholarly 
practitioner.

3.2.3.3 Summary and justification for the selected data collection means

Looking back to the various steps undertaken for the data collection, they all 
contributed, one after the other, to preparing for the data analysis, while at the 
same time keeping in mind the research question formulated as a result of the 
literature review, as well as the objectives of this study.

I consider conducting qualitative, semi-structured interviews with key informants 
as the most suitable technique for collecting a rich account of frontier working in 
Luxembourg and for finding answers to the research question, i.e., “What are the 
experiences of frontier workers in Luxembourg, and what are the issues and 
implications of frontier working in Luxembourg viewed from a Talent Management 
perspective?” Nevertheless, it is a very time-consuming and lengthy process, 
which requires a lot of organizational and networking skills. Having in place a well 
thought-through timetable and interview schedule is invaluable. I consider the
data collection phase as a means to test and transform theoretical knowledge into practice. As a consequence of exploring the various possibilities of how to analyse qualitative data, selecting and applying thematic analysis seems appropriate. Other analytic methods, such as grounded theory or interpretative phenomenological analysis (IPA), are dependent on theory and epistemology, whereas thematic analysis offers flexibility, as it works “both to reflect reality, and to unpick or unravel the surface of ‘reality’” (Braun and Clarke, 2006, p. 9). It can be used to “capture the complexities of meaning within a textual data set” (Guest et al., 2012, p. 11).

Chapter Four will deal with the analysis of the collected data using thematic analysis, and is concerned with following a coherent analysis process paired with an ongoing reflexivity that best serves and fits the objective in order to uncover information from the data collected.
4 Findings

4. Introduction to the findings from the data analysis using thematic analysis

“Our analysis and interpretation – our study’s findings – will reflect the constructs, concepts, language, models, and theories that structured the study in the first place.”

(Merriam, 1998, p. 48)

Bearing in mind what Merriam states above, this chapter will present the findings from the data analysis. The purpose is to present facts rather than opinions, since the latter belong to the conclusion chapter. The analysis will only reflect what is in the data, so the researcher should adopt a “child” outlook and be open-minded, following an inductive research approach as described in Chapter Three. The choice of procedure for analysing qualitative data must be consistent with the research philosophy, the research strategy and the nature of the data collection method, in order to be able to justify the approach (Saunders, 2012, p. 556). Two approaches are possible for presenting the findings, guided either by the research objectives that structure the order of presentation or by the importance of themes. Given the nature of thematic analysis, which follows a rather structured approach, as will be shown later in this section, the findings will be presented in a thematically descendent order of importance of the themes discovered. According to Gioia et al. (2012), the findings’ narrative should tell an “intellectually compelling – and sometimes even an emotionally compelling – story on the basis of transparent evidence…that is driving toward some new concept development and theoretical discovery with the careful presentation of evidence” (p. 23).

Consequently, this chapter will first discuss the different steps in thematic analysis applied to my study, leading next to the establishment of a diagram showing the relationships between the themes in the data to, finally, produce the formulation of three key findings for frontier working in Luxembourg, viewed from
a TM perspective. Since this research strives to add to the understanding of the phenomenon of frontier working and its implications for HR, the aim of this study is to examine the experiences of frontier workers in order to close the gap in empirical research in the area of frontier working.

Hence, the objectives of this study are as follows:

1) To explore the experiences of the frontier workers in Luxembourg and the important features of frontier working;
2) To identify key Talent Management issues according to HR managers in Luxembourg;
3) To inform practice about the issues related to frontier working through the perspectives of both frontier workers and HR managers, and to identify the implications for HR managers in organizations that employ frontier workers.

Ultimately, then, this chapter will answer the question:

**What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?**

The interview data consists of interview material from 35 interviews, of which 30 are presented here as they belong to the main part of the study. The first five interviews were declared pilot interviews (Chapter Three, Section 3.2.1.3) and used to define and re-work the questions and set-up. The remaining data collected were analysed and interpreted manually. At the beginning of the analysis process, I considered using CAQDAS and planned to select NVivo analytical software as an aiding tool, but, going further in the research process, I became familiar with manual coding and compared it to the NVivo coding that I had tried out on some of the initial interviews. The NVivo coding did not persuade me that it added particular value to my study. Furthermore, I liked finding out how to discover themes and uncover characteristic patterns by cutting out pieces from interviews and puzzling them with others. Hence, achieving the numerical evidence that NVivo can offer besides coding was not my target.
Adopting an interpretivist perspective (see Chapter Three, Section 3.1.1), the transcripts were submitted for thematic analysis using an inductive approach (see Section 3.1.3), where the themes identified are strongly linked to the data itself (Patton, 1990), and with the objective “to explore a phenomenon, identify themes and patterns and create a conceptual framework” (Saunders, et al., 2012, p. 144). This technique involved constant moving back and forth between the entire data set, and required ongoing reflexive dialogue throughout the whole analytical process, which developed over time. Patton speaks of a “creative interplay among the process of data collection, literature review, and researcher introspection” (Patton, 1990, p. 163). Since there are two groups of interviewees in the sample (see 3.2.1.2), i.e., frontier workers and HR managers, the data have been analysed separately, intending to demonstrate two different perspectives as well as to define similarities and differences.

According to Braun and Clarke (2013), data can be treated using two different approaches: illustrative or analytical. I chose to analyse the content of the extract itself – i.e., analytically – with the data excerpts used as examples in order to provide a rich and detailed description and interpretation of each theme. By doing this, the reader would still capture the essence if the excerpts were removed. The aim is also to uncover the “latent meanings” and to look “beyond” the explicit or semantic meaning of the data (Braun and Clarke, 2006, p. 13). It is not about paraphrasing what an extract says, but about considering what is interesting about it and why, asking “So what...?” as Braun and Clarke advocate. “Analysis uses data to make a point with the theme names reflecting the content of the analysis, being ‘evocative, catchy, concise and informative’.” (Braun and Clarke, 2013, pos. 3712)

Before starting the analysis, I reviewed the literature on how best to approach and conduct thematic analysis. Hayes (2000) proposes three steps: read carefully to identify the meaningful units of text relevant to the research topic; group units of text dealing with the same issue together in analytical categories and provide provisional definitions; and review data systematically to ensure that a name, definition and exhaustive set of data to support each category are identified. Further examples of thematic analysis were reviewed to obtain an idea of what the analysis could look like, such as Frith and Gleeson (2004); Braun and
Clarke (2006); Tuckett (2005), Kitzinger and Willmott (2002); and Hartman and Conklin (2012). A systematic process, as proposed by Braun and Clarke, was chosen as the most appropriate and logical way to analyse the data.

Braun and Clarke distinguish between six stages of thematic analysis, as presented in the table below.

**Table 4.1: Phases of thematic analysis**

<table>
<thead>
<tr>
<th>Phase</th>
<th>Tasks</th>
<th>Process description</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Immersion</td>
<td>Transcribe interviews</td>
<td>Active, repeated reading</td>
<td>First notes, ideas for coding</td>
</tr>
<tr>
<td>2) Organization</td>
<td>Generate initial codes, identify interesting aspects</td>
<td>Systematically work through whole data set</td>
<td>Initial codes, themes, patterns</td>
</tr>
<tr>
<td>3) Sorting</td>
<td>Sort codes into potential themes</td>
<td>Gather data relevant to each potential theme</td>
<td>Relationship between codes, themes and levels of themes</td>
</tr>
<tr>
<td>4) Revision</td>
<td>Refine candidate themes</td>
<td>Review for coherent pattern</td>
<td>Overview of different themes, linkage and overall story</td>
</tr>
<tr>
<td>5) Fine-tuning</td>
<td>Identify essence, story, conduct and write detailed analysis, start thinking about names for final analysis</td>
<td>Review collated data extracts, check in relation to RQ</td>
<td>Coherent and internally consistent account, sub-themes, clear definitions and names for each theme</td>
</tr>
<tr>
<td>6) Reporting</td>
<td>Finalize analysis, select vivid, compelling extract examples, write-up of report</td>
<td>Description of data, make an argument</td>
<td>Scholarly report of analysis</td>
</tr>
</tbody>
</table>

(Source: Braun and Clarke, 2006, adapted by author, 2014)

The different phases will be explained now, as well as the actions undertaken to accomplish them.
4.1 Immersion

Immersion with the data began with taking notes on an “interview logbook” sheet (see Appendix H), either straight after the interview at the interview location or once back at home, noting down the key issues and context (Glaser, 1978). The logbook sheet contains information about the number of the interview (e.g., 6HRMG_B), the function of the respondent, how the interviewee was approached, the date and place of the interview, the time and duration, the participant’s profile (i.e., whether the person is a frontier worker or HR manager), whether the interview was led face-to-face, the number of the storage folder and the respondent’s branch of activity. Furthermore, it includes comments, noticed disturbances if there were any, a brief summary of the transcript and first ideas for keywords. Immersion or familiarization – a term used by Braun and Clarke (2006) – with the data continued further when I transcribed the interviews verbatim.

Transcription, as “a key phase of data analysis within interpretative qualitative methodology” (Bird, 2005, p. 227), allowed me to obtain an initial idea regarding what the interviewees have in mind concerning frontier working in Luxembourg. Tuckett speaks of providing “an early sense of the data” (2005, p. 80). The process of transcription extended over the whole month of September 2013 and involved, on average, three to five hours per one hour of recorded tape time. Since I am experienced with audio typing, this ratio of tape time to transcription time is comparably low to what the literature states (see Chapter Three, Section 3.2.3.1). It should be noted that none of the interviewees were English native speakers; therefore, the interviews were conducted in the respondents’ mother tongue – that is, German, French or Luxembourgish. As a consequence, preparing verbatim records involved translation into English. A total sample of 30 main interviews resulted in more than 300 pages of data. I set myself the objective of transcribing at least one full interview per day, and this needed full concentration and focus. On the other hand, I obtained some initial ideas for later coding, and started to note down initial thoughts using the already existing “interview logbook” sheet, one for each interview. In this early stage of analysis, it turned out to be useful to keep in mind the advice from Auerbach and Silverstein (2003), of having a copy of the research concern, the theoretical framework, the
central research question and the goals of the study on one page in front of myself to remain focused (p. 44).

Active listening and repeated reading, to become familiar with the depth and breadth of the data, turned out to be an important lesson from this first phase of the analysis, with active “searching for meanings, patterns” (Braun and Clarke, 2006, p. 16). Braun and Clarke refer to this step as “familiarizing yourself with your data” (idem, 2006, p. 16). They also suggest not to start coding before having read through all the interviews. Following their advice helped me to gain confidence that the data collected in the interviews are full of information and essence, worthwhile exploring further. Although it is time-consuming, I support what Braun and Clarke (2006) state with regards to the immersion phase, namely that it “provides the bedrock for the rest of the analysis” (p. 17). Each transcript was read several times to capture the essence of the data content.

4.2 Organization

In a second step, which I call organization, I spent a lot of time on circling, highlighting, underlining and colouring in passages in the interviews that struck me, using different coloured highlighters. This involved systematically working through the whole data set. Since I am a visual person, these undertakings strengthened my understanding of the data. Moreover, I started to develop notes of tentative codes on the right-hand side of the transcript pages, and highlighted potential patterns as a “first attempt at coding the data” (Tuckett, 2005, p. 81). These remarks acted as signposts for later reflection. Tuckett describes this as a “step-by-step analysis of data toward the generation of a final thematic schema” (p. 85); “theme identification”, “theme comparison” and looking for “salient trends or patterns” (p. 82) all aid in determining relationships and linking to more general conclusions. The results were initial codes, themes and patterns emerging from the analysis. Bearing in mind the statement from Strauss (1987), the extended focus during the data analysis contributed to coding: “Any researcher who wishes to become proficient at doing qualitative analysis must learn to code well and easily. The excellence of the research rests in large part on the excellence of the coding.” (p.27)
A code is “a word or brief phrase that captures the essence of why you think a particular bit of data may be useful” or, as Boyatzis (1998) puts it, codes are “the most basic segment, or element, of the raw data or information that can be assessed in a meaningful way regarding the phenomenon” (p. 63). Hence, codes can provide “building blocks of analysis” (Braun and Clarke, 2013, pos. 4453 e-book). Coding is a “process of identifying aspects of the data that relate to your research question” (Braun and Clarke, 2013, pos. 4427). During coding, I had the research question and objectives in mind, and systematically progressed interview by interview. I decided to choose complete coding, which strives to identify “anything and everything of interest or relevance” in my entire data set, while selective coding deals with identifying “a corpus of instances of the phenomenon” (Braun and Clarke, 2013, pos. 4432).

An example of this first cycle or pre-coding is shown in Appendix I, where one interview extract is highlighted in different colours, with notes made in the right margin of the text to indicate interesting aspects that struck me during this initial phase of the analysis. The process of pre-coding involved repeatedly searching the data for themes related to TM in regards to frontier working in Luxembourg. I applied this technique to all the interviews, resulting in an initial list of ideas and what was interesting about them. These ideas were noted down on a separate sheet of paper, titled “Initial list of codes from interviews”, to capture the essence of the content. The results were two lists of different codes, 193 altogether, divided into 57 codes from frontier workers and 136 from HR managers. This provisional stage included double mentioning of extracts to give equal attention to each interview. Summary tables are presented in Appendix J for an initial list of codes for frontier workers and in Appendix K for HR managers.

During this stage, I also spent quite some time on analysing different computer-assisted qualitative data analysis software (CAQDAS) programmes, by viewing examples on YouTube and looking into provider videos. As stated in Chapter Three, Section 3.2.3, I was initially inclined to use NVivo software, but later on decided against it, since starting to code manually brought about good progress. Therefore, I saw no added value in using computer software.
4.3 Sorting

The third stage within thematic analysis involved sorting data into potential themes based on the identified patterns and looking for an overarching theme. In doing so, I prepared photocopies of each interview with numbered lines, cut out interesting extracts and collated them into similar groups. An example using the term “flexibility” is shown in Appendix L.

For this phase, it was crucial to systematically go through the different interview transcripts to identify themes based on the data and convey what the data had to say. Furthermore, equal attention to each data item had to be given, by checking for relationships between codes, themes and different level of themes. In a first attempt to sort codes into potential themes, I composed lists with “in vivo” quotes from the interviews (one for frontier workers and one for HR managers), where the data was sorted based on the identified main preliminary patterns and illuminated with one key quote per pattern as examples (see Appendix M).

The challenge then was to find out the relationships between codes, themes and different levels of themes and sub-themes. This resulted in a collection of candidate or tentative themes and sub-themes, and brought about a sense of significance of individual themes, following Hayes’ approach to analysis by grouping units of text dealing with the same issue together in analytical categories and giving provisional definitions (Hayes, 2000). It also was helpful to play around with different wording by noting down the codes and to visualize them at an early stage in an initial thematic map (see Figures 4.1 and 4.2).

In both groups – frontier workers and HR managers – four key themes cropped up and were given provisional definitions, of which “flexibility and adaptation”, “exist through network”, “development and learning” and “events and activities” were identified for frontier workers, and “flexible working solutions”, “knowing each other”, “performance management” and “communication” were identified for HR managers. One theme in each group remained and was entitled “miscellaneous”, as Braun and Clarke (2006) propose. This term is used in the literature for a set of data that is not yet assigned to a certain category. For the group of the frontier workers, the codes “protective law”, “car sharing, company bus” and “multinational environment” were placed in that category, and the codes
“global policies”, “lack of co-determination” and “broad mind” were assigned to this category for the group of HR managers.

The following figures demonstrate a collection of the five candidate themes and 15 sub-themes, Figure 4.1 for frontier workers and Figure 4.2 for HR managers:

Figure 4.1: Initial thematic map showing five themes (frontier workers)

(Source: Braun and Clark, 2006, adapted by author, 2014)
Figure 4.2: Initial thematic map showing five themes (HR managers)

(Source: Braun and Clark, 2006, adapted by author, 2014)

The four potential main themes presented in this provisional stage, and highlighted in dark blue circles, evolved by grouping codes with the same or similar essence together and naming them, keeping in mind the subtlety within the themes. Linked to these four categories, there are 15 sub-themes that have been allocated to one of the four categories where it is most relevant. To give an example, in the category “flexible working solutions”, I have gathered terms that reflect the HR managers’ input into that point: bought holidays; unpaid leave; and part-time work and working from home. These examples had been given during the interviews and accurately reflect what the data is saying. The theme “miscellaneous” is provisional in the sense that it contains sub-themes that, at this stage, could not be assigned to one of the other four key themes.

In this initial stage of thematic analysis, the relationship between the different themes cannot be determined yet, but it is already possible to get an indication of what the data are about, as well as the most important issues for frontier
working in Luxembourg and the implications for HR practice. Furthermore, although the two groups of key informants, i.e., the frontier workers and HR managers, use different wording to explain the working environment, there are similarities in the themes. To give an example, the terms “flexible” and “flexibility” are mentioned by interviewees from both groups. Therefore, going further, it should be analysed to demonstrate whether this similarity in the themes holds or not. The items listed under “miscellaneous” will have to undergo another review to see whether they are important elements of the analysis or whether they can be skipped.

The above-mentioned phase of sorting is important so as to obtain a broader understanding of the significance of the different themes and sub-themes, and facilitates continuing with the analysis. Going further, these themes will be amended, skipped or collated as part of the refinement, taking into account the views of the participants, i.e., the frontier workers and the HR managers. By doing this, according to Glaser (1992), one should also bear in mind the objectives of the study, the study content, the underlying clusters of concepts, and the relationships between codes, themes and different levels of themes.

4.4 Revision

Phase four, entitled revision, is about refining the themes by reflecting on the candidate themes. Boyatzis (1998) defines a theme as “a pattern found in the information that at minimum describes and organizes the possible observations and at maximum interprets aspects of the phenomenon” (p. 4). At this stage, the level of the coded data extracts was reviewed to ensure that they formed a coherent pattern. This stage also involved considering whether sufficient data was identified to support each category or whether they were found to lack data to support them. Some were allocated into different themes and others had to be broken down further. Furthermore, the revision phase comprised a check for the validity of the individual themes in relation to the whole data set by re-reading once again the complete data set, considering Patton’s (1990) advice to judge categories for “internal homogeneity” and “external heterogeneity” (p. 465). In this stage, the refinement of themes resulted in different wording to better capture the essence and content of the data. Instead of single terms to describe the key
themes, short sentences were introduced. Different themes were identified, as well as how they fit together and the overall story they tell about the data. As a logical next step, themes were clarified, changed, focused, re-focused and re-named, resulting in a developed thematic map with themes inter-linked through sub-themes as the figures below demonstrate.

Figure 4.3: Developed thematic map (frontier workers)

(Source: Braun and Clarke, 2006, adapted by author, 2014)

In the developed map for the frontier workers, there have been some changes in the wording in order to accurately represent the themes that emerged during the revision phase. The overall story here is, again, about “flexibility”, which stays as an important theme, but was developed further. The data show that there are practices in place supported by the organization that impact on frontier working, such as being flexible and able to adapt. Consequently, the frontier worker needs to react and adapt to the working environment in Luxembourg, as there are good development opportunities offered, as visualized in the third key theme. All this is
embedded into a dynamic working environment with lots of activities, programmes and networking. Analysing the themes within the group of the HR managers further, the developed map is shown below.

**Figure 4.4: Developed thematic map (HR managers)**

(Source: Braun and Clarke, 2006, adapted by author, 2014)

One key theme from the HR managers’ interviews concerns the existing TM policies and practices that are implemented. It has been inductively derived from the sub-themes “language classes”, “intercultural awareness training” and “introduction plans” as an overall theme. Linked to this first key theme, HR managers spoke of offering flexible working solutions, such as part-time work, bought holiday, unpaid leave or flexible arrival and departure, as framework conditions to create the development opportunities that are listed in the third key
theme, such as mixed teams, succession plans and multilingualism. HR managers mentioned that they have to inform their people about the activities in respect of TM – for example, in information sessions, via a dashboard human capital or via social networks. The above-developed thematic map shows the relationships between the themes indicated with arrows leading from one theme to the next, and reflects the logical interrelationship developed from the initial themes.

To sum up, the themes in the two developed thematic maps form a coherent pattern and build on each other. There are similarities in the themes, as both groups talk about the working environment and what is actually already established in their organizations, in respect of HR. Furthermore, HR managers speak about specific programmes for meeting the requirements of frontier workers, and give examples. Overall, at this point in the analysis, there are no significant differences between the two groups, but, occasionally, they are differently expressed by the frontier workers. These will be interpreted in the discussion chapter. Hence, at the end of this stage, a set of different themes that fit together have been formulated, and will need to be fine-tuned.

4.5 Fine-tuning

Phase five concerns refining and identifying the “essence” of what the themes are about, by checking each collated data extract for each theme and organizing it into a coherent and internally consistent account. This is part of an ongoing reflection, serving to ensure the formation of a coherent pattern. Furthermore, the relation to the research question has to be checked, and clear definitions and names for each theme need to be given. Hence, the themes marked in the developed thematic maps underwent a further refinement.

As a consequence of the previous findings, and referring to the overall research question “What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective”, the analysis of the 30 semi-structured, face-to-face interviews revealed three key themes:
1) How frontier workers experience their working environment in Luxembourg and the key issues with regards to the working environment according to HR managers;
2) What is involved in being a frontier worker in Luxembourg and the TM practices applied by HR managers;
3) How frontier workers respond to these TM practices and the experiences that HR managers gain from applying these TM practices.

Therefore, at the end of the analysis, a conceptual framework in the form of a map showing the relationship between the themes in the data derived from the analysis will be presented, since “Data collection is used to…create a conceptual framework.” (Saunders et al., 2009, p. 144)

Figure 4.5: Conceptual framework showing the relationship in the data between the three key themes:

The findings will now be presented thematically in descending order of importance and by theme, as listed beforehand, containing representative verbatim quotes from the study participants. As argued, the themes underwent
several refinements and strive to be internally coherent, consistent, and distinctive (Braun and Clarke, 2006), although the themes are linked and built up on each other.

### 4.6 Reporting the themes emerging from the data analysis

The analysis and interpretation of the findings identified the above-stated three key themes of frontier workers’ and HR managers’ experiences of and reactions to frontier working in Luxembourg, based on the narratives from the interviews. The themes were generated via inductive thematic analysis through an interpretivist perspective with an emphasis on semantic themes. Hence, the final phase of the thematic analysis is presented as a collection of compelling quotes with a short summary of the key essence. The data have been analysed separately for frontier workers and HR managers, and will be introduced by selecting distinct extract examples, complemented by arguments. Pratt (2009) calls these most compelling bits of data “power quotes”, and recommends that they are displayed in the body of the thesis (p. 860).

#### 4.6.1 The frontier worker perspective

The unit of analysis as described in Section 3.2.2.1 presented 11 frontier workers, seven HR managers, and 12 persons having both roles. The following section reflects the themes emerging from the data collected in the interviews with the frontier workers. The first key theme strongly aligned to the data is how the frontier workers see their working environment. As a result of the data analysis, one can distinguish between the overall working conditions, the influence from the side of the organization and the perspective of the individual frontier worker. A second key theme constitutes issues related to frontier working that were mentioned the most often during the interviews, such as development, flexibility, commuting, and networking. A third key theme depicts the reactions of the frontier workers to TM practices that are in place in their organizations.
4.6.1.1 The impact of Luxembourg’s working environment on the work of the frontier workers

Frontier workers talk in a particular way about their working environment in Luxembourg. Therefore, a first key theme describes how frontier workers experience their working environment in Luxembourg specifically as a frontier worker. In the interviews, the informants mentioned issues that are related to the general working environment in Luxembourg, topics in relation to their organization and how they, as individuals, experienced working in Luxembourg.

4.6.1.1.1 The overall working environment for the frontier worker

This first informant lists several issues influencing working in Luxembourg, as well as the consequences:

The labour environment is self-speaking, a lot of international people, the main reason why I chose Luxembourg. You need to be flexible and willing to commute, you need of course to know several languages. It is a big difference between cultures so you need to understand them. (I9)

In the interviews, frontier workers talk a lot about the advantages of working in Luxembourg, and one stresses the fact that he is “privileged”.

I feel myself privileged and think it is still a little paradise work-wise for the time being, when it comes to the number of job offerings and it is still privileged from that point of view… I feel myself privileged working in Luxembourg. And the fact that I still feel myself being a frontier worker, this is not a negative feeling. (I22)
He adds that some people do not have an alternative to working in Luxembourg, as there are no jobs in their country of residence:

Luxembourg is still interesting… I know of people who lost their job in Luxembourg and who would like to work in Belgium for practical reasons, but they don’t find a job there, so they see that they have no alternative than to look for a job in Luxembourg as the situation in Belgium is so bad. (I22)

Nevertheless, not everybody is made to work in Luxembourg, as one respondent reports:

I also know of people who, by intention, decided against Luxembourg because for them it’s too far, and who want to walk to their work or who don’t speak the languages and who don’t care about internationality. (I9)

In a similar vein, another interviewee speaks of the demanding working environment in Luxembourg…

…where things are not easy to obtain. You have to work hard. You have to demonstrate that you have the capacity and knowledge. (I20)

Similar to the perceptions of the HR managers, which will be analysed in Section 4.6.2, frontier workers see the mutual benefits:

So the employer in Luxembourg profits from the fact that there is quite a low level of taxes and also the employee profits from higher family allowances. (I27)

Another one reflects on other framework conditions that are attractive:

There is the aspect of going to work in Luxembourg, it is nice, the city is charming during daytime, green, the working conditions are favourable … So once you know people you find international people and will be invited but it is more via a social relation not via cultural offerings. (I27)
Frontier workers are well informed about the financial consequences of working in Luxembourg, such as more net pay or a higher retirement pension:

So the Luxembourg tax system is very easy and also the support, the social benefits like employer pension, state pension, are better than in Germany, so I don't feel it physically but in numbers, so it is a different effect. (I8)

This informant talks about activities aimed at promoting Luxembourg:

Luxembourg did so much recently to attract people, so much advertising, marketing to be able to sell Luxembourg as a city, as a country. (I18)

Another respondent speaks of the involvement of the government:

What makes it very special is that it is a very small country and in order to give oneself a voice it needs to be a bit nationalist, and so organizations like mine survived with time because the State also participates financially in it. (I23)

One frontier worker praises the favourable policies and practices that made him build his career in Luxembourg:

So I doubt that I would have reached this somewhere else, I doubt because the framework conditions are better here. (I20)

To sum up, the overall working environment in Luxembourg does have an impact on the work of frontier workers. In addition to the institutional factors, the frontier workers spoke of the experiences they had in their organizations in relation to frontier working.
4.6.1.1.2 The frontier worker and the organization

At the organizational level, there are different views from the frontier workers with regards to their organizations:

I think one should carefully monitor the companies you are interested in as there is a big difference when it comes to social benefits or support in career planning, TM. (I9)

The organizations in Luxembourg value the contribution of the individual. This frontier worker talks about the opportunities he was offered in his organization, even if he did not meet the requirement of speaking English at the beginning:

As a frontier worker, the first difficulty for me was the language, because as a French person, I only spoke French before and because of my knowledge and skills they said “Okay, Jean [alias], we are ready to take you on board but you have to learn English” and it was a very big challenge for me. My boss was an English man and just spoke English, so I had to learn and improve my English in order to stay. So it was a success, as I stayed nine years and I came from junior consultant to partner in the management consulting area. (I20)

The employment opportunities in Luxembourg are varied, so frontier workers can make a selection, as these two example excerpts describe:

I think Luxembourg still has this; it’s a chance. You have so many activities, you have companies you would never even think of; they are just established here. It’s a great mix and match, so you have some good opportunities, you just have to weigh in your decision. (I18)

I started here in January 2005 as a French frontier worker. I had the possibility of working in many projects all around the world… I think this is the chance of an international company… so here you can really find lots of different things. (I23)
Another key respondent speaks of the opportunities for meeting people, since there are many global actors in Luxembourg:

I think here it is basically the opportunity to meet more people that are just from everywhere...so this is what makes Luxembourg different from other places and then you have so many international companies with their headquarters here with some really strategic positions available, this is also the difference. (I18)

The following quote summarizes how one frontier worker sees his organization, and reflects the overall feedback from the respondents with regards to their organizations:

Today my life is very nice... I like to work here because it is a human company where you can find flexibility. I have a nice boss I can trust. I don’t think of counting working hours, I simply like it. It’s a good company, I have a company car, I can select it, and there are lunch coupons, all of which is needed to lead a human life. (I25)

The interviewed frontier workers also talked about their personal motivations for working in Luxembourg.

4.6.1.1.3 The individual frontier workers’ views on working in Luxembourg

Several respondents reported how they came to start work in Luxembourg:

I started to work in Luxembourg because it was the habit in the family. (I18)

So the people of my generation all came to Luxembourg and ever since we did not really question ourselves if this is an advantage or not, we just come to work here as long as there are no turbulences like terminations or the like. (I22)

I choose to work in Luxembourg because my grandparents told me you can well earn your life in Luxembourg; this is the first factor and since in Belgium there was not such a job for me in my field. (I27)
For me it was totally natural to start working in Luxembourg, as in my near environment – family, friends – they shared lots of experiences from already working in Luxembourg. (I29)

One frontier worker reflects on the reasons for working in Luxembourg:

I thought there would be more opportunities since I did not know what job in HR or so I could have; it’s just I was thinking that I could speak English if I would come to Luxembourg, and I also knew that salaries were higher than in France, twice as high... It’s an opportunity because I knew some of the people. It’s still a good place to work and interact with people, and I think of course, yes, some opportunities here that you won’t have in other regions or countries. (I18)

Frontier workers are of the opinion that, in previous years, finding a job in Luxembourg was easier, but people continue to be attracted:

It is more complicated nowadays to find a job than it was 20 years ago, especially for frontier workers, because due to the economic situation the work is more privileged for Luxembourgers when you have the same qualification, so employers prefer Luxembourgers. But there are still opportunities here and you have advantages. So almost everybody from the region works here, so it is almost natural to go for work to Luxembourg. (I22)

One respondent, however, states that:

Frontier workers question their quality of life and tell themselves that they would have a better life quality in Belgium even with less pay. (I35)

There are certain requirements for frontier workers to be successful in Luxembourg:

I found out that one needs to integrate, and it is key to gain confidence; my first thought is that the contact is very cold, very
distant. Meaning to get information, to exchange information, it takes time. And it needs time to discuss and discuss. (I29)

The frontier workers note the favourable combination of the working and the living places:

From my point of view it’s a very international place, so we have got a great balance between private and professional lives, especially for the frontier workers, as we are living in the little villages in Belgium, in France or in Germany and we have a chance to get a touch of internationality in Luxembourg. (I23)

Frontier workers in Luxembourg are happy to work here, because...

...as a frontier worker you are in a comfortable situation, you have the Luxembourg salary but you have the French charges, because you buy food where it is less expensive. So with the current conditions I have no plans to change it. (I25)

He does not plan to give up this convenient situation, and explains it further:

So far I have no reasons to leave, I like it here. I know that in the neighbourhood of where I live I would not find such a job and company. I could not find something comparable to what I have here. (I25)

Similar to the last comment, this frontier worker also likes to work in Luxembourg, but warns not to be focused only on the higher net pay:

When I get up in the morning I am happy to go to work, so if one chooses Luxembourg for fiscal reasons I don’t think this is a good approach because to get up in the morning only to have less taxes – I am not sure this is the right approach... So if it is only about salary instead of the work, this is to be put in question. (I23)

Another interviewee is of the same opinion, when he states:

I think the success of a frontier worker to stay long term is to integrate, either integrate or respect the others, but this is like
everywhere. What does not go at all is to say I am French, Belgian or German and I come to earn my life, after 5pm I go home and I don’t care what’s going on, and so it is. So to focus only on money is the wrong attitude long term. (I34)

The following statement describes the identity of a frontier worker as…

…someone who lives at the border and who has two lives: a life in his village and a professional life plus taking the advantages. (I34)

Another one adds:

Part of my identity lies in knowledge about Luxembourg and its authorities. I know many frontier workers; I would say 80% of my friends work in Luxembourg but live in Germany. (I9)

Hence, the above examples indicate how the individual frontier workers experience working in Luxembourg in relation to the overall working environment, their organization and as individuals. The following theme describes several issues that are involved in being a frontier worker in Luxembourg.

4.6.1.2 The issues that frontier workers experience with frontier working

The following four issues arose as the main issues that occupy the minds of the frontier workers: development, flexibility, commuting and networking. The following sections will uncover these further.

Table 4.2: Key issues related to frontier working from the frontier workers’ perspectives

<table>
<thead>
<tr>
<th>Development</th>
<th>Flexibility</th>
<th>Commuting</th>
<th>Networking</th>
</tr>
</thead>
</table>

(Source: author, 2014)
4.6.1.2.1 Development

People come to work in Luxembourg in order to develop. However, there is no endless climbing up the career ladder, since…

…the Luxembourg labour market has limits when it comes to growing the career due to its structure. Some of the firms take their decision in their home country and more and more HQ, if they are based here, leave the country. Some firms send people from their HQ here to Luxembourg, mainly Americans. (I8)

The following interviewees talk about their feelings when they started to work in Luxembourg. For one, it was like entering a “new world”:

My development in the company was rather interesting as in this company there were quasi, no Luxembourgers, only frontier workers. So this was a new world opening for me as I had to be in contact with Luxembourg in a team which was not Luxemburgish. And this sometimes was a little bit of a cultural shock, because Luxembourg for frontier workers in the past was limited to filling the tank and buying cigarettes. (I29)

Another frontier worker...

…was looking for an interesting job; it was not about the position, I wanted to continue to learn and it was an opportunity for me. It was not a question of the country itself, it was more about the option to grow. (I20)

Development is important for frontier workers, since…

…in Luxembourg there are possibilities to develop much quicker, socially but also financially, but maybe not with the same constraints. Luxembourg is very stressing, so compared to France and Germany you have to accept the dynamism… In Luxembourg, it’s about talent, competencies, networking. (I34)
One frontier worker chose Luxembourg on purpose, for the following reasons:

The main objective when I left school was to look for a job in Luxembourg to have a multinational environment and to continue to practice the foreign languages I had learned at school. (I25)

Advancing in the career is related to trust and responsibility, as one respondent points out:

I like it very much and you can see that after almost nine years I am still here and I have developed in my function and I am trusted and was given more responsibility. For three years I have been a team leader. (I35)

He adds that he…

…learned a lot, so I only have two years at university, not more… Nevertheless, I am a manager and team leader. So I follow training requested by the company or by myself. This is very reactive. It’s very pragmatic, so I like it very much. So after three years I know how it works on the market and it’s like this how it works in Luxembourg: the country is small, the political decision-making process is short, the same in the company… I think one is much more interested in what you can make or achieve than showing what you have learned…so it is about the contribution of the individual. (I35)

His view is supported by another interviewee:

Here is some kind of learning school. Learning is not necessarily related to technical things, because this you can learn in every country, but more cultural learning, the fact that you work with lots of nationalities, different nationalities, different cultures, different languages, and I think the fact that you can sell to the people that they can work in a very multi-cultural, multi-national language-speaking environment is a key argument, because in France or Belgium you cannot sell such an argument. This is true for big
countries, even in Switzerland I am not sure you can sell this. Learning combined with the fact that Luxembourg is a very nice place to learn is essential for talents. (I20)

Frontier workers can actively influence their careers:

So when it comes to career planning I was never disappointed here as this is not a rigidly structured company but has the attitude to change. I always worked in projects with different heads on. So I can influence in which projects I would like to participate. (I23)

This frontier worker summarizes the sub-theme when he states:

So if you want to be part of an international environment, if you want to develop your international career you need to be in Luxembourg. (I29)

Another respondent shares his view, and says:

Luxembourg gave me the opportunity to accelerate my development; as this is a small country, you have perhaps more opportunities to jump from an area of business to another business. I started in IT, I worked in strategy and organizational services and then in HR. (I20)

4.6.1.2.2 Flexibility

“Flexibility” is one of the key words used throughout both informant perspectives. Some examples are given here – for example, it is used when it comes to language skills:

From a professional point of view I see a great flexibility of people working in Luxembourg, either to adapt to the French language, English or German, so no problem, they know of the added value of the frontier workers. (I27)
The term is also in use when the informants talk about the organization or the individual employee, as this example quote shows:

The Luxembourg State is very flexible when it comes to putting into place new ideas but the company needs to show this flexibility and also its personnel. So stay flexible and take on certain challenges that are offered, not to view every single challenge as a threat. So it’s about the employees who represent the flexibility… So this flexibility of each of us is important. (I18)

Several more examples have already been given containing the words “flexible” and “flexibility” (e.g., I7, I11, I14, I18, I19 and I24).

4.6.1.2.3 Commuting

Commuting is of great concern to the frontier workers, since they face problems with the traffic. Section 4.6.2.2.2.2 will report the views of the HR managers concerning travelling issues related to frontier working.

This is what we all share. We don’t have the same job, we don’t have the same salary, but frontier workers all share traffic, this is a common ground. We all know what it is. But no one has a solution. Well, maybe car sharing is a starting point, but it would also mean creating parking slots. Politicians have to think about how people can come here more easily. (I18)

The traffic jams between France and Luxembourg are from 6am til 9am and then from 4pm til 7pm. Even with some kind of flexibility one would need to have completely different working hours with night hours to have empty streets. (I25)

Although commuting is a burden, frontier workers take it on, knowing that they need a lot of patience:

Everyone is just so tired. It’s also risky, I have seen lots of accidents. Every week you see that. So it is a bit crazy, why people keep on
doing that, but I do as well. I have an interesting job, I don’t think I could have the same in France… You need to be very patient. (I29)

4.6.1.2.4 Networking

“Network” and “networking” are terms that are important to the interviewees. One frontier worker is of the opinion that “Here you exist through your network.” (I27)

“Networking” is linked to the small size of the country, where…

…it is so easy to go outside and meet people and create a network; everything is very close, it’s a very little city, everybody knows everybody… It’s very easy to grow your relationships. (I9)

The data suggest that information and communication are on the agenda of the employees in Luxembourg:

So the labour market is very narrow and a lot goes via personal connection and you get and share information. (I18)

Everybody knows each other in Luxembourg, so communication is very easy. So when you come from abroad you need to understand this and you don’t know that the bad or good news circulates very fast. There are non-official things and it is even not necessary that there is a journal; this is also part of the Luxembourg culture. (I29)

To sum up, the above four sub-themes are mainly occupying the minds of the frontier workers when they reflect on working in Luxembourg.

4.6.1.3 The reactions of frontier workers to Talent Management practices as applied in their organization

Organizations in Luxembourg need talents that are capable of speaking languages. Luxembourghish, as one of the two country’s main languages besides French, is in demand. Frontier workers are aware of the TM practices applied in their organizations when it comes to this issue:
If I look at all the job positions that have been published over the last year or 1.5 years, they require more and more Luxemburgish as a mandatory language, I know for some positions it was mandatory, recommended, but beforehand most of the time you could get away with speaking German or French, but now we really feel more and more Luxembourgish is required. It stops lots of frontier workers, more and more, you have to have a good understanding of Luxembourgish even if for the job you don’t need it. Even for some positions the job description is written in Luxembourgish; this is a strong sign from this point of view. Some frontier workers feel they are being treated differently. (I18)

Frontier workers have the impression that organizations in Luxembourg have changed their hiring practices, where talent now seems to be valued more than nationality:

What has risen is the portion of frontier workers also in high level positions… So it’s more about talent than nationality. Twenty years ago my boss was a Luxembourger, my team leader was a Luxembourger, but now in high positions you see more foreigners than Luxembourgers. So Luxembourg will also look for talents abroad, so the nationality plays a less important role. It is more about knowledge. (I34)

In a similar vein, one respondent states that employers look for talented and skilled co-workers as one characteristic of Luxembourg:

So this is about Luxembourg, it’s about specialists which make Luxembourg. (I30)

Frontier workers make use of favourable policies, such as training vacation, to advance their careers:

So in order to develop I started an MBA which I completed in June two years ago to get a broader view. So I arranged myself with financing it and requested training vacation from the Luxembourg State, which is interesting and I only had to ask my employer if he
agreed… So there was a condition that I stay another three years.
(I27)

Frontier workers are aware that working in Luxembourg implies different practices: one is flexibility while the other is respect. So…

…you need to be open to other ways of working… You need to be flexible and adapt. (I8)

“Respect” is one of the key terms frequently used, and is considered as a very important factor:

There are different success factors to working with Luxembourgers. First of all I think you have to respect them. You know lots of frontier workers are laughing about Luxembourgers. They say they are not such skilled people… This is what I learned from the Luxembourgers: first of all to respect them, listen to people, because Luxembourgers speak a lot and sometimes this is not very structured, so sometimes you have to be very patient and if you listen they respect you as a professional and that is why I succeeded. (I20)

Here, the underlying assumption is that…

…if you respect the people – and sometimes it is quite difficult – this is a key success factor in terms of integration in Luxembourg. People forget too quickly where they come from, they forget very quickly that Luxembourg is a kind of Eldorado for frontier workers because the crisis did hit very hard our border region in France, they forget to respect the people. (I18)

Frontier workers are well aware that “reputation” has a big impact on whether you are considered as talent or not and whether you will be contacted by other organizations. It is therefore about the way one works and how this is seen by the environment. Frontier workers need to be aware that…

…in Luxembourg you have to be very very prudent because you have to always stay professional with people in Luxembourg. Your
reputation can quickly become very bad if you do wrong things and I think this is something people from other countries, frontier workers, have to understand. If you do bad things or if you have a bad image it will be very difficult for you to stay, I would say scalable, and to continue to have your value on the market. (I27)

Another respondent reports that organizations create the position of an HR business partner, who serves the employees:

So we are coming to TM. So for me, Luxembourg, if we speak about the level of maturity of most of the companies, came to the point that we needed an HR business partner to be able to attract people and to be able to make them stay with the company… So in Luxembourg I would say we came to the conclusion that people are the most important part of growing the company and this is what I like. (I34)

Several respondents raise the issue of flexible working hours or working from home. As a consequence…

…Companies will have to watch out more carefully in the coming years. Flexibility and patience you cannot extend so much. (I8)

This view is shared by another interviewee:

Companies will need to be have flexibility, home working; they have to adapt more. (I18)

Luxembourg employers are aware that…

…it is the lack of talents, and frontier workers fill it. The Luxembourgers know there is a gap but they refuse to admit it because this somehow is a weakness. (I29)

Thus there are organizations that do not openly distinguish between the two groups, but this frontier worker is of the opinion that frontier workers arrange themselves best and adapt to the company culture.
The practice of home working is a reality in some organizations:

The fact of being a frontier worker or resident no longer has a real impact on work as home working exists and the place of work no longer has a big influence. I even see the opposite. The frontier worker who spends a lot of time coming organizes differently. So here in my company, frontier workers arrive at 7:30 and the Luxembourgers at 8:30 and the frontier workers leave earlier to avoid traffic jams, this also is part of the company culture. (I23)

There is a need for organizations in Luxembourg to think of practices such as succession planning in order to sustain, and there are various such opportunities:

Now we are in the situation that so many decision-makers will retire next year, in two years, in five years, so [companies] need to think about succession planning... So many companies did not really introduce succession planning within their HR policies, so they are now confronted with a real issue to have a true need to attract people. (I29)

Organizations in Luxembourg need clear policies when it comes to training. This respondent suggests obligating the employer by law, and hence the government would have to establish the legal framework:

I think the training sector in Luxembourg boomed a lot for the last four to five years, because there is a necessity to maintain knowledge and skills of people in all sectors... It’s up to the employer to dedicate a certain budget for the people and I think Luxembourg has some delay compared to other countries to accelerate the movement. For me the only driver is to put it into the law, to oblige the company. (I20)
Frontier workers value the involvement of the State when it offers the mobility pass, as this is one means to enhance frontier workers’ ability to come to work in Luxembourg:

> The train station is very near to my work and the company participates in the cost for the mobility pass in Luxembourg. (I23)

So the State is an active player when it comes to TM practices, knowing that...

...without frontier workers it does not work well and the frontier workers know that without the job opportunities here the region would be affected hard when it comes to unemployment, as there are 150,000 frontier workers, so this is a lot. So I think both parties are making an effort so that this advances. (I22)

Again, here, it is about mutual benefits for the parties involved. Nevertheless, practices are not always easy to implement. One respondent mentions that introducing new practices is not an easy task, and this starts with the language. On top of this, politics inside the company do play a role:

> On a personal level, I feel in my company it is difficult to introduce certain ideas especially in the higher levels... It is very difficult, it’s political, very tiring, such types of political games. So it could function much better with less politics. (I27)

Consequently, HR is in the spotlight to contribute with TM practices that help in integrating the frontier workers.

Several practices have been implemented by the HR departments to help them become part of the team:

> Our HR pushes in the sense of integrating the frontier workers and promoting Luxembourg language classes and culture. So while hiring there, the question is directly are you interested to learn Luxembourgish? And it is highly appreciated. So this facilitates and helps to become part of the company, of the team, even if you only know a few words and you respond with only a few words, but to show a certain engagement. (I29)
According to one interviewee, the TM practices of Luxembourg HR managers target technical, management and commercial skills:

We need to develop three main skills. Technical, when people are technically good enough they begin to develop the management skills, because this is another way to develop people, so you have to be able to manage teams, and in order to manage teams you have to be a good manager so the second axis is to develop the management skills, that is soft skills and team building, so when you are a good manager, the third axis are the commercial skills… So this is the way, in fact, to retain, to develop people. (I20)

Thus it is about every stakeholder in the Luxembourg labour market contributing:

Here, there is a social liberal model; when it works fine for the company then it works fine for the co-workers and there is no opposition between the two groups. (I34)

To sum up, the following sentence best captures the essence of the three key themes for the frontier workers:

In Luxembourg, we are together, we grow together. (I35)

4.6.1.4 Summary of the frontier worker perspective

The analysis of the frontier worker interviews reflected their diverse views on the working environment in Luxembourg. It furthermore listed the issues in relation to frontier working in Luxembourg, such as development, flexibility, commuting and networking. The experiences of the frontier workers with the TM practices applied in their organizations have been exemplified, and the consequences for the involved parties have been reported as an outcome from the inductive analysis. Going further, the perspectives of the HR managers, as a result of the interview data, will now be presented.
4.6.2 The HR manager perspective

The interview sample included seven “pure” HR managers and 11 workers having both roles. The main focus in the interviews with the HR managers that are also frontier workers is on their work experience, with them only being asked about their perception of being frontier workers at the end of their respective interviews. In the cases where HR managers contributed with interesting personal comments, these are indicated as such. The analysis starts with the three key themes identified in Section 4.5, and presents related sub-themes. The first theme depicts the working environment in Luxembourg and its influence on TM practices. A second overarching theme deals with the application of TM practices in respect of frontier working viewed from the HR managers’ perspective. The third theme reflects the reactions of the frontier workers to TM practices viewed from the HR manager perspective, and adds the personal experience of those professionals having both roles.

4.6.2.1 The impact of Luxembourg’s working environment on the work of the HR managers

The first overarching theme depicts issues that are related to the working environment in Luxembourg and their effects upon the work of the HR managers. This theme can be divided into macro – i.e., institutional – meso – i.e., organisational – and micro – i.e., individual – levels.

4.6.2.1.1 The macro level

Frequent references to aspects of the working environment in Luxembourg that impact on the work of the HR managers are made in the interviews. They are of the opinion that the labour law, specifically, is not difficult to apply in Luxembourg.

> HR in Luxembourg is easier than in other countries because of the legal part. The labour law, for example, is quite simple compared to the other countries ‘til now. (I19)
Another respondent shares the same view, and adds the fact that he has room for his own ideas, because…

…Labour contracts are not so different. I think I am more flexible to design labour contracts. (I11)

Not only the legal framework is easy to apply; the frontier workers are also an enjoyable aspect to deal with, and they are knowledgeable about the working conditions. One HR manager describes the frontier workers as people who fully understand what they can expect and ask for in Luxembourg:

The standard frontier working candidate who first applies for Luxembourg is happy to work here and easy to handle. The one who changes knows his value and what he can expect as a total package but this is an advantage being in a small country; it’s transparent. I don’t have to evaluate much when I am looking for someone for a specific function and what I need to offer in order to be in line with the market conditions. (I11)

Nevertheless, Luxembourg could still do more and will have to do more to attract candidates, and there is a growing tendency for people to be aware that some marketing is necessary.

My opinion is that Luxembourg is making itself too small abroad… Now more and more, maybe not voluntarily, one gets to this point because it becomes crucial to market itself in order to attract investors and production sites so that Luxembourg is getting known in the world. (I13)

People who work in Luxembourg value the diversity in languages, which gives one of the interviewees the feeling of being in France when he listens to people speaking French on the street.

I find it fascinating that in a small location there is such a big variety. So, for example, if you walk around during your break you hear a different language every now and then, you have French lifestyle in
the cafes, without being in France, it's such a small country, it is so varied. (I15)

Working in Luxembourg is interesting not only due to its variety in languages, but also because you work together with people from everywhere. The following informant considers this as an important factor for working in Luxembourg:

For me, the major difference is the multi-cultural environment, which is one of the major strengths of Luxembourg. Yes, this is the multi-cultural environment…and from a diversity perspective it is fantastic, because you have a lot of people thinking differently, working differently; it makes sometimes things more difficult as all those people need to learn how to work together but at the end of the day I believe we will find the best solution, define the best product, best strategy, related to the diversity and if I look I really find it fantastic. This is most probably the most important point of Luxembourg. (I16)

The same HR manager speaks of the favourable tax treatment in comparison to the bordering countries, which enhances frontier workers’ choice to come and apply for jobs in Luxembourg, supporting the view from I11 that frontier workers are well informed:

One of the reasons, and I don’t have to mention this, the frontier worker knows it, this is the most attractive part of Luxembourg, this is the tax advantage for people coming from France or Belgium; the tax system in Luxembourg is so attractive that people spontaneously think I should better work in Luxembourg than in France, Belgium or Germany. (I16)

Besides the favourable tax treatment, Luxembourg also applies regular inflationary increases. The effect is that the overall salaries are higher in Luxembourg compared to the surrounding countries, and this is another pull factor for working here:

Besides that we have some special circumstances here, we have the famous indexation which allows them to raise the salary every
year and which creates a lot of jealousy in the neighbouring countries, and the salaries are well above those from the bordering countries. (I24)

The Luxembourg Government plays its part in rendering working in Luxembourg attractive. It supports organizations financially in training and, hence, the workforce as well.

This HR manager calls the approach “unique”:

The State is substantially participating. Now they raised the contribution from 14.9 to 20%. So this is unique and what is also unique is the capacity of the companies to pay for the training at the same time. (I19)

In addition to the government, organizations are also contributing to a favourable working environment, and strive to have dialogues with their employees and the workers unions:

Here we try to create a positive climate with the co-workers and the unions. (I21)

However, you are “in the loop” when you work in Luxembourg; therefore, it happens that HR managers sometimes have to employ family members of influential co-workers. Correct behaviour and ethics are important so as not to lose one’s face, as you might meet the same people in other organizations again. It is thus about “political correctness” (I21). People know each other in Luxembourg, which the informant considers to be either good or bad. She recommends keeping in mind the importance of staying true and honest.

Like I19, informant I21 calls Luxembourg “unique”:

Luxembourg is very unique. As soon as you have reached a certain level, you are permanently confronted with behaviour: do things politically correct, don’t do this nor that, as this is a cousin of someone else, so you have to accept to see a CV of someone you don’t really want to see, but you are obliged since it is the relative of someone else… It is about permanent political correctness… So
here in Luxembourg you have to watch out carefully, everybody
knows everybody. This is positive, but it can be negative at the
same time, because you never know who will open you the next
door… So after 38 years in my profession I met with people ten
times at different levels and different companies. (I21)

The same HR manager also speaks of various occasions of meeting other HR
people:

So the professional life is much less structured here in Luxembourg;
it’s closed, so for HR people there are small breakfasts here,
lunches there, so you meet HR people from other companies and
sectors which you will not find in France for example. (I21)

Another key informant underlines the importance of knowing people, not just from
the same profession, but also stresses the close contact with governmental
bodies or even ministers. He shares the opinion of the other HR managers (such
as I11 and I19) that working in Luxembourg is enjoyable, and supports I21’s
statement that you meet the same people again.

Luxembourg provides the appropriate conditions for feeling good at work, as the
following excerpt shows:

You have a very close relationship with banking supervision which
is not thinkable with BaFin (German Financial Supervision Body).
So you have short ways to the pension office, etc., so everything is
much nicer here in Luxembourg, so it’s a nice banking place. So
when you first come here, you talk to your colleagues, what do I
need to watch out for? I compare salaries with other banking
colleagues, we poach heads from each other, we exchange ideas,
it is relaxed here. (I28)

Like informant I21, he is of the opinion that…

…you always meet the same people at the same places. So you
have the same problems and concerns and you ask “how do you
deal” and this is a big advantage. The State encourages this. So
where else can you invite ministers to do a speech on a certain subject? You could say it’s like with royals, but there are very short ways. So there are no bodyguards. When you call the Labour Minister, he answers the phone and not his secretary and speaks as if he had waited for your call. It’s very much cooperative, sometimes a bit slow. It’s one’s own fault not to feel well here. (I28)

The above examples imply the role of the overall – i.e., the macro – level on working in HR in Luxembourg.

4.6.2.1.2 The meso level

In the last section, HR managers described the institutional working environment in Luxembourg. This section analyses the frameworks in their organizations and considers how to deal with them.

I think in Luxembourg everything is more relaxed… So in the companies I worked for it is more flexible and I have the claim as team leader not to control my people, I just suspect that they do their work but – I don’t know how to express this – they should not abuse the fact that they are not controlled, because everything is within a team and you need to respect different mentalities. It happens the Spanish only start at 9:15 although start is set for 9am, because they stay til 7pm. Germans are usually early at work. So you learn to deal with the mentalities and different reactions of the people. So you need to have a sense on how to approach people. (I14)

Despite the “relaxing” working environment (I14), HR managers must acknowledge different attitudes in their policies when it comes to starting hours and how to treat their employees. In a similar vein, this respondent speaks of having to tackle local and international practices that require some kind of adaptation:

We can have a local touch, but there are global policies; the new system is global and it depends how we display it. Some things don’t
work here in Luxembourg at all, because we are too small, we are small, about 1,000 people, but if you compare to the UK, they are over 4,000 people, there is a different structure. (I15)

His colleague sees a lot of room, due to the smaller size of the Luxembourg organizations, when it comes to establishing new practices. “Flexibility” (as per I16) is a key term and expresses the possibilities that an HR manager has of contributing with his own ideas, which are quickly put into practice.

Again, here, the term “easy”, as beforehand (e.g., I19) is used:

In Luxembourg, we have 800 people, in Belgium 9,000, in Germany 5,000, which means the difference, which is also one of the advantages of Luxembourg. It means a lot of flexibility if I want to implement something… In Luxembourg it is quite easy: we discuss it in the Executive Committee on Thursday, we implement it the Friday. (I16)

The size of the organizations does matter and requires adaptation, but – again – it opens avenues for flexible solutions and practices. Organizations undergo changes in their structures, which require HR managers to respond to these and “adapt”, with a “need to be flexible”:

In Luxembourg we have to adapt more than in other countries because of the size of the companies, because you have to do several jobs in your position because we have small companies. In a big company you would do only one job and nothing else, so in Luxembourg we have the possibility and the need to be flexible, depends on the size…because you had a traditional organization and now many companies work with the matrix and you have to adapt…so you have to implement the same procedures, the same tools, and for many companies it’s difficult. (I19)
The following respondent states that most of the HR managers worked in other jobs before joining HR. Hence, job flexibility is another feature when organizations switch employees into the HR role and train them on the job:

Most of the HR people here did not study HR before joining this type of function, so we train them when they are in this kind of function… Or they are transferred from another department to HR and then they have to adapt the knowledge to the new function. (I19)

In the following quote too, “adaptation” is a key term that expresses the organizations’ willingness to respond to the demands of the frontier workers. Employers in Luxembourg are conscious of their contributions:

So we are every day confronted with the needs of the frontier workers, also to adapt to the mentality of a company with not only one single mentality which initially was French but also with all kinds of typologies… So we try to adapt our infrastructure to the needs of our frontier workers… There is a big difference between a resident and a non-resident. (I24)

Therefore, frontier working does matter in the organizations, because the frontier workers contribute significantly to the success of the firm, as the following quote implies:

Luxembourg has the luck of having the frontier workers, because this allows it to get the competencies which do not exist internally from outside. On the academic level already because we don’t have the schools here, we don’t have the training here which allows us to move people in the company, so for this it is very important to have the frontier workers here, and the frontier workers have the luck to live for example in France… This is richness for the bordering country and for Luxembourg, it’s the richness to live in permanent competition with different cultures, so there is richness in the companies. (I21)
The following quote introduces the mutual benefit for both sides – the frontier workers and the organization – that add to the working climate. The respondent calls it “a dialogue”:

One works in a firm with an open spirit more than hierarchy. One can develop and we offer good training for our employees. So it’s in both ways. I don’t tell only from my side, but it’s a dialogue. (I26)

To sum up, in addition to the institutional environment, organizational issues also influence frontier working in Luxembourg, according to HR managers in Luxembourg. The role of the individual will now be analysed.

4.6.2.1.3 The micro level

Frontier working in Luxembourg is seen positively by HR managers in Luxembourg:

People come to Luxembourg because it’s good to have on the CV: worked for Deutsche Bank in Luxembourg and not in Saarbrücken. (I6)

It is not only advantageous for having Luxembourg on the CV, but also for getting to know people. “It’s like a carousel” (I11, I28) describes the influence on further career opportunities when you have a good “network” (e.g., I11).

This is another term that is frequently used by the respondents:

I participate in a lot of events to build my network which is very important; you know each other between the HR people, irrespectively of if it’s a bank or industry, you know the names, it’s like a carousel and it’s good if your name is known. A lot of jobs are handled via the network and the longer you work here the better it is as you get a name and reputation. (I11)

Another example of the importance of networking is given here:

I have a social network here, this is something quite remarkable when you come to Luxembourg, the way it is really easy. I went for
the first time to the Personnel Officers Group, I knew 20 people and they know another 20 people, they know people and it’s a village. (I11)

The above informant also sees the importance of networking and links it to the fact that Luxembourg is a small country. In the same vein, this interviewee links networking to the size of the country:

In Luxembourg, the market is more open. You have a strong network in Luxembourg, because Luxembourg is quite small and people work together. (I17)

However, there are also voices who warn not to overstate networking:

I do think networking plays an important role in Luxembourg. So who can refer you to this or that, so it plays a more important role than it should probably. (I32)

Networking is linked to exchange, and helps people to be happy at work, because…

…There is an exchange with colleagues with a different cultural background, so one can grow and develop more than if you only work with people from one country or one cultural background. (I26)

The following quote sums up what working in Luxembourg is about for an individual employee:

In Luxembourg you have to adapt to different nationalities and cultures and habits. Even if you work for a small company you will always work with people from different countries. So yes, it has developed differently and I have developed differently and not only my career, but also myself. The working conditions are great. There is a respect for the employees, I think employers respect their employees, that’s the experience I have, the law is very protective, although it is not overprotective and that’s good, and Luxembourg cares for work life balance. (I32)
Briefly put, Luxembourg does create good working conditions and enhances career development, as it provides a favourable framework. Hence, the above-listed arguments illustrate the working environment in Luxembourg and build the basis for the next key theme, which concerns how HR managers respond and which TM practices they apply with regards to frontier working.

4.6.2.2 Talent Management practices applied by HR managers in Luxembourg

The second key theme identified from the data analysis concerns the application of TM practices. A first sub-theme reflects what organizations in Luxembourg have implemented for the whole working population. A second sub-theme reflects specific TM practices applied to frontier workers.

4.6.2.2.1 Existing general Talent Management practices

The data analysis revealed several TM practices that have been introduced for the whole working population in Luxembourg.

To give an example, HR departments in Luxembourg provide their employees with information as of their first day in the company:

Retaining people starts with onboarding. We try to treat it very personally. They don’t have to call a helpdesk… We organize a lot of info sessions whenever there is a change, such as in social security, with other providers, they present themselves without obligation. It’s about informing our people and not that they make money. (I7)

It is common practice for HR people in Luxembourg to involve the employees, as they see themselves as a partner for the business. In this sense, the term “dialogue” is stressed again:

We changed five years ago to the model of business partnering with a small team concentrating on administrative tasks, but a large team with focus on business partners from the HR side. My vision is that
we are not only admin but a business partner; we need to know the language of the business. We speak one common language and have a better dialogue. (I7)

There are TM practices in place that focus on the talented employees, and the respective people are informed in their annual reviews:

So we have specialized programmes for high potentials and how to identify them and qualify them for higher positions here or in the holding. This is what we can offer now to our people and we are happy we can offer this as it adds career perspectives. So in our annual review it is an important instrument; we talk to our people and inform them we have identified you for a higher position. (I10)

Organizations in Luxembourg have introduced succession planning, and there is a demand from the frontier workers as it raises transparency.

We have overwhelming themes like succession planning on a long-term basis. It’s not yet fully implemented but it’s incorporated into our HR strategy that we need means to secure successors. And frontier workers ask for it. So it gives an orientation as it becomes visible what open positions there are. (I12)

Another HR manager reports several activities and practices, and underlines the fact that “We take our employees with us”:

We do have an incentive programme where we reward people for a good job. We have training programmes, we offer career perspectives for managerial positions and try to retain people by creating a good working climate which they don’t get with another employer. We have an open company culture...we try to involve our people in bigger decisions by asking them to reflect about their own ideas and proposals for improvements in order to enhance a change process, we reward them... We take our employees with us. (I26)
HR managers and departmental heads discuss open positions and employ thus-far unused measures, such as social networks.

We lead interviews together with the department heads to see what is demanded from the candidates. We do not so far use personality tests or assessments. We found out that recruitment became more difficult over the past years and we are now open to meet candidates outside, like at firm contact fairs at known universities which are all around us. We have first experiences with social networking media and found out that these are possibilities for the future to cover our demand. (I12)

As this HR manager states, there is the practice of mixing teams and organizing various company activities, which is appreciated by the employees:

We mix our teams purposefully so they also meet up in their free time… This is popular. We have two types of events: intercompany meetings once a year…customer day, a mixture between clients and family days, and invited for an internal fair on our campsite and this was well accepted. (I12)

Organizations in Luxembourg are aware of the significance of development and training. To provide an example, one of the interviewed organizations has introduced an employability plan, which includes specific training:

Development is key in our strategy, so four years ago we developed an employability plan where we say each employee has to stay employable because we never know what will happen tomorrow… We have really worked on making people aware that they are responsible for their employment... We have to lift the level of employability. We work a lot on this, we offer a lot of training to our employees via several channels. (I16)
Another HR manager reports on following up on the effectiveness of the TM practices applied, and monitoring them with a survey:

The last two years we have developed a dashboard human capital where we can really follow what is happening, and I follow exits very closely… We believe that employees – and we follow it each year with an engagement survey – we believe that people are happier engaged, they work very hard, overall they are satisfied with us as an employer. (I16)

Various practices and means are employed when it comes to hiring, and these range from traditional means to modern methods of finding talents:

I use several channels. Of course, we use all the classical channels, such as Monster, and there are a lot of companies doing that. We are using our internet site, which is quite attractive for the potential candidates, because I believe we have a good employer branding. We also put job offers in our branches so the customers see that and they give the message to other people potentially interested coming to us. We of course have a really good data bank after years, we sometimes publish in the newspaper, we use more and more LinkedIn, which is one of the best channels we can use, we are working more and more via social networks. (I16)

Over the years, companies have changed their practices in respect of hiring and training. Employees get opportunities to develop in their own companies:

In former years, the companies were more looking for someone else externally to fill the needs in the company and if the person was not good enough they fired this person and hired someone else who filled the needs… Now it is quite different, companies are more effective to train their people themselves than hiring people from the outside, companies are more involved and engaged in training their personnel in terms of competencies than recruiting from the outside… The demand has changed…and the people see more
perspectives in their own company, they grow with the company. (I17)

This view is shared by an HR colleague, who also states that hiring practices have changed. The respondent compares the former situation with a “carousel”, an expression that has previously been used by another respondent (I11):

It has long time been a market for employees, banks fishing from each other. So there were people hired with not sufficient or matching education but as the bank needed someone they were taken. There was a carousel. I was happy that someone bad left and someone else took him. This has changed. (I28)

Hence, the above respondent speaks of a changing working environment. Given the demographic changes, organizations must meet the needs of their workforce, and one way is to adapt the working hours, since work is no longer people’s main concern:

Our wish is to recruit more young people. One sees a remarkable difference in mentality. There is a limit in implication. They want this balance between professional and private life. They want to have fun in their private life and on the other hand invest a lot into their professional life so we have good examples in our company, but at 6pm they stop… So I need to adapt the working hours. So I think our responsibility is also to find a solution and help our co-workers. (I24)

Employers in Luxembourg cooperate with the State to develop training in order to overcome deficits in the educational system, since…

…Luxembourg neglected the education… The German banks started to set up dual training together with the State institutions, so that the intellect of the region is raised. (I28)
One HR manager talks about hiring in the sense that the place of living does not matter. It is about the right candidate, because there is a lack of talents:

> The place of residence we don’t consider when we recruit, it’s their problem so we will not favour someone that is resident to someone that lives further away. It is necessary in order to find resources, talents. We need workers from other countries because we cannot find them here. (I33)

The place of residency also does not matter with regards to the car policy, as...

> …Our policy is not to take into account the place of residents in the budget… The policy is exactly the same for frontier workers or Luxembourg residents, there is no distinction. (I33)

The above examples reflect the broad range of practices that are in place. Two HR managers spoke specifically about a planned and requested TM practice, that of “home working”:

> In HR we have the question of home working. For many big cities it's easy to organize; in Luxembourg it's something difficult, off the question of board, as per the law. (I19)

> We reflected on home working, but the legislation is not yet finalized. (I24)

Although there is a demand to implement home working, the law does not (yet) foresee it. One employer therefore presents an alternative when he…

> …allow[s] flexible arrival and departure. (I24)
Overall, the above examples illustrate the key issues in applying the TM practices in Luxembourg that are applicable to the whole workforce, and are summarized in the table below.

**Table 4.3: Sub-themed general TM practices**

<table>
<thead>
<tr>
<th>Business partnering (I17)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialized programmes for high potentials (I10)</td>
</tr>
<tr>
<td>Annual review (I10)</td>
</tr>
<tr>
<td>Succession planning (I12)</td>
</tr>
<tr>
<td>Incentive programmes (I26)</td>
</tr>
<tr>
<td>Training programmes (I26)</td>
</tr>
<tr>
<td>Meet candidates outside, like at firm contact fairs (I12)</td>
</tr>
<tr>
<td>Social networking media (I12)</td>
</tr>
<tr>
<td>Mix teams purposefully (I12)</td>
</tr>
<tr>
<td>Intercompany meetings (I12)</td>
</tr>
<tr>
<td>Customer day (I12)</td>
</tr>
<tr>
<td>Internal fair (I12)</td>
</tr>
<tr>
<td>Employability plan (I16)</td>
</tr>
<tr>
<td>Dashboard human capital (I16)</td>
</tr>
<tr>
<td>Engagement survey (I16)</td>
</tr>
<tr>
<td>Poaching from each other (I28)</td>
</tr>
<tr>
<td>Same policy for the whole workforce (I33)</td>
</tr>
<tr>
<td>Home working (I24)</td>
</tr>
</tbody>
</table>

(Source: author, 2014)
4.6.2.2 Talent Management practices with a focus on the frontier workers

Since the aim of the study is to find out more about the implications of frontier working in Luxembourg, the following section reports the key issues involved in employing frontier workers and the specific TM practices applied. Sub-themes that emerged from the data analysis are concerned with activities to attract frontier workers, mobility and commuting, training and development, communication and information, and flexible working solutions.

4.6.2.2.1 Activities to attract frontier workers

HR managers in Luxembourg engage in various activities to attract frontier workers. Example extracts from the interviews are presented in the table below.

Table 4.4: Attraction practices for frontier workers

<table>
<thead>
<tr>
<th>Activity</th>
<th>Interviewee</th>
</tr>
</thead>
<tbody>
<tr>
<td>We visit fairs, insert ads on Monster, use e-recruitment (Umantis), target universities like Trier.</td>
<td>(I7)</td>
</tr>
<tr>
<td>The big advantage the company can offer is that we have a really international set-up,</td>
<td></td>
</tr>
<tr>
<td>We can show the frontier worker candidates what their career abroad with us could look like.</td>
<td>(I12)</td>
</tr>
<tr>
<td>We almost exclusively go outside the country when we look for candidates.</td>
<td>(I15)</td>
</tr>
<tr>
<td>We attract frontier workers in an initial way via acquaintances.</td>
<td>(I28)</td>
</tr>
<tr>
<td>We always post it at the Labour Agency, and then we post it in Luxembourg, Germany, France and Belgium.</td>
<td>(I32)</td>
</tr>
</tbody>
</table>

(Source: author, 2014)
The statement below describes the problems that HR managers in the bordering countries are facing when people they have trained leave for work in Luxembourg:

…so for example, persons working in the health sector reach out for Luxembourg, so the border region has problems. The Managing Director of a clinic told me…we train people and once they’ve finished their education they leave and go to work in Luxembourg so I am getting mad. (I6)

HR managers stress “diversity” and “want to have a mix” (I7). One HR manager states that…

…One argument I use to attract frontier workers is the international environment in international teams. I tell them that we are offering safe work for whoever wants it. And we expect this by offering good training so that people remain up-to-date. (I12)

Further practices involve…

…working very hard on employer-branding activities and also – and I will make directly the link to the frontier workers – we have developed some kind of partnership with universities in France…where we go each year in order to make our company attractive for the potential candidates, and then we participate in job markets organized by the universities abroad. (I16)

One informant mentions the current situation in the labour market, where…

…the pool of candidates coming from Luxembourg is not big enough to fill all the positions we currently have open. This is the reason why, and Luxembourg is very specific as it is most probably the most important frontier worker job market in the world or in Europe, with almost 200,000 people crossing the border every day for coming to work. (I16)
HR managers in Luxembourg apply the same practices for people living in Luxembourg and people from the border region:

It’s more the preference when hiring what type of candidate they want to hire. It’s more about the language and also schools or university, not about residency. (I31)

It is not only the HR department that is involved in attracting people:

Our employees are motivated to search in their contacts and know of people who are looking for something new, and recommend this person if he fits tasks-wise to the open position and should apply… Secondly, I post ads. Jobs.lu is the portal everyone consults, more important than Monster or Stepstone. And it is a cheap platform. Thirdly, all open positions must be registered at the Labour Ministry; we get recommendations from them, although it’s no active collaboration with them. I have furthermore made good experiences with interim firms. I know some of the owners personally and they know me and thus know what is important for me, what a person needs to have so that he can have success with us. We let the interim firms present persons, employ via them and, if they turn out to be a good fit, we offer a fixed employment contract after six months. (I28)

One HR manager speaks of a preference for hiring frontier workers, because…

…there is a difference: if the one who lives here tells me I cannot come for XY salary, I need 50% more, and I find a frontier worker who is willing to work for the offered amount, then I would select the frontier worker. So I decide for the frontier worker in order not to punish the salary level in my firm, because people talk between each other about salary. (I17)

Even if most of the interviewed HR managers are concerned with attracting talents, two of them shared their views concerning termination:
Firms do not expressively terminate frontier workers in times of crisis. (I31)

One HR manager contradicts this, although, in cases where organizations have to dismiss frontier workers, there is no direct effect on Luxembourg:

So if we talk about terminations in Luxembourg, we mainly talk about terminations of frontier workers. So it’s not so bad because they return to their home countries and Luxembourgers are not affected… So we read in a journal that a bank is terminating 150 people, this is bad for the bordering countries because mainly frontier workers are affected and maximum two to three Luxembourg residents. And the rest are frontier workers, so this is not the end of the world. (I21)

Several issues are involved when HR managers set up specific TM practices for frontier workers:

Table 4.5: Issues faced by HR managers in Luxembourg in respect of frontier working practices

<table>
<thead>
<tr>
<th>Mobility and commuting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and development</td>
</tr>
<tr>
<td>Communication and information</td>
</tr>
<tr>
<td>Flexible working solutions</td>
</tr>
</tbody>
</table>

(Source: author, 2014)

4.6.2.2.2 Mobility and commuting

Working as a frontier worker in Luxembourg is also linked to mobility and commuting issues, both to mobility in the career sense, and also when it comes to commuting to work. Frontier workers thus show themselves as “mobile” and “flexible”, and employers do value this:

I must say, most frontier workers are mobile once they decided to work for us… So applicants bring along a kind of mobility
concerning travelling, depending on the family situation, they are very flexible. And we reflect on how to make their work interesting. We demand mobility, we don't want silo people, we want them to have a broad mind. There is no Luxembourg market, we are global and need people who think globally. That’s how our clients are. (I7)

Commuting can be a burden, but it is perceived differently. For some, it is tiring, while others just take it on board:

I have not met a frontier worker who is unsatisfied with commuting and only therefore wants to return to work back in his home country. (I26)

So it depends where they live, so this can generate some kind of stress with transport, so this is a question of time, losing time, flexibility, because they want to avoid traffic jams and think of ways to avoid them. (I33)

Organizations in Luxembourg are aware of the commuting issue, as reflected in the following quote:

As an employer there are special needs. There are several aspects to consider when hiring frontier workers: there are special issues…it's the commuting, it can sum up to three hours a day to come and go. So one can say it’s their fault. So it’s about people who spent time in traffic jams and who had stress and who do not arrive 100% fit at work. (I30)

HR managers take this seriously, as they…

…need to make sure to explain during the recruitment process – even if they know that they apply for a position in Luxembourg…need to explain that there will be, for instance, hours spent in traffic jams. (I32)
The same HR manager adds the example of weather conditions, when…

…with the first snow in Luxembourg, the traffic jams are for hours, they all send me notes they work from home, we allow them to work from home, we don’t favour that but we do allow because we understand that it is very hard to come, knowing that cannot continue every day throughout the winter, but we understand some days are harder than others and we just accept it. (I32)

As one example of mobility, two of the respondents report the practice of car sharing, and employers offer this possibility, bearing in mind the “very sensitive” nature of the topic:

We have lots of frontier workers who do car sharing, they are coming early in the morning and go back early to avoid traffic jams, and others come with public transportation and are therefore dependent on the hours of departure. (I26)

The topic of the company car is very sensible, the policy of leasing is very sensible as people need a car, so if they can get it from the employer at favourable conditions, this is a very sensible topic. Parking is also very sensible. So we try to offer parking because as the people are coming from far the public transportation does not work. (I33)

Another HR manager sees that there is a benefit for both sides, as the frontier workers make a lot of effort, and organizations attract them by offering practices that ease their working in Luxembourg:

I think if you consider the activity, one asks for a lot of engagement from the employees’ side, and you find people who are open and engaged and willing to engage and you find those people easier because they know if they don’t come here they would have to move and would travel even more. So those who have been working in Luxembourg for several years are used to a certain comfort which is only offered in Luxembourg and which demands more flexibility from those people. (I33)
The HR manager states that the employees reciprocate the efforts of the company with engagement and flexibility – a term often used by the interviewees (e.g., I16 and I33).

However, commuting can play a role in deciding which candidate to make an offer to:

If the HR manager has to decide between two identical profiles, with one commuting 100km and the other one living not far away, the tendency is to hire the one living closer to work for reasons of stress. In case of illness, someone who wakes up in the morning and does not feel well knowing he has a 100km drive to come to work is more likely to stay at home than someone who is living nearby. (I30)

To sum up, frontier working in Luxembourg is linked to mobility and commuting, as argued above. HR managers are aware of the issues involved and are creative in inventing new practices to facilitate coming to work for the frontier workers.

4.6.2.2.2.3 Training and development

Another subject that gained a lot of attention during the interviews concerned training and development. Organizations do offer specific training options for frontier workers:

We started to train and educate our people over borders. So I tried in talks with the Education Ministry and the Chamber of Commerce to settle the education of our Event Manager in Luxembourg. (I13)

But not every frontier worker is open to training, since…

…depending on the position, people want to develop, others don’t. For example, I have offered German language classes to a French frontier worker for free, she was not interested. I was hoping she wants to develop. Sad enough. (I6)
Overall, employees in Luxembourg are positively inclined towards training, as it…

…is one of the characteristics of Luxembourg that you have an over-proportional portion of well-educated people. (I28)

Practices applied for frontier workers are manifold:

When it comes to frontier workers, the basis is the salary package: it must be fair and market-oriented. We offer a company pension, lunch coupons, parking for employees, on top training and career development. (I10)

A major focus is put on language training:

So developing language skills is very important, so we attract many people with language studies; also because they can practice what they have learned, so for them it is interesting to work in a multilingual environment. (I33)

Nevertheless, one HR manager criticizes the overstatement of language classes, and argues that it is not sufficient to only offer such training:

Companies offer language courses on top of salary and mainly that’s it and they think that’s enough. (I30)

Another manager is of the opinion that more needs to be done, and the State should be involved:

So training has to start now. Stop thinking how to do it, start doing it now! Luxembourg needs to react very fast. So in collaboration with the Labour Agency, because it does not take the initiative. We have to do everything. (I21)

Overall, organizations in Luxembourg propose a range of training targeted at training the frontier workers.
The training offered, as cited in the interviews, is listed in the table below.

Table 4.6: List of training offered to frontier workers

<table>
<thead>
<tr>
<th>Training on soft skills (I7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;First-time manager&quot; (I7)</td>
</tr>
<tr>
<td>Leadership skills (I8)</td>
</tr>
<tr>
<td>Communication (I28, I33)</td>
</tr>
<tr>
<td>Coaching (I8)</td>
</tr>
<tr>
<td>Language classes (I6, I30)</td>
</tr>
<tr>
<td>Additional studies, e.g., MBA (I27)</td>
</tr>
</tbody>
</table>

(Source: author, 2014)

Furthermore, it is common practice that HR managers…

…talk to managers every year about their co-workers and ask what they need concerning training. (I7)

4.6.2.2.2.4 Communication and information

During the interviews, HR managers spoke about how to deal with frontier workers and what is important to keep in mind:

From an HR perspective, we have to communicate a lot to our employees, to attract them, to retain the frontier workers. (I16)

Another HR colleague gives some details:

We need to watch out for different laws, differences in the pension system, health system, we need to explain what is different in labour and tax law. This is important and has been neglected in the past. Now it is more of a benefit. We care about you. We show you how to do it. So we try to explain our people. We fill out documents. Give them the feeling we care… This already starts when hiring the
frontier workers. We try to show the attractiveness of the Luxembourg system. (I7)

In a similar vein, one HR manager reports what is applied in his organization:

We try to have a good climate internally; internal communication is important, we inform on a regular basis on important up-comings, we organize quarterly info meetings and half-year employee meetings, we have an internal newspaper and we like to party: we have a summer event with the family and a Christmas event with employees… Our culture is very informal, we communicate openly, who wants to discuss can come up to top management, our people appreciate this and we strive to do this every day. (I10)

It is in the interests of the Luxembourg HR managers to fully inform the frontier workers of important issues:

You need already at the beginning to talk about issues like social security and pension. Only very few have knowledge about it, but questions arise. So it’s more an advantage. Pensions are much higher and one should stress this. Many think that there will be a gap although this is not true. So it’s of utmost importance to inform about it. Especially Germans ask for it already in the interview. (I12)

However, this view is not shared by another informant, who does not see the need to inform, because…

…if someone is interested to work in Luxembourg, this person knows what he is doing, so I don’t need to explain. (I14)

Inside the organizations, information spreads fast and eases the life of the HR manager.

So the charm of a small bank is that what you invented in the morning everybody knows in the house in the evening. In a big bank you have to inform lots of people, and involve co-determination, which does not play a big role here in Luxembourg. So as an HR
manager you have an easier life, because in Luxembourg the say of a workers’ council is limited. (I28)

The above informant introduces the topic of workers’ unions. Communication with them is important, and...

...there is a good collaboration and we even go for a beer in the evening. (I28)

These examples show why communication and information are important elements in HR practice in Luxembourg.

4.6.2.2.2.5 Flexible working solutions

As some HR managers have argued, frontier workers do have special needs. The issue of working time is a theme frequently mentioned during the interviews, and organizations in Luxembourg offer solutions:

We started to adopt flexible working hours especially for frontier workers to arrive out of traffic time peaks, and so nowadays we have some people arriving very early in the morning, at 7/7:30 who will leave earlier, 4 or 4:30, and others who start at 8:30/9.00 and return at 5:30/6.00. This has been a strong demand from the employees’ side. So we also found out that they are much more concentrated on their job. So everybody feels well now, the collaboration also is better now. In parallel we also introduced flexibility when it comes to part-time work. (I24)

In another organization, the employees are even allowed to come at 10.00 am, in order to avoid being stuck in the traffic. “Flexibility” again is a key term used here.

We have flexible working hours so this is one adaptation we made, allowing people not to come ‘til 10 am to work. Thus they can leave after the traffic jams and arrive later and we gave this liberty assuming it does not trouble the business... So this is our role to offer flexibility so that they compensate for this. So as we don’t offer
much flexibility when it comes to home working we offer flexibility in working hours. (I33)

Other TM practices presented are…

…the possibility to buy holidays, for example, for women who need another 15 days to take care of their children and in order to stay with them. On top of 25 holiday days from the company, we also offered unpaid leave for someone who travelled to Israel with the aim to adapt our infrastructure to the needs of our frontier workers. (I24)

Another HR manager supports this, when he states that…

…it was necessary that we changed our policies and we did it via “Great Place to Work”, because I needed an external organism, neutral, which made us understand what the needs of our population are and lots of things were sorted out. So we created working groups to adapt our place to the needs of our employees. All this – flexible working hours, part-time work, unpaid leave, bought holidays – admitted us to attract and change the image of the group and nowadays we see that we get more and more good profiles who want to work for us; our retention of people has also risen enormously at more than 80%. For 2013 the average time in the company is eight years. (I24)

One HR manager speaks of “a trend in Luxembourg” (I19), and organizations in Luxembourg “try to create a link between professional and private life” (I24).

The organizations in Luxembourg are meeting the demands of the frontier workers, but not everyone in the company can work flexible hours:

One thing we had to adapt more recently was the working hours and why is that? We wanted to be open from 8 in the morning ’til 6 in the evening; however, frontier workers will not accept that easily, they want to come at 7 in the morning and leave before 4 to avoid the rush hours. So for most people we can offer that and we are
very clear about that in the recruitment process; for some people, unfortunately, we cannot, it depends on the position. (I32)

Thus, organizations in Luxembourg are helping frontier workers where they can, but they cannot influence what is determined by the law:

Although we have lots of frontier workers, we don’t have a home working policy. First, for reasons of social contacts and communication, then there are some risks related to home working, so one has to limit the time so that one remains under the Luxembourg social security system, so it’s limited to 25% of working time. (I33)

The above section listed examples of flexible working solutions offered by the organizations in Luxembourg, in order to help the frontier workers organize their working in Luxembourg. The next section reflects on how HR managers in Luxembourg perceive the reactions of frontier workers to the TM practices applied by them.

4.6.2.3 The HR managers’ experiences of applying specific TM practices, added to by the personal experiences of those having both roles

HR managers consider their frontier working employees as being knowledgeable about their working environment and the reputation of the organizations:

We do not need to convince a lot. Frontier workers perceive Luxembourg as being attractive with higher salaries and lower social security contributions… So I don't have to do a lot to attract someone and as we are the market leader this helps and because we are well positioned on the market with a high reputation. (I10)

HR managers are of the opinion that the frontier workers are happy at work:

We have an enormously low fluctuation as an expression that we do a good job. We never had a survey concerning satisfaction, and maybe now that we reached such a size it makes sense. We should do it. (I10)
One respondent even feels that commuting is no burden for the frontier workers, because…

…Frontier workers are sometimes more relaxed despite their long journey, because on their way back home they can tackle their problems during their journey. (I26)

The collaboration with the frontier workers is good, as one respondent states that…

…the experience with the frontier workers for me is a positive experience, because we are happy to have the frontier workers, even if sometimes they are, I would not say more difficult, but have to be treated differently… So if we would not have the frontier workers and the frontier workers would not have Luxembourg, this would be much poorer for both sides. (I21)

Frontier workers come to Luxembourg mainly for the money, but also for cultural reasons, as one HR manager perceives it:

You know for a frontier worker in the end it is a combination of salary and the favourable tax system, with low differences between gross and net, and secondly, Luxembourg is attractive as an international community. You are closer to your home culture as it is very diverse. (I30)

One key informant questions the status of the frontier workers as not being sustainable, because the long commuting hours prevent them from climbing up the career ladder:

You know if you make 1.5 hours on the road in the morning and in the evening, your career is one thing…but those who want to make their career don’t remain frontier workers for a long time… Because the person who wants to develop cannot afford 1.5 hours in the morning and in the evening. (I7)
There are some personal comments from HR managers who have both roles. This professional puts his status on a European level:

With the European laws, we as frontier workers profit from the advantages in Luxembourg also. So we have the same social security tax as Luxembourgers. (I33)

Nevertheless, he is aware of the negative points related to frontier working:

Then there are the disadvantages for a frontier worker; this is the transport or the moment when you lose your job, especially in respect to Belgium, because an unemployed person in Luxembourg gets much more than in Belgium. So in Luxembourg when you want to find a new job quickly you are well covered for a short period, whereas in Belgium you are covered longer but with very small unemployment benefits. (I33)

But, overall, he…

…personally only see[s] the advantages. We are not persons who like to do a lot of home working, we love to have a social relationship with our colleagues in the company. So we take the best while living in Belgium and the best of working in Luxembourg. (I33)

One HR manager reflects on working in Luxembourg:

For me, Luxembourg is a very good place to work, I would recommend it to everyone…so it is very interesting here… It is more about the experience, the personality and what the frontier workers can bring to the company, the diploma is not that important. (I17)

It is acknowledged that there is a mutual relationship:

It is less the employer that gives everything with a spoon to the employee, it is more the employees who are in charge of their training and this is also why we offer training via several channels, like also e-learning, training on the job and also classical ones, and
they are in charge of the training; the paradigm shift is more on that, they are in charge. (I16)

HR managers perceive their dual role as an opportunity, and list what it takes to be successful:

When you show the motivation and the ability to adapt, you have a chance to start and grow up in a function, there are many opportunities to be trained after the normal traditional education and because until now companies have the budget to train the staff… Lifelong training, if you want, is a reality. (I19)

Another person having both roles contradicts this:

So, if we talk about frontier workers, once they found a job they stay calm and they don’t move, they don’t question their positions. (I15)

So, overall, HR managers think that their frontier working colleagues enjoy working in Luxembourg, and reflect on the nature of frontier working and their personal experiences.

4.6.2.4 Summary of the HR manager perspective

In a nutshell, the interviewed HR managers talk about the working environment in Luxembourg being specific and discuss its influences on their work. They describe the TM issues identified and the TM practices they apply to the whole workforce, as well as those specifically set up for and addressed to the needs of the frontier workers. HR managers reflect on the implications of frontier working in Luxembourg and add their personal views.
4.7 Reporting and validation of the analysis

To finalize the analysis, and adhering to Braun and Clarke’s (2006) six phases approach to thematic analysis, a report – i.e., the discussion chapter – will be written that convinces the reader of the merit and validity of the analysis.

I have validated my analysis based on the criteria listed in Section 3.1.6. This is evidenced by the following rigorous supporting arguments: a robust and well-developed inductive analysis has been established, with three main themes derived from the data; the two different perspectives from frontier workers and HR managers have been treated separately; and the conceptual framework, in the form of a map showing the relationship between the themes in the data, has been presented, and the depth of data from the 30 interviews has been brought out.

4.8 Summary: Data consolidation according to the research objectives

The inductive analysis offered a description of the whole data set, with themes emerging from the data and reflecting the whole content. The previous sections in this chapter dealt with reporting the findings from the analysis of the qualitative data. Challenging the fact that frontier workers fill the gap of talent supply in Luxembourg, the experiences of frontier workers and the key TM issues according to HR managers in Luxembourg were presented, with one perspective from the frontier workers and a second from the HR practitioners’ perspective. The data were looked upon from macro, meso and micro levels. The experiences of frontier working from both key informant groups, i.e., frontier workers and HR managers, were presented. The data have been validated using a rigorous, step-by-step process based on the phases of thematic analysis as proposed by Braun and Clarke (2006). The reporting section included illustrative and compelling in-vivo quotes from the interviews as supporting evidence, as well as “proof quotes” (Pratt, 2009, p. 860) in the form of tables. This chapter reported what the interviewed frontier workers think about being a frontier worker in Luxembourg, and what the key TM issues according to HR managers are. Overall, the analysis gives a sense of the phenomenon of frontier working and the experiences of
frontier working from the two relevant interview groups, and reflects the different patterns.

The table below summarizes the most striking expressions that reflect the overall working environment for frontier workers and HR managers in Luxembourg.

Table 4.7: Descriptive quotes for the theme working environment in Luxembourg

<table>
<thead>
<tr>
<th>Macro level</th>
<th>Meso level</th>
<th>Micro level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Happy to work here (I25)</td>
<td>Respect (I14, I32)</td>
<td>Good to have on the CV (I6)</td>
</tr>
<tr>
<td>Easy to handle (I11)</td>
<td>Flexibility (I16, I33)</td>
<td>Build my network (I11)</td>
</tr>
<tr>
<td>Transparent (I11)</td>
<td>Easy (I11, I16)</td>
<td>Know each other (I11, I21)</td>
</tr>
<tr>
<td>Fascinating (I15)</td>
<td>Adapt (I15, I19, I24, I32)</td>
<td>It's like a carousel (I11)</td>
</tr>
<tr>
<td>So varied (I15)</td>
<td>Luck at having the FW (I21)</td>
<td>Good if your name is known (I11)</td>
</tr>
<tr>
<td>Fantastic (I16)</td>
<td>Richness (I21)</td>
<td>Get a name and reputation (I11)</td>
</tr>
<tr>
<td>Unique (I19, I21)</td>
<td>Open spirit (I26)</td>
<td>Easy (I18, I19, I20)</td>
</tr>
<tr>
<td>Everything is much nicer here (I28)</td>
<td>It's a dialogue (I26)</td>
<td>It's a village (I11)</td>
</tr>
<tr>
<td>Relaxed (I14, I26, I28)</td>
<td>More open (I17)</td>
<td></td>
</tr>
<tr>
<td>Very much cooperative (I28)</td>
<td>Exchange (I26, I28)</td>
<td></td>
</tr>
</tbody>
</table>

(Source: author, 2014)

The essence of the whole data set can be captured with the following extract:

We try to adapt our infrastructure to the needs of our frontier workers. (I24)

To conclude, this chapter aimed to answer the question:

What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?
After analysing the data collected in 30 interviews with frontier workers and HR managers, the answers to this question were presented in this chapter.

As a result, the following three key findings, based upon the rich data collected in 30 interviews, have been formulated and will be discussed in Chapter Five:

1) The working environment in Luxembourg does have an influence on frontier working for both frontier workers and HR managers;
2) HR managers react to the specific demands in relation to frontier working by putting in place specific TM practices;
3) Frontier workers do react to those TM practices.
5 Discussion

5. Introduction to the discussion chapter

The discussion chapter, as the last stage of thematic analysis indicates the implications of this research for the relevant theories as detailed in the literature chapter, and sums up the findings. The whole study is reviewed so as to come up with judgments formed on the basis of what was found out. The aim is to show a clear “chain of evidence” (Corley and Gioia, 2004, p. 184) and consider how the themes fit together. A good way of capturing this is to present figures that visualize how I moved from the interview data to the findings. This was shown in Chapter Four, Section 4.4, which investigated the perspectives of the frontier workers and the HR managers separately. The discussion chapter will show whether having investigated these two perspectives is a potentially advantageous feature of the study, and consider what the similarities and differences are.

5.1 Overview of the research

This thesis has explored frontier working in Luxembourg viewed from a TM perspective, thus contributing to the research on frontier working with its practical implications for organizations that recognize the added value of the frontier workers. The example of Luxembourg revealed a shortage of “talents”, which is primarily covered by frontier workers. For this reason, I investigated frontier working and its implications for HR. The study created new insights into the phenomenon, which will be presented now and put into a broader context. Using an inductive approach to analysis, the theory that is adequately grounded in the data will be built up. In this chapter, the results of the two analyses will be compared and combined. A focus is put on the interpretation of the results presented in the previous chapter, by stating the relation of the findings to the objectives and the research question. To start with, the three key findings formulated at the end of Chapter Four as the most important findings will be summarised. Thereafter, these findings will be related to theory by discussing “frontier working” and the related concepts that precede the discussion of TM in
order to mirror the research question and the order of analysis in Chapter Four. Overall, the discussion chapter states what I have contributed to the research “gap” – i.e., to the need for more qualitative understanding of frontier working.

5.2 Interpretation of the findings presented

This research strived to explore the phenomenon of frontier working viewed from a TM perspective with the following objectives:

1) To explore the experiences of the frontier workers in Luxembourg and the important features of frontier working;

2) To identify key TM issues according to HR managers in Luxembourg;

3) To inform practice about the issues related to frontier working through the perspectives of both frontier workers and HR managers, and to identify the implications for HR managers in organizations that employ frontier workers.

Furthermore, the study aimed to answer the overall research question:

What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a TM perspective?

The findings presented in Chapter Four revealed three key findings that respond to and build on the research question and objectives:

1) The working environment in Luxembourg does have an influence on frontier working for both frontier workers and HR managers;

2) HR managers react to the specific demands in relation to frontier working by putting in place specific TM practices;

3) Frontier workers do react to those TM practices.

The findings will be interpreted and summarized now, according to the sequence of the above key findings. As this chapter will show, the three key findings are built upon each other and fit together, in the sense that the key finding one
concerns the underlying features of frontier working in Luxembourg; key finding two details which TM practices are set in place by organizations in Luxembourg in respect of frontier working as well as what working in Luxembourg involves for the frontier workers; and the third key finding reveals what conclusions can be drawn from the application of these TM practices.

5.2.1 Key finding one

The findings chapter revealed four main areas of issues surrounding frontier working for each group, which are listed in order of importance in the table below.

Table 5.1: Key issues for frontier workers and HR managers with regards to the working environment in Luxembourg

<table>
<thead>
<tr>
<th>Frontier workers</th>
<th>HR managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development</td>
<td>Mobility and commuting</td>
</tr>
<tr>
<td>Flexibility</td>
<td>Training and development</td>
</tr>
<tr>
<td>Commuting</td>
<td>Communication and information</td>
</tr>
<tr>
<td>Networking</td>
<td>Flexible working solutions</td>
</tr>
</tbody>
</table>

(Source: author, 2014)

The results show accordance and similarities in themes and patterns, although with slightly different sequences of order. The issue of development is ranked highly on the agenda and is of major concern for the frontier workers. Luxembourg’s HR managers invest in developing and training. They stress the importance of being mobile, and this involves commuting. Commuting is seen as an issue and is raised by both frontier workers and HR managers, where most of the frontier workers consider it as a burden and only a few as a possibility to calm down and relax during the journey to and from work. Both key informants highlight exchange, expressed through the terms “networking”, “communication” and “information”. The interviewees use these terms interchangeably. The interviewed HR managers point to the relevance of proper communication and information that relates to the issue of networking, which is in the minds of the
frontier workers. Frontier workers point to the necessity of being flexible, and HR managers meet these demands by offering TM practices that engage with flexible working solutions.

The interviewed HR managers report that the working environment in Luxembourg influences their work to a great extent. To start with, there are favourable working conditions, such as the easy-to-apply labour law or the financial support for training given by the Government. The frontier workers in the sample share the HR managers’ opinions when they praise the advantages of working in Luxembourg. Talking about their experiences within their organizations, the frontier workers like the international set-up, while the HR managers speak about the need to adapt and be flexible. When it comes to the individual, both groups stress the importance of networking and knowing people.

Overall, the respondents value the combination of the legal framework and the attractive working conditions. The frontier workers are happy that they can practise foreign languages, hence raising their level of employability. The employers, here represented by the HR managers, are also happy about this, because they increase their competitiveness due to a highly skilled workforce that delivers quality results. Both frontier workers and HR managers state a boost to their careers due to working in Luxembourg. Respondents from both groups perceive Luxembourg as a place where you can make and grow your career, even if, for some, it was an obvious move to become frontier workers, as it was a kind of habit in their families and amongst their friends. The Luxembourg labour market is small and people know each other, so it is easy to learn about openings. Exchange is a key factor in Luxembourg, starting inside the company and reaching out to external stakeholders, such as ministers or training institutes. Both sides highlight the fact that they do not want to miss the experience gained while working in Luxembourg, referring to its richness in many respects and consider themselves as privileged to work in Luxembourg.
5.2.2 Key finding two

The findings revealed that HR managers and their organizations in Luxembourg engage in setting up specific TM practices besides the existing ones to meet the demands of the frontier workers. The HR managers employ activities across the border to attract qualified frontier workers and invest in developing them. This makes it interesting for the frontier workers, as they build their careers quicker than in other countries, although this requires flexibility from them, such as when it comes to mobility and commuting. HR managers in Luxembourg are inventive when it comes to TM practices that facilitate the work of the frontier workers, such as car sharing or flexible working hours to avoid traffic jams, working from home or unpaid leave for parents taking care of their children.

Organizations in Luxembourg invest in the frontier workers, bearing in mind the value they add. Luxembourg HR departments put a lot of effort into training policies and evaluation. The frontier workers profit from training that raises their levels of knowledge and creates new opportunities. Language training is provided in institutes, specialized for frontier workers with training hours according to their requests. In many cases, the organizations interviewed can act as models for successfully implemented policies. This is reflected in the fact that one company was awarded the title of “Great Place to Work” for the third year in a row.

It became apparent from most of the interviews that applicants are well informed as to what they expect from working in Luxembourg. However, HR departments have the responsibility to inform employees about the social and pension systems and other crucial labour laws affecting the employment of frontier workers. The HR managers stress the necessity of being open to working in mixed teams with colleagues with different cultural backgrounds, so organizations need to point this fact out during the recruiting process, in order to avoid misunderstandings. Even if, at first glance, one might not perceive that working in Luxembourg means working abroad, different habits and customs need to be addressed.
5.2.3 Key finding three

The frontier workers value the efforts undertaken by their HR managers, such as offering language classes or flexible working solutions, and this is reflected in happily employed frontier workers, as per the result from an engagement survey. Consequently, the responding HR managers rightly state that their employees, here the frontier workers, are satisfied at work and with the TM practices applied in their organizations. Hence, the overall outcome for both sides is positive. As several respondents stated, it is a “give and take” approach.

To sum up, the findings of the thematic analysis show accordance with the themes presented. This will now be put in relation to the theories that emerged from the literature review with regards to frontier working viewed from a TM perspective.

5.3 Implications of the research for the relevant theories as detailed in the literature review

5.3.1 Frontier working

Frontier working is a phenomenon of growing importance. This confirms what Fehlen (1997) predicted: “Each commuter in its family, in its circle of acquaintances, in its residential surroundings is an advertising medium for the Luxembourg job market and even more inhabitants of the areas close to the border will consider working in Luxembourg as a potential possibility.” (pp. 41–56) The respondents report that it is a habit in the family to go to work in Luxembourg (e.g. I18). Only a few speak of people that are not interested, mainly due to missing language skills (e.g. I20). When Krämer (1998) termed it a “new form of existence” (p. 43), he was correct. This is reflected by expressions such as “you get a feeling of the world” (I15) and “a big openness and tolerance towards other cultures” (I8). Hence, the findings support the views from Fehlen and Krämer.

In political literature in particular, the term “cross-border worker” is used to describe the role model for a modern Europe or as an indicator for a successful European integration process – “The cross-border worker is an individual who
lives Europe daily" (p. 17) – a fact that, nowadays, is even truer than at the time Kessler (1991) stated it. As the review on Luxembourg stated, this is intertwined not only with Europe but also with the whole world. As the Economic Survey of Luxembourg by the OECD (2010) revealed, the educational performance levels in Luxembourg are relatively weak, as they do not match the demand for high-skilled workers. Several HR managers confirm this fact when they blame the Luxembourg Government for the unsatisfactory education system (e.g., I13). Languages are a must and are the knock-out criteria when recruiting (e.g., I12). The findings therefore support the statement of Gramegna (2010), Director of the Luxembourg Chamber of Commerce, that: “multilingualism is a necessity. We speak the language of our customers, both inside and outside the country” (cited by Gordon, 2010). Taking this further, many informants speak of the need to adapt, be flexible and obtain an understanding of the different cultures and working styles (e.g., I8, I15, I35).

Interviewees do not agree that frontier workers take jobs away from Luxembourgers, due to their often lower salary expectations, better qualifications and motivation, as Wille (2008) reported from his questionnaire results; instead, they speak of the unavailability of suitable candidates from within the country severed by the fact that Luxembourgers prefer working for the State as indicated by the survey participants. This observation is confirmed by Pierrard (2008) in her research, when she states that Luxembourgers prefer to work in the public sector, where the average duration is 200 months compared to 50 months in the private sector (p. 572), thus underlining the non-availability of locals.

As a consequence of the phenomenon of frontier workers in Luxembourg being quite new (see Chapter Two), TM is also still in its infancy. So it is not just “old wine in new bottles”, as termed by several authors (e.g., Tansley, 2011; Iles et al., 2010b). HR managers see a large potential in adding value to their organizations by elaborating on and implementing more TM practices. This enriches their work and contributes to their well-being, on top of that of their employees and colleagues. So this work adds to existing literature by contributing to the discussion on TM which is in transition from a “field [that] is partly still in its infancy, with some progress towards adolescence.” (Thunnissen et al., 2013a, p. 328).
Wille’s (2008) critique that frontier workers are a threat to a country’s own culture and language cannot be verified, since there was only one native Luxembourgish HR manager interviewed, who did not talk about these issues. However, one HR manager criticized the fact that frontier workers are coming to Luxembourg only for work and money, and are not interested in what is going on in the country, sharing Wille’s point of view. Co-workers from the border area do not begin in low level jobs, but enter the job market at the same level as Luxembourg residents, as opposed to what Fehlen (1997) stated 17 years ago when, apparently, that was the case. Overall, HR managers value flat hierarchies and non-bureaucratic decision-making processes, facilitating the implementation of new policies (e.g., I12, I28).

According to Wille’s (2008) findings, frontier workers deplore the fact that they are unequally treated, particularly in view of vocational opportunities for career advancement. The findings of this study do not confirm Wille’s view. Instead, the investigation showed that frontier workers are indispensable for the wealth and growth of the Luxembourgish economy (e.g., I21). The research from Wille criticized the fact that frontier workers (especially if they have family) only come to Luxembourg for work, and spend their private lives at their residence. In addition, many natives envy frontier workers, as they get a good salary and have cheaper living expenses in their home countries. The frontier worker him/herself feels stressed by the long commuting hours (e.g., I7, I18, I26, I29, I30), potentially represented in more sickness days. My findings confirm Wille’s statements, while the missing language skills and mutual prejudices were not perceived as obstacles since, for HR managers, languages are a must when they hire frontier workers (e.g., I6, I12). Wille (2008) attributed the atypical situation in Luxembourg to, on the one hand, growing unemployment and, on the other hand, the continuous creation of new jobs, creating the mismatch between the required qualifications not being available within the Luxembourgish workforce and the available well-educated people from the bordering countries. The participant HR managers in my study support this view and are interested in hiring Luxembourgers who, unfortunately, do not possess the required education and skills or simply do not hand in their applications, as they hope to find a job in the public sector (e.g., I22). The findings of this study in some respect differ from
those of Wille, whereas others do not. Overall, they imply that the nature and meaning of frontier working is contextual, not universal, as illustrated above. Hence, this thesis suggests ways how existing theory can be built upon by giving practical examples.

It is argued by government officials, as well as Luxembourg employers, that frontier workers are an indispensable source to enable the country’s economy to maintain the high standards of living (Lawson, 2010). This view is shared by both key informant groups. In a similar vein, Wille (2011) described the frontier workers as an indispensable part of the Luxembourg workforce. His study analysed how Luxembourg residents regard frontier workers and what status they assign to them. The results showed that the Luxembourg society has an ambivalent view of frontier workers, which focuses on differences and the construction of identity.

One of the two Luxembourgish HR managers interviewed raised this point, saying that the younger generation is used to living in such a multi-faceted society, while the older people deplore the fact that Luxembourg is losing its identity (I21). However, there is a common sense view about the advantages of the mixture of locals, expatriates and frontier workers (e.g., I7, I16). The findings also indicate that Luxembourg is popular amongst applicants, and people want to have it on their CV (e.g., I6), while organizations in Luxembourg are more concerned about their reputations. Boxall and Purcell (2011) speak of “employment citizenship” and “legitimacy” as employer goals: “Legitimacy...can be classified as an important non-economic outcome of TM at the organizational level” (Thunnissen et al., 2013a, p. 332). Here again, the implications for both employees and employers are shown, and demonstrated by the fact that both respondent groups were interviewed.

The aspect of “taking care” was frequently mentioned in the interviews (e.g., I7, I24): “If an employer invests in the well-being of its employee...the employee is willing to do more than the prescribed tasks” (Thunnissen et al., 2013a, p. 330). This interlink is confirmed by Cappelli (2008a), when he claims that there is a strong relationship between the necessary skills that an organization is looking for and the desire of the individual co-worker to climb up the career ladder. Examples in the data show that frontier workers come to work in Luxembourg to advance their careers (e.g., I7, I8, I10, I20, I23, I29, I32), and that they are happy
at work, since their organizations do take care of them (e.g., I7). Employers strive to develop and train their employees, highlighting the importance of lifelong learning. Luxembourg employers value the mutual, “give and take” approach (I7) that not only involves employer–employee engagement, but is also embedded in the institutional environment in Luxembourg. Thus, when the support from the organization is high, people engage more, show better job performance and are less frequently absent (e.g., I24).

Luxembourg HR managers are aware that, with a growing talent gap, efforts must be undertaken to attract talents; on the other hand, it is also the employee who is in charge of his/her career. This supports Rousseau’s view that the scarcity of talents is causing a shift in the power relationship between employers and employees towards the individual employee (Rousseau, 2001). Participants in TM in Luxembourg also know of the factors influencing TM, which are either “exogenous” (external) or “endogenous” (internal) drivers: globalization, workforce demographic changes and shortages of talent are external drivers, and regional specification, retaining talent and competencies are internal ones (Tarique and Schuler, 2010, p. 126). This supports the analysis carried out by Genevois (2011), who found that positions demanding higher education or in highly specialized functions were particularly difficult to fill (p. 11). To solve this problem, organizations offer additional training and establish succession planning and leadership development tools (e.g., I12).

Evidence from the interviews shows that frontier workers close the gap in talent supply, since Luxembourgers do not possess the right education or willingness for private sector jobs (e.g., I22, I34). Respondents also praise the open company culture, diversity, international flair and the usage of many different languages in quite a small location (e.g., I15), supporting Lawson’s description of Luxembourg in three words: “small, specialized and open” (Lawson, 2010). People feel well integrated and accepted. The findings also reveal that frontier working in Luxembourg has certain constraints/must-haves when it comes to finding a job: language knowledge, openness to other cultures, commuting and flexibility (e.g., I12). In addition, there are certain rules that must be noted, like staying professional and building or keeping a good name (e.g., I10, I121, I27). In
essence, one should carefully weigh up the pros and cons of frontier working in Luxembourg, as one frontier worker pointed out (I18).

The organizations in Luxembourg are working on their brand recognition and fostering development possibilities so as to sustain and improve their attractivity (Deloitte, 2010). This point was confirmed by several HR managers (e.g., I16). Stakeholders in TM in Luxembourg cooperate in order to reach favourable outcomes for everyone involved. Respondents highlight the attractivity of Luxembourg as a “special” and “unique” place of work, where one can not only grow career-wise, but also as a person, due to the fact that one works in mixed teams and with different cultures. Luxembourg seems not to lose its attractivity to frontier workers, who are crucial when it comes to filling vacancies, as people recommend relatives or friends to HR managers, thus contributing to raising the numbers of frontier workers, as Fehlen (1997) predicted (see earlier quote).

Another action proposed by Deloitte is followed up by HR practitioners in Luxembourg, that of internal communication as a means of trust and identification with the employer. Employers in Luxembourg acknowledge the importance of communication, both with regards to business matters and also when it comes to identifying career prospects in the form of annual performance reviews or succession planning (e.g., I10, I28, I29, I33).

The analysis also demonstrates employee engagement and workforce flexibility as major TM forces (Deloitte, 2012). Several people that were interviewed by Luxembourg journals on TM issues confirm the findings from this study, such as the statement from the CEO of an MNC, who praises the “uniqueness in its cultural makeup...the supportive and pro-business oriented government and the safe, clean and friendly place to live in” (Delano, 2012, p. 78). One executive headhunter stresses the language factor, with organizations becoming more and more demanding when it comes to language skills.

HR managers report increasing efforts and actions in order to identify key performers and to develop them. They perceive it as one of their main tasks to make their Board of Directors aware of the competitive advantages that these efforts are bringing along. Pfeffer (2001) terms this as “to win the competitive arena” (p. 248). Like other countries, Luxembourg is exposed to increasing
competition. Michaels et al. (2001) referred to this as “The War for Talents”. Given the lack of talent within its boundaries, Luxembourg employers have to extend their search to outside of the local market and, in the first place, reach out to qualified people in the surrounding countries of Germany, France and Belgium. The vacuum in most of the cases is filled by frontier workers, with the advantage for employers being that they do not have to spend money on expatriates (such as for housing, school, healthcare, cultural training, etc.), but can find qualified people who do not have to relocate for their new job. These people are satisfied with the benefits of working in Luxembourg, like higher child allowances, low taxes and career opportunities. These findings are confirmed by a study from Wille (2010), in which frontier workers put forward salary, possibilities for career development, job opportunities in Luxembourg, the international working context and professional networking as main motivators and important features.

To sum up, the findings as presented above add to the existing and up-to-date scarce literature on frontier working by reporting the experiences of both groups, frontier workers and HR managers, thus enhancing understanding of the phenomenon of frontier working.

5.3.2 Concepts related to frontier working

Four key issues from the findings arose as the main issues that occupy the minds of the frontier workers and were presented in Section 5.2.1. The literature review beforehand introduced four concepts related to frontier working, i.e., mobility, commuting, demographics and diversity. These concepts will be now discussed and contrasted with the main issues as listed by the frontier workers and the HR managers.

5.3.2.1 Mobility

According to Baruch (2006), global labour competition has changed the mobility of people across geographic and cultural boundaries. Cappelli (2008a) developed the talent-on-demand framework, based on the concept of talent mobility and global talent mobility. Frontier working in Luxembourg is a compelling example of global talent mobility and, therefore, underlines what Brewster et al. (2007) have
stated: “Talent itself has become more mobile and organizations are therefore having to coordinate the way they manage it on a global basis.” (p. 309) The frontier workers are the talents that need to be mobile, and the HR managers take account of their needs in the way that they deal with them. Frontier workers tend to switch employer quite easily given that their exceptional, strategic roles are being searched for. The respondent HR managers react to this fact and come up with practices to retain their best employees (e.g., I7, I16, I20, I26). On the one hand, the frontier workers are aware that if they want to get a job they have to go to Luxembourg; on the other hand, the Luxembourg State knows that the frontier workers are an indispensable worth for the Luxembourg economy (e.g., I13, I18).

The concept of Pringle and Mallon’s (2003) boundaryless career, which challenges the traditional concept of careers, has become reality in the context of Luxembourg. The interviewed frontier workers do not perceive the border when they travel to Luxembourg (e.g., I15, I30). One respondent even speaks of a “second home” (I14).

No evidence could be found in the interviews for the theory that “people with special talent show little loyalty to a country or region” (Scullion and Collings, 2011, p. 9). Those interviewed chose Luxembourg as their place of work on purpose. This can be linked to the fact that in the bordering countries France and Belgium and, to a lesser extent, Germany, there are only scarce employment opportunities, and people go to Luxembourg to avoid being unemployed (e.g., I22). So, for those special talented frontier workers, there is no alternative than to work in Luxembourg; Scullion and Collings’ statement therefore cannot be verified, but it can be reported from many interviewees that Luxembourg is highly attractive and that they are satisfied with their working environment (e.g., I17, I26). The parameters identified by Marthà and Wintr (2007), such as wage differentials, employment opportunities and individual risk assessment, that determine the decision to move between the living and the working place are valid for the case of Luxembourg, where the net income is higher compared to the border countries, since the taxes are lower, more open positions are available and the employment is stable (e.g., I13). It can be concluded that the existing literature on mobility fits into the findings that a lot of mobility and flexibility is required by the frontier workers in Luxembourg.
5.3.2.2 Commuting

According to Heinz and Ward-Warmedinger (2006), and viewed from a European perspective, commuting is by far the most frequent form of EU cross-border geographic labour mobility. Out of the 19 interviewed HR managers, only seven live in Luxembourg. Only one HR manager reported that he recently moved to Luxembourg (I28). None of the other respondents are intending to move, although one HR manager states that he regrets the fact that he does not live in Luxembourg (I10). He is stressed by his daily commute, which he perceives as getting harder every year.

The evidence from the interviews shows that, once a person starts to become a frontier worker in Luxembourg, he/she keeps this status and enjoys the international atmosphere and cannot imagine being employed in his/her country of residence anymore (e.g., I15). Hence, this contradicts the reports that commuting is more temporary in nature than migration (MKW, 2009), while the hypothesis that all firms are located in one point with workers distributed around (Wasmer and Zenou, 2002) can be confirmed by one interviewee, when she states that the new factory was built strategically in an area that is conveniently accessible to the frontier workers (I32). Furthermore, Wasmer and Zenou (2002) argued that job distance negatively influences search efficiency that workers choose their optimal residence location and that distance to jobs negatively affects search efficiency. This cannot be confirmed, because the frontier workers interviewed report that they plan to remain as frontier workers and appreciate the fact that the costs of living in their country of residence are significantly lower (e.g., I12). One respondent reports that he takes “the best of the two worlds” (I30).

However, Lambertz (2013) found that frontier working is often negatively perceived by the host population as having an unfavourable impact on wages and employment, so challenges remain: “Whilst the mobility of frontier workers, which is a central plank of European integration, has significantly improved in recent years, it continues to pose a major challenge for the regional, national and European level.” One HR manager (I21) confirms that there are voices that are raised against the frontier workers, as they take jobs away from the local population, but another notes that the Luxembourgers are aware that, for certain high-level jobs, they are not qualified enough (I28). The issue of integration is not
perceived as a major problem, since most of the frontier workers drive directly home after work (e.g., I6, I10).

The literature on commuting links to the findings from the study since commuting is of great concern to the frontier workers as discussed in Chapter Four, Section 4.6.1.2.3.

5.3.2.3 Demographics

The answers from the key informants show evidence that global demographic trends are factors that influence TM (Beechler and Woodward, 2009). The fertility rate in Luxembourg is low (see Section 1.5), and this brings about even more opportunities for existing or future frontier workers. The interviewed HR managers report that there are open positions that are hardly able to be filled (e.g., I16) and that organizations are poaching talents from each other (I28). It can be confirmed that there is a significant shift from product-based to knowledge-based economies, which impacts on the global war for talents (Beechler and Woodward, 2009). The Luxembourg labour market has a high demand for well-educated, specialized and skilled people, and the amount of open positions is rising year after year. HR managers report strategies for how to overcome this shortage when they target young frontier workers (e.g., I20, I28, I31). The findings also support Chambers et al. (1998), that the rapidly changing business environment implies the need for globally-aware managers and professionals that possess the ability to operate in different cultures, structures and markets (Chambers et al., 1998). The interviewees are attracted by the international set-up of the Luxembourg organizations and by working in mixed teams (e.g., I7, I8). HR managers furthermore report the changing characteristics in recruiting in order to address the younger generations, such as the usage of social platforms like LinkedIn or Xing, which will speed up the search for talents (e.g., I12, I16). The findings confirm that the availability and use of social media and innovations in technology will also change the landscape for TM in many ways (Al Ariss et al., 2014). The frontier workers in Luxembourg come to work in Luxembourg in order to develop as one conclusion from the findings.
5.3.2.4 Diversity

The Luxembourg labour market employs 176 different nationalities (STATEC, 2014), so it is a good example of diversity in the workplace. Hence, the theory that changes in the working environment also bring about growing levels of workforce diversity (Beechler and Woodward, 2009) is a reality in Luxembourg. This richness is one point of attraction for frontier workers to Luxembourg (e.g., I15, I31). On the other hand, talents must be capable of adapting to working in diverse contexts (Dierdorff and Morgeson, 2007). What the evidence from the interview sample shows is that frontier workers are coping with this challenge and find it interesting (e.g., I16). Networking plays an important role in Luxembourg (e.g., I9, I18, I27), promoted by the HR managers who speak of diverse means enhancing networking, such as family events, participating in sports activities and mixed teams, to help in adapting to the challenging working environment in Luxembourg (e.g., I11, I12).

In a nutshell, the above four concepts related to frontier working contribute to a better understanding of the issues involved in frontier working viewed from a TM perspective. The following key terms that emerged from the literature review will be now compared to the findings.

5.3.3 “Talent”, Talent Management and Global Talent Management

As the literature review revealed, the debate on the conceptualization of “talent” is ongoing (Gallardo-Gallardo et al., 2013). There are manifold definitions and explanations of the term “talent”, with the inclusive versus exclusive perspective receiving the most attention (Dries, 2013). For this study, one portion of the sample was composed of “talented” frontier workers that met specific criteria as established in Section 3.2.1.1., thus adopting an exclusive approach. The frontier workers were hired because of their experiences and skills. The concept of “talent” is rated highly on the agenda of HR managers in Luxembourg, with a talent seen as someone who conveys his skills and experience to the organization. Supporting the view of Tansley (in CIPD, 2007), that “talent consists of those individuals who can make a difference to organizational performance, either through their immediate contribution or, in the longer term, by
demonstrating the highest levels of potential”, HR managers use the terms “high performer” or “top performer” when they talk about “talent”. According to Thunnissen et al. (2013a), talents are those individuals who are pivotal for their organizations. In most of the interviewed organizations, there are clear rules and policies in place, such as performance evaluation to effectively identify the best talents (e.g., I16). The HR managers report that there is the common sense view in their organizations that success is linked to their people, hence subscribing to views such as those from Bartlett and Ghoshal (1992), Marquardt et al. (2004) and Collins (2001).

Tansley and Tietze (2013) suggest broadening the TM paradigm and asking not only what the individual talent can do for the company but also what the company can do for its individuals as a contribution to the social and moral development of society. Several examples from the interviews provide evidence that employers in Luxembourg do take care of their personnel without losing sight of society at large (e.g., I7, I24). One HR manager reports a community project where his employees are involved (I24). The findings from the data analysis point to the dimension of community reputation (Ulrich and Ulrich, 2010), which helps the organizations to attract talents. Despite being small, Luxembourg nevertheless plays an important role, not only within the “Greater Region”, where it has built up a reputation as an attractive and safe place to work (I12), but also in the wider Europe, due to the fact that several European institutions, such as the European Court of Justice, are based here, employing no less than 45,000 people. On a global scale, many MNCs have their headquarters located in Luxembourg, and more than 200 banks reside here. In addition to the economic importance of Luxembourg, which adds to the creation of a positive image in the business world, the multinational community and the influx of frontier workers help employers to attract talents to Luxembourg (e.g., I7, I14, I15).

This study supports the findings of Al Ariss et al. (2014), who contradict the general statement that there is a lack of talents, speaking instead of a “global abundance with local scarcity of talent” (p. 178), which has been shown in the example of Luxembourg. The role of global talent, as discussed by Tarique and Schuler (2010), which brings along the need to hold onto the best, is manifested
in Luxembourg through the efforts of the HR managers to train, develop and retain their employees (e.g., I7, I30, I33).

The data analysis highlighted the crucial role of the frontier workers for the organizations and the labour environment in Luxembourg, because, without them, the high level of salaries and pensions could not be sustained – a fact that both Luxembourg residents and frontier workers profit from. The interviewed HR managers in Luxembourg do not share the human capital perspective on talent as a resource only, such as the resource-based view (RBV), as introduced by Collings and Mellahi (2009), in which the contribution from the employee’s side is the most important thing; they also adopt the broader approach taken by Sparrow (2007) and Farndale et al. (2010), looking at talent through the lenses of human, social, political and cultural capital. Social capital, in the sense of resources mobilized via networking, and political capital, as a reputational capital, are crucial components for TM in Luxembourg (e.g., I7, I9, I11, I12, I16, I27, I34).

The findings of this study support the concept of “knowledge-based economy”, as coined by Drucker (1994), in which the knowledgeable and talented worker can make a choice between places of work, hence putting him/herself into a favourable position, with the employer being challenged. Frontier workers in Luxembourg are well aware of their market value, but are thankful and happy to be employed in Luxembourg (e.g., I10, I11, I21, I23, I25, I26, I28).

The statement by Pfeffer (2001), that “[organizations] that will win in the competitive arena are those that are the best at locating, assessing, recruiting, and keeping the most talented people” (p. 248), can be confirmed within the organizations in Luxembourg. As the examples in Chapter Four showed, organizations are investing a lot in TM practices, such as diverse training (e.g., I6, I8, I27). Organizations in Luxembourg spend time in employee engagement surveys (e.g., I15, I16), which measure performance and satisfaction. In this vein, Iles et al. (2011) have shown that organizations that confer importance to TM practices have employees that are more involved in reaching their best performance and are more satisfied with their jobs.

The following theory is also a reality in Luxembourg, where TM over the years has developed into one of the key strategic issues that managers are facing...
(Huselid et al., 2005; Ready and Conger, 2007; Boudreau and Ramstad, 2007; Cappelli, 2008b; Collings and Mellahi, 2009). HR managers in Luxembourg apply a strategic approach in respect of managing the frontier workers, by setting up specific TM practices to meet their demands. This supports the view of Heinen and O’Neill (2004), who speak of several key channels located within the concept of TM, with one focused on managing talented people. This is an actual reality in Luxembourg. The findings furthermore underline the view of Scullion and Collings (2011), that TM is a set of processes that are implemented in organizations and concern how to attract, select, develop and manage co-workers in an integrated and strategic way.

As argued, the concept of TM in recent years has gained importance for organizations worldwide (Guthridge and Komm, 2008; Collings et al., 2009), with GTM becoming more and more relevant (McLean, 2010). Luxembourg, with its central location and economic significance through having the second highest GDP per capita in the world, is attributing more and more interest to this highly significant theme (Cappelli, 2008a; Iles, 2010b) as one of the key strategic issues that managers are facing (Huselid et al., 2005; Ready and Conger, 2007; Boudreau and Ramstad, 2007; Cappelli, 2008b; Collings and Mellahi, 2009). Through the lens of HR managers, TM in Luxembourg is not perceived as “old wine in new bottles” (Iles, 2010b, p. 126); it is a topic that they have been dealing with for only a few years, because many HR positions are still occupied by the older generation of HR people, such as Interviewee 21, with 38 years of experience in HR in Luxembourg. However, those interviewed – except for this person – represent the new age of professionals, who commute for their career as one of the conditions of being employed in an MNC and, hence, possess a broader outlook on the different issues related to TM in Luxembourg. On top of this, most of the HR managers received specific training in HRM, from what their introductions revealed (e.g., I19). Nevertheless, TM in Luxembourg can be regarded as some kind of “fashion” (Iles, 2010b), visible in the fact that there are many conferences organized in Luxembourg with TM as the headliner (e.g., I12, I16, I28).
TM, as applied in Luxembourg, fulfills its goal as described by Bersin and Associates (2008), as “an integrated, dynamic process, which enables organizations to define, acquire and develop the talent that it needs to meet its strategic objectives” (p. 4). Organizations in Luxembourg are undertaking specific efforts aimed towards the frontier workers as the main target group (e.g., I10, I12). HR managers in Luxembourg make use of TM practices for getting talented people on board, underpinning the concept that TM is perceived as “strategic management of the flow of talent through an organization” (Iles et al., 2010b, p. 127), and recognize TM as one of their organizational priorities (Tarique and Schuler, 2010) (e.g., I24, I28).

Despite the interest and attention for the TM concept in business and management, it has not been satisfactorily explored (Lewis and Heckman, 2006; Collings et al., 2009), with ongoing debates around its definition, identity and scope (Lewis and Heckmann, 2006; Collings and Mellahi, 2009; Iles et al., 2010b; Tarique and Schuler, 2010; Farndale et al., 2010). The scarce literature available with regards to research on TM in Luxembourg confirms this statement, as there is mostly only statistics available, listing the numbers of frontier workers and their provenance, without empirical evidence of what measures have been undertaken to attract them. Hence, this thesis contributes to the knowledge about TM research, which is in transition from a “growing” to a “mature” field of study (Dries, 2013).

Another judgment can be formed, which states that TM must be linked to the business strategy: “TM cannot be isolated from business strategy.” (Guthridge and Komm, 2008, p. 11) Many HR managers in Luxembourg underline the importance of developing their talents inside the company and reinforcing actions to attract talents, as Deloitte (2005) has already stated (e.g., I7, I16, I26, I32). HR managers in Luxembourg mostly combine the concept of TM with what was proposed by CIPD, which is “the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organisation, either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles” (CIPD, 2009). Employers in Luxembourg recognize that it is the human being that decides on a company’s success. Luxembourg HR managers and their
organizations compete for talents, not only with other employers on the scene, but they are also confronted with competition from abroad caused by the rapid expansion and usage of social media (e.g., I12). This is applied not only by employers but also, to a growing extent, by people wanting to switch their job or by jobseekers. This adds to the transparency of the Luxembourg labour market and allows interested people to get an idea of job opportunities.

Although TM from an employer’s point of view has been widely researched, “the proactive role of the employee in shaping his or her own career [is] largely neglected in the TM literature” (Thunnissen et al., 2013a, p. 329). As demonstrated with a verbatim quote in the findings chapter, the individual employee is challenged, since it is not just the employer giving everything with a spoon in Luxembourg (I16). The individual employee is responsible for his/her career, resulting in the fact that the employment relationship necessitates exchange. Several examples demonstrate the fact that the frontier workers are actively contributing to developing themselves (e.g., I27), and this is ranked as the first main concern with regards to the issues surrounding the working environment in Luxembourg.

Enlarging the scope of community reputation, employer branding is an essential tool in TM for achieving employee satisfaction (e.g., I16), which, in return, results in retention, productivity and efficiency. It should therefore be seen as an integral part of TM (Yogita and Shah, 2010). To give an example, the efforts undertaken by a bank in Luxembourg and noted by its HR Manager underline its relevance, such as sponsoring the Luxembourg Marathon or local sports clubs (I11).

All in all, the above presented findings contribute to a better understanding of the concept of TM as applied in HR practice. Furthermore, the findings add to existing literature and enhance understanding of the experience of frontier working. The following section explicates the actions undertaken by HR managers in Luxembourg in order to facilitate frontier working.
5.3.4 Talent Management practices

The interviewed HR managers reported efforts to inform their employees, such as through regular employee meetings (e.g., I10, I24, I30). Therefore, what the evidence from the interviews shows is that the theory that only a minority of organizations inform their people about TM practices (Dries and Pepermans, 2008), and that employees are not aware of the TM practices used in their organization as they are not displayed to them, even if their application might have crucial consequences for their careers (Bournois and Rousillon, 1992), is not valid for the case of Luxembourg. The findings suggest that the frontier workers are already well-informed at the beginning of their careers in Luxembourg, and seek out contact with the HR department and vice versa (e.g., I7, I18, I22). Hence, organizations in Luxembourg subscribe to the view of Sonnenberg et al. (2014) that, in times of borders becoming fluid and talents becoming more and more mobile, the effects of often-expensive TM practices are important to learn. The Luxembourg HR managers thus know of the “communication mechanismus…that signals the expectations of the organization regarding the desired behaviours of employees, and also the organization’s reciprocal promises to these employees” (Sonnenberg et al., 2014, p. 272).

Examples from the key informants indicate that the opposite of what Dries and Pepermans (2008) state is true, and that the “talents” – here the frontier workers – are well informed as how to go about managing their careers. One frontier worker was admitted to pursuing an MBA study in addition to his work (I27), and one HR manager gave the example of regularly switching functions to climb the career ladder (I19). Therefore, in Luxembourg, it is not the case that there is a “secretiveness” that exists among the workforce with regards to the practices applied in their organizations (Dries and Pepermans, 2008). Taking this further, according to Stahl et al. (2012), “practices are only ‘best’ in the context for which they were designed” (p. 26). This is particularly true for the Luxembourg context, where the HR managers strive to design TM practices with a specific focus on the demands of the frontier workers, such as flexible working hours (e.g., I24, I33).
According to Ashton and Morton (2005), TM practices are increasingly implemented in a global context, due to the internationalization of businesses. The specific practices as applied in Luxembourg can be considered as a model for global TM practices, where the HR manager strives to facilitate working by introducing practices adopted to the special requirements of the frontier workers, such as mobility and commuting (Section 4.6.2.2.2.2). Shen and Hall (2009) researched the global dimension that is reflected in TM practices, and suggest that connectedness to the job, the colleagues, the organization and the community have an influence on the desire to stay with the same employer. Frontier workers explicitly choose Luxembourg as their place of work because they like the exchange on the macro, meso and micro levels (e.g., I8, I17). According to Al Ariss et al. (2014), there will be a shift from an employee focus to a focus on globally available talents, and “practices will be customized to the individual level and often defined by workers themselves” (p. 178). This theory from Al Ariss et al. (2014) can be underlined by the fact that, due to Luxembourg’s important role in the global market, with many international headquarters based here (e.g., Amazon, eBay, Google), HR managers in Luxembourg adopt a global lens and listen to their employees. This is demonstrated by regular employee meetings or company events (e.g., I12, I33).

Luxembourg can act as a good example of globalization, since the labour market is embedded in European and worldwide business (see Chapter One, Section 1.5). HR managers explicitly look over the borders to identify their talents, when they put adverts in newspapers in the bordering countries or visit nearby universities (e.g., I12, I13). Hence, it is confirmed that, along with increasing economic integration beyond the country border, globalization strongly impacts on the struggle for talents (Beechler and Woodward, 2009). The statement from Evans (2011a) can be confirmed, that the HR managers in Luxembourg seem to be aware that frontier working talents need to be treated in a special way, but that they deserve a lot more attention in the future in order to successfully cope with the challenges in the Luxembourg labour market, with its broad links to the global market. The demands from Luxembourg employers are increasing, and organizations even poach from each other to get the right talents on board (I28).
The above sections presented the conclusions drawn from reviewing the whole study. The results of this research show that frontier working in Luxembourg can be considered as a model for the successful application of TM. The findings shed light on the significance of the professional application of TM practices in order to attract, hire, retain and develop people in the “special” and “unique” working environment of Luxembourg.

5.4 Summary

The analysis offered a description of the whole data set. Challenging the fact that frontier workers fill the gap of talent supply in Luxembourg, the experiences of frontier working in Luxembourg were looked upon from a TM perspective, as well as what the implications on the work of the HR managers are. Analysing the two perspectives from the key informant interviews generated unanticipated insights into the phenomenon of frontier working in Luxembourg, due to the fact that – to the best of my knowledge – no other study has been undertaken on the topic so far. Comparing the views of the two perspectives turned out as an advantageous feature of the study as it enhances understanding of the experiences of frontier working by deriving findings from the data analysis. As one result, the qualitative analysis allows the informing of TM practice development by indicating how HR managers deal with frontier workers in Luxembourg. The practical implications that resulted from the interviews will be presented in Section 6.4. As the analysis shows, the author obtained broad access to the participants’ knowledge and experiences by approaching key informants to become interview partners with the help of the Head of HR or via the HR network. The findings serve to reinforce the need for future research into this hitherto under-explored phenomenon. However, it is questionable as to whether the findings can be applicable to other settings, and hence become generalizable (see Section 4.3), since more research has to be done on the topic.

Chapter Six will comment about how the study has met the stated objectives.
6 Conclusion

6. Introduction to the conclusion chapter

This research aims at understanding frontier working in Luxembourg from a TM perspective, relating this to theory and exploring it in this work. The conclusion chapter will review whether the underlying aims of this study – to answer the research question and to meet the objectives – have been met.

This chapter now describes how the findings that have been discussed in Chapter Five contribute to existing literature about frontier working and GTM and comments on the research’s claims to originality. Furthermore, the conclusion chapter analyses the strengths and limitations of the study and presents the practical implications for both frontier workers and HR managers as well as their organizations. The study finishes with recommendations for both frontier workers and HR managers in Luxembourg, as well as their organizations, and addresses the potential avenues for future research.

6.1 Overall conclusion

Frontier working can be categorized as a dominant and relevant phenomenon, not only in Luxembourg, but also in Europe (European Parliament, 1997). “Talented” frontier workers play a crucial role in closing the gap of talent supply by adding their knowledge and experience to organizations whose HR managers implement practices that lay the foundations for a fruitful partnership.

The study responds to Collings and Mellahi’s (2009) call to research the experiences and perceptions of talented employees as a still under-researched phenomenon in HR.

The study contributes to closing the gap in the field of frontier working, which, to date, has been dealt with only from geographical, sociological and historical points of view (Fehlen, 1997; Wille, 2012; Trausch, 1992). This study has aimed to address this gap by providing more qualitative understanding of the
phenomenon of frontier working, and by relating it to research carried out on frontier working and related concepts viewed from a TM perspective.

The research question was:

What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?

This study is explorative and aims “to find out what is happening and to understand the context background” (Saunders et al., 2012, p. 377). Research-specific concepts were developed that evolved from the data collection.

This study offers claims to originality because it purposefully chooses the collection of qualitative data as it is characterized by its “richness and fullness and opportunity to explore a subject in as real a manner as is possible” (Saunders et al., 2012, p. 546). The usage of 35 semi-structured, face-to-face interviews with key informants, including a pilot of five interviews, suggests an appropriate means to investigate a phenomenon that, until now, has lacked attention, and can be considered an appropriate method for obtaining a rich account of data that can be explored further. The semi-structured interviews were guided by a list of themes dependent on the course of the interview conversation without strict order (King, 2004). The significance of establishing personal contact during the interviews turned out to be of relevance, since managers tend to prefer being interviewed to participating in a survey (Saunders et al., 2012).

Thematic analysis, as a “foundational method for qualitative analysis” (Braun and Clarke, 2006, p. 4) turned out to be a suitable tool for condensing a large body of data into three key themes. Analytic induction research, commencing with a clearly defined research question and objectives, was used, including a number of repeated steps to “find explanations that are well grounded in the context being researched” (Saunders, 2012, p. 575). Verbatim quotes from interviews were used to report qualitative data results and to support the text (Kvale and Brinkmann, 2009), as well as notes taken on an interview logbook sheet to record what had been observed.
Answers were derived from an analysis process that extended over a period of 10 months, from September 2013 until June 2014. It involved repetitive reading of the interview transcripts, the notes taken in the interview logbook sheets, the key literature about the subject and the methodology, as well as reflection on the whole process.

Therefore, as a result of the analysis of the qualitative data discussed in Chapter Four and based on the findings of this study, the three key findings that were presented in Section 4.8, in relation to the research objectives (see Chapter One, Section1.3), can be confirmed. Objective one and two were commented explicitly in Chapter Five, Section 5.2., that detailed the experiences of the frontier workers in Luxembourg and the important features of frontier working as well as the key TM issues according to HR managers in Luxembourg. Section 6.3.3 will provide more detail about how this study met objective number three to inform HR practice by reflecting the perspectives of both frontier workers (existing/future) and HR managers as well as the practical implications.

The concepts that emerged from the literature review were compared with the results of the empirical research, which used qualitative interviewing techniques and were evaluated through thematic analysis.

This study has found that frontier working in Luxembourg represents a large number of TM facets such as employing specific recruiting activities targeting at hiring frontier workers (see Table 4.4) or setting up TM policies aiming at facilitating their work and retaining them.

The research findings have been put into context with existing theory and concepts on GTM, hence showing the significance of these findings (Bryman and Bell, 2003; Yin, 2008).

Overall, therefore, this study shows that the research met the objectives set at the beginning and based on the evaluation of the findings serves to answer the underlying research question, “What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a TM perspective?”.
The conclusions of this study inform practice through an in-depth investigation of the phenomenon of frontier working as a novel concept emerging in the frameworks of GTM and global talent mobility. This research is able to advise practitioners, i.e., frontier workers and HR managers, by drawing best practice from the interview data.

6.2 Strengths and limitations of the study

Strengths and limitations must be acknowledged.

6.2.1 Strengths of the study

This study links the two interesting phenomena of frontier working and talent management by investigating the case of Luxembourg, a context in which there is demand for talented employees. Thus, it chooses a novel avenue in an as yet under-researched field in IHRM and GTM.

The study employs a conscious choice in terms of literature in four languages, i.e., English, French, German and Luxembourgish, with the purpose of presenting the main discussions in the field of TM and frontier working. Apart from existing literature on TM with a special focus on the latest publications exploring the terms “talent” (e.g., Al Ariss et al., 2014; Gallardo-Gallardo et al., 2013; Dries, 2013; Tansley, 2011) and TM (e.g., Iles et al., 2011; Collings and Mellahi, 2009; Cappelli, 2008; Lewis and Heckman, 2006), this work covers a variety of literature, such as from sociology (e.g., Wille, 2012; Krämer, 1998, 2004), geography (e.g., Hamman, 2008; Dumont et al., 2008; Meyerhofer et al., 2004) and history (e.g., Trausch, 1992) as another strength of the thesis in order to present an overview of frontier working in relation to TM and underline what is distinctive about Luxembourg. Although those sources acknowledge the importance of frontier working for the Luxembourg labour market, they do not further engage in the debate, but only indicate this gap (e.g., Trausch, 1992; Wille, 2012).

This work also engages with practitioner literature as another strength of the thesis with the aim to present a full picture of frontier working in relation to TM
and highlight what is special about Luxembourg. The practitioner literature was presented in the form of reports (e.g., IBA, 2009, 2007, 2006, 2005; CEPS/INSTEAD, 2004), diverse documentation that describe the working environment in Luxembourg (e.g., Löh, 2011; Lawson, 2010), the analysis of official statistics with regards to the frontier working labour market and region development aspects (STATEC), as well as studies from consulting firms that mostly contain numerical data (e.g., KPMG, Deloitte, PwC).

For the purpose of informing research and practice, this study used an interpretivist perspective to explore the phenomena of TM and frontier working that according to Saunders is particularly appropriate in human resource management (Saunders et al., 2012, p. 137), hence contributing to research in HRM. It engaged a defined series of steps in the data collection process and involved three well-planned and organised stages of fieldwork, i.e., the preparation, the key and the closing phase that could be used as a model for future research.

A thorough and ample pilot study, involving five interviews over a period of two months, brought about the refinement of the interview guidelines and the interviewing techniques. The experiences and learning from the pilot helped towards gaining confidence in the right approach and reflecting on the ethical issues related to interviewing.

The use of key informants as interviewees, i.e., the “talented” frontier workers and HR managers that meet pre-defined criteria as set out in Chapter Two, Section 3.2.1.2, is another strength. The study applies qualitative, semi-structured interviews with key informants as a suitable technique for collecting a rich account of frontier working in Luxembourg and to finding answers to the research question. Using empirical research, the sample size of 30 interviews for the main study covered a variety of aspects and revealed interesting features of frontier working.

On top of that, all interviews were transcribed verbatim by the researcher and translated into the English language, accompanied by a rigorous set of processes that gives confidence about what the respondents reported.
Applying thematic analysis as the selected analysis framework offered flexibility in exploring the results. A systematic analysis process, as proposed by Braun and Clarke (2006) was chosen and enabled to identify the most compelling themes from the data and the main issues for frontier workers in Luxembourg as well as the implications for HR practice.

The findings include illustrative and compelling in-vivo quotes from the interviews as supporting evidence, thus giving a sense of the phenomenon of frontier working viewed from a TM perspective.

6.2.2 Limitations of the study

Section 3.1.6 set out a framework of criteria for reliability, validity and generalizability, such as compiling a full record of the interview, including contextual data. In this study, interviews as well as direct observation and taking notes are the multiple sources for evidence. Furthermore, interview guidelines were handed out to the study participants beforehand “to promote validity and reliability” (Saunders et al., 2012, p. 385). As the volume and breadth of the data content reveal, I obtained broad access to the participants’ knowledge and experience (Thietart, 1996), thus increasing the trustworthiness and authenticity of the data (Lincoln and Guba, 1994). The interviews explored “responses and themes from a variety of angles” (Saunders et al., 2012, p. 384). However, the following limitations must be acknowledged.

The issue of generalizability, which shows the extent to which the findings are applicable to other settings (Saunders et al., 2012, p. 671), has to be taken into account when using data collection techniques such as interviews. Given its limited size and particular labour environment, Luxembourg holds a unique place in Europe and even worldwide when it comes to business opportunities and institutional frameworks. Hence, it can be considered as having settings and conditions that might not be transferable to other places in the world. So, one has to question whether comparable studies could be undertaken or conclusions and comparisons drawn to the case of Luxembourg. It would be a good idea to try this out in practice with another researcher at another time.
The issue of validity, i.e., to what extent the data collection methods accurately measure what they intended to measure or to what extent the research findings are really about what they profess to be about (Saunders et al., 2009) also has to be addressed. Validity in this study has been achieved through thoroughly preparing and conducting 35 semi-structured interviews. The findings show that the themes were explored from a “variety of angles” (Saunders et al., 2012, p. 384), i.e., through the perspectives of frontier workers and HR managers. However, one area where I had no influence lies in the fact that the outcome of the research is highly dependent on the quality of answers gathered in the interviews. The question therefore concerns how broadly I obtained access to the participants’ knowledge and experience. The details from the 30 interviews of the main study reflect the quality of the interviews and the depth of the data.

This research includes interviews with “talented” frontier workers only, hence the use of an exclusive approach to TM. As the findings from the literature review have shown, a debate is taking place in academia when it comes to clearly defining “talent”. However, extending the scope and including interviews with a broader range of interviewees, such as unqualified frontier workers or blue collar frontier workers, might reveal additional insights into the phenomenon and bring about a different outcome, although it could also report the same needs. However, this would mean a different conceptual framework and criteria, which would have to be adapted accordingly.

The sample involves interviews with two Luxembourgish HR managers only. So one could argue that the locals are under-represented. This lack of Luxembourgish respondents is related to the fact that Luxembourgish nationals mainly work in the public sector (see Section 2.3.2, p. 53 and Section 5.3.1, p. 193). At the time of the composition of the sample no further Luxembourgish HR manager from the three sectors under research, i.e., banking, service sector and industry, could be found. However, this limitation does not have any implications for my research nor the status of my findings, since this study does not distinguish between the four nationalities per se as reflected in the data analysis. The only distinction is that the interviews were undertaken in the participant’s mother tongue, but later on have been translated and transcribed into English for the purpose of analysing. The objective of the study was to identify the key TM issues
according to HR managers in Luxembourg by drawing conclusions from their experiences and the implications for their organizations in respect to the employment of frontier workers, irrespectively of nationality. Table 3.3 (p. 100) sets out the personal criteria for the interview participants, but does not specify any personal condition for being HR manager.

A potential limitation needs to be acknowledged in the fact that the majority of the interviewees, i.e., 12 respondents, belong to both groups of key informants, i.e., frontier workers and HR managers, thus having both roles. However, I have made it clear in the interviews with the HR managers when I asked them to first contribute with their professional views on TM issues and only at the end add their perception of being frontier workers, as stated in Section 3.2.1.2, page 100. In the cases where HR managers contributed with interesting personal comments, these are indicated as such in the findings chapter (Section 4.6.2.3).

Another potential limitation is caused by the timeframe for this research of 48 months in total. This study represents a snapshot of the current working environment in Luxembourg and the implications for HR practice. Repeating the study at a later moment in time might reveal a different outcome, since Luxembourg, as one of the 28 EU Member States and embedded within the European institutional environment, is a dynamic economy and cannot be considered as isolated from global occurrences. In the case of more and more global players leaving the scene of Luxembourg, there would be negative consequences for the whole structure. There is currently a tendency for banks to reduce their personnel and/or relocate to other cheaper locations, because Luxembourg is in the top ten of the most expensive business locations worldwide. Thus, if people lost their jobs, less tax income for the Luxembourg State would be generated, which would result in reduced social benefits, rendering frontier working in Luxembourg less attractive.

The study has been undertaken by a scholarly practitioner (Chapter Three, Section 3), hence there might be a potential bias based on the researcher’s own perspective, assumptions and interpretations. I have tried to limit my bias with a sound theoretical base as the foundation of the process. Related to this, an interviewer bias could occur, with the fear that sensitive questions could follow. I
aimed to avoid this during the interviews by thoroughly instructing the participants beforehand, referring to ethical issues such as confidentiality and anonymity, and creating a feeling of trust and respect. The questions asked during the interviews were based on interview guidelines that I composed myself. Although my exposure as a scholarly practitioner influenced the nature, content and way of posing the questions, I stuck to the advice given in prominent books with regards to interviewing in qualitative research, such as that from Kvale and Brinkmann (2009).

6.3 Contributions of this research

This research makes contributions:

a) To empirical research in this field;

b) To theory about frontier working and related concepts such as mobility, commuting, demographics and diversity; it adds to the existing literature on TM and frontier working, the latter not having received much attention up to now;

c) To the enhancement of professional practice in the area of frontier working and GTM through addressing a real problem, i.e., the lack of “talent” supply in Luxembourg.

6.3.1 Empirical contribution to research

This work studied the perspectives of different stakeholders in the TM process, namely frontier workers and HR managers, thus contributing to the currently missing debates within the research field of frontier working viewed from a TM perspective. It proposes the expansion of the TM paradigm to include the perspectives of stakeholders outside of HR management, such as the individual employee (Thunnissen et al., 2013b) – the “talented” frontier worker.

The study contributes to viewing the phenomenon of frontier workers from a perspective other than numerical, which has thus far been neglected almost completely by researchers (Wille, 2012a).
The study uses a novel, multi-lingual approach as it engaged in reviewing literature in four languages, i.e., English, German, French and Luxembourgish.

The interviews were undertaken in the interviewees’ mother tongue, i.e., German, French and Luxembourgish, thus adding complexity to the research. By interviewing the participants in their mother tongue, no language barriers had to be faced which would have prevented numerous participants to take part in the study and, therefore, it gained access to a broad range of key informants. This is, to the best of my knowledge, the first empirical study that engages with interviewing in the dominant languages that are used in the working context of Luxembourg.

The two different perspectives from frontier workers and HR managers have been treated separately within the individual level, i.e., the frontier worker perspective, and the organisational level, represented by the HR managers. By employing a dual perspective on employees and HR, the research reflects the experiences of both frontier workers and HR managers. While current TM research applies to the HR/organisational perspective only (e.g., Stahl et al., 2007), this study is also looking at the individual level as an additional dimension. It analyses what is distinctive about frontier working apart from language and physical barriers. Hence, it helps to overcome the lack of robust empirical evidence in which the views of the employees, here the talented frontier workers, versus the TM practices applied in their organizations are explored (Sonnenberg et al., 2014).

As a result, the impact of the labour environment in Luxembourg on the work of the individual as well as on the work of the HR managers has been compared and analysed. This adds a different perspective and insights, which stimulates debate and may encourage other researchers to start similar projects in their countries of work, taking into account the views of different stakeholders.

Hence, this thesis that reflects the views of the different stakeholders, e.g., frontier workers and HR managers, is one such example as it allows diversity in the perspectives on what GTM actually is. Thus, the study aims to create value by approaching the phenomenon of frontier working in a novel, non-numerical and multilingual way.
Finally, this study adopts a wider scope than other studies that have so far limited their focus on TM practices to recruiting, leadership and succession planning (Tarique and Schuler, 2010) by exploring the manifold TM activities undertaken in the interviewed organizations.

Given the above, this empirical research offers interesting and significant insights into the phenomenon of frontier working viewed from a TM perspective.

6.3.2 Contributions to theory

The results underline the growing importance of frontier working as indicated in the scarce sources as argued in the literature chapter (e.g. Wille, 2012; Krämer, 1998; Fehlen, 1997; Kessler, 1991) and add substantial value for a better understanding of frontier working and TM practices in Luxembourg.

6.3.2.1 Frontier working

This research has increased knowledge about a thus-far under-explored phenomenon. It closes the gap in the literature on frontier working, since “We practically do not have any information about all what concerns socialization, identity construction, relationship between cross-borders and the surrounding area, etc.” (Krämer, 1998, p. 35), and “Pour le moment le frontalier est une terra incognita”/”The frontier worker for the time being is a terra incognita” (Krämer, 2004, p. 192).

The literature relating to the concept of frontier working such as mobility (e.g., Brewster et al., 2007; Collings et al., 2007; Baruch, 2006), commuting (e.g., Heinz and Ward-Warmedinger, 2006; Van Ommeren et al., 1997), demographics (e.g., Al Ariss, 2014; Beechler and Woodward, 2009) and diversity (e.g., Thomas and Ely, 1996) has been acknowledged, making the study a significant contribution to the body of knowledge in the field of frontier working and TM. To the best of my knowledge, so far no other research has been undertaken that combines the two concepts. So, the study enables others to learn more about the importance of applied TM in respect to frontier working in Luxembourg. It shows that frontier working to a great extent is linked to specific practices and policies that facilitate
the work of the frontier workers, thus resulting in positive outcomes for the latter as well as for the organization. Consequently, the scarce theories that exist on frontier working and TM are supplemented considerably through this study by indicating the implications of my findings (see Section 6.3.3.1). Hence, my study adds to existing knowledge by exploring the topic further on an empirical basis.

The experiences of the frontier workers in Luxembourg that are manifold have been explored. There are four main issues that are in the mind of the frontier workers such as development, flexibility, commuting and networking. The issues and implications of frontier working viewed from a TM perspective concern activities to attract frontier workers; mobility and commuting; training and development; communication and information; and flexible working solutions.

Interestingly, the issues raised by the two groups of key informants (see Section 4.6) show accordance and similarities in themes and patterns and reflect the concepts related to frontier working that have been discussed in the literature chapter (Section 2.4).

To sum up, the study contributes to closing the gap in the field of frontier working, which, to date, has been dealt with only from geographical, sociological and historical points of view (Fehlen, 1997; Wille, 2012; Trausch, 1992).

6.3.2.2 Talent Management

This research contributes to important debates within the field of research on GTM, as a field gaining more and more attention from business and management scholars and practitioners (McLean, 2010).

Although there has been a “steep increase in the total number of publications on TM between 1990 and 2013, the scholarly peer-reviewed literature is lagging behind” (Dries, 2013, p. 273).

This research tests and develops conceptual frameworks for the field of TM (see Section 2.2.2), which “is partly still in its infancy, with some progress towards adolescence” (Thunnissen et al., 2013a, p. 328). Specifically it tests Stahl’s et al. (2007) framework that it is only the HR managers who are asked to typify their organizations’ experiences with TM practices and their underlying rationale,
without taking into account the views of the employees, by adding the position of the talented frontier workers. Furthermore, the study contributes to Festing’s et al. (2013) claim that there is a dearth of empirical research within varying national and organizational contexts by exploring TM in the framework of frontier working in Luxembourg – a country that despite its economic significance in the EU has not received much attention by researchers so far.

This work aims at contributing to breaking up the dominant influence and potentially biased approach of the US-based literature on TM, supported by Collings et al. (2011): “...it is important that insights from beyond the US context influence the debate. This is not a critique of the significant contributions which have emerged from the USA, but rather a call for a counterbalance from different perspectives and traditions.” (p. 455)

Therefore, this study contributes to the existing debate about TM in countries other than the US or the UK where, so far, most of TM research has been carried out, by taking the example of Luxembourg.

This study advances knowledge in this field by showing that, despite being perceived as a crucial topic in HRM and related areas, TM is not (yet) implemented in a strategic and integrated manner in Luxembourg, evidenced in several HR manager interviews. The underlying reason for this is that the phenomenon of frontier working as a means to close the talent gap in Luxembourg is relatively new on the agenda for HR professionals, and more efforts are needed for attracting, hiring, developing and retaining them. As argued already, previous studies on TM have not addressed frontier workers specifically. Therefore, the study extends literature that applies to the HR/organisational perspective.

Furthermore, this study adds knowledge to the existing resource based view model (RBV) (Collings and Mellahi, 2009) which underlines the contribution of the individuals who are pivotal for their organization (Tansley, 2011; Thunnissen et al., 2013b).
6.3.3 Contributions to practice

One of the objectives of this study is to inform practice with regards to the issues related to frontier working through the perspectives of both frontier workers and HR managers, and to identify the implications for HR managers in organizations that employ frontier workers.

The role of the frontier workers in Luxembourg and the implications of frontier working on the work of the HR managers and their organizations show the importance of the phenomenon.

The findings from the rich data within a heterogeneous sample collected in 30 key informant interviews create new insights that have not been known before by highlighting what makes Luxembourg distinctive to other countries with a frontier working population and comes up with advices for existing/future frontier workers and HR managers that facilitate their work and can be used as guidelines for organizations and HR practice in Luxembourg.

This phenomenon-driven research offers an in-depth review of TM practices as applied in Luxembourg. It helps frontier workers and HR practitioners to deal with the TM issues faced by their organizations, help that can be shared between different academic domains or between HR and non-HR leaders in organizations.

New knowledge has been created in the form of the implications of the working environment in Luxembourg with the data looked upon on a macro, meso and micro level for the frontier workers as well as for the organizations. The contributions of the individual, “talented” frontier worker indicate his/her particular value for the organization, that, on the other hand contributes with setting up specific TM practices to address the needs and to recognise the importance of the frontier workers with the aim to retain them.

As a result of the data analysis, the following implications for frontier workers (existing/future) and HR managers in Luxembourg, as well as their organizations, are derived from the analysed data. Those could be used as a guideline for existing/future “talented” frontier workers and organizations/HR managers.
6.3.3.1 Implications for “talented” frontier workers (existing/future)

a) A frontier worker who has been working in Luxembourg for quite a while is curious about what is going on in the country, such as which new companies are setting up, who is recruiting or what changes there are in taxation. He/she is informed about what salaries are paid for the same job and what next step in one’s career – within or outside of the company – is reachable. This indicates that the frontier workers do “have a Plan B.” (I34)

b) The companies, service providers and the government in Luxembourg organize a lot of conferences and frontier workers participate. Conferences or other types of meetings outside of normal work are a good opportunity for the frontier workers to learn more about Luxembourg and to get to know new people (e.g., I26).

c) The companies in Luxembourg invest more and more in training nowadays, and frontier workers do not wait for the HR department or the line manager to offer but, instead, engage in asking. Frontier workers are well aware that technical skills are the differentiating factor for continued success or failure (e.g., I27, I34).

d) The findings showed that frontier workers are attracted by the salary in the beginning (e.g., I23, I25, I30). However, the interviewed frontier workers do not focus solely on money, but also evaluate other factors, such as business climate and working environment.

e) The frontier workers are aware of the influence of multi-national colleagues on their work and respect different habits and working styles (e.g., I20, I29). They are open-minded and flexible. This is a lesson for every new frontier worker in Luxembourg and requires some time to adapt, the duration depending on previous experience.

f) Language skills are very much a precondition for being employed in Luxembourg, and can be the knock-out criteria during the application process (I9). Therefore, a future frontier worker or an existing frontier worker trying to change employer is capable of speaking at least one other language besides the mother tongue. In order to achieve this, the
employed frontier worker asks for language classes, either paid for by the company or organized by him/herself. Someone who is reaching out for working in Luxembourg starts to qualify for it as soon as possible, by asking the questions “Do I meet the needed language requirements for my future job?” or “What can I do in order to reach an acceptable level?”

g) Frontier workers know of the need of getting to know people, becoming visible to a potential new employer, showing oneself as flexible and mobile, and adopting the correct behavior.

h) The working environment in Luxembourg has been described as “unique” (I19, I21). Being small, and with people knowing each other, it is a must to stay politically correct and gain trust from decision-makers, such as public figures and ministers as influential players on the scene. Therefore, being down-to-earth and behaving ethically correctly is one key for success. This observation also applies to the HR managers.

6.3.3.2 Implications for organizations and their HR managers in Luxembourg

a) It is common TM practice in Luxembourg that HR managers connect, exchange and build a network. So HR managers take every opportunity to meet other business people, not just those working in the same function, to find out what is going on in the labour market in Luxembourg and to be up-to-date about what profiles are requested. Several interviewees underlined the importance of visiting fairs or attending conferences to share experiences and knowledge with others (e.g., I7). Becoming a member of a business club, such as the Personnel Officers Group (POG) or HROne, was recommended as a forum for mutual benefit (I16).

b) Organizations in Luxembourg create a reputation as an employer, such as through participating in the “Great Place of Work” competition (I16) and putting efforts into employer branding, such as advertisements, participating in Corporate Social Responsibility (CSR) projects like “Concert against Cancer”, or presenting the organization at a university fair (I31, I33).
c) Organizations in Luxembourg strive to develop and improve internal and external communication in order to be visible for potential talents (e.g., I7, I12). This starts with internal actions, such as career and succession planning, regular feedback talks, and employee meetings to update the workforce on how the business is going and the plans for the future, and is brought further to the business community via interviews in newspapers or similar. These undertakings are helpful for attracting new co-workers, and they mainly target frontier workers as they possess the required competencies and experience.

d) Employers in Luxembourg need to offer attractive packages to attract and retain their personnel. Since the labour market is narrow and, as the research has shown and confirmed, talents are hard to find, companies must remain competitive in order to successfully retain and also to recruit new people. Therefore, organizations invest in benchmarking studies and share this knowledge with their talents and management (e.g., I12, I16).

e) Given the specific working environment in Luxembourg as stated, HR managers prepare their frontier working personnel for a different way of doing business, and therefore provide inductions and other types of get-together to reflect the implications of the mix of working attitudes and styles in their diverse workforce (e.g., I24, I32).

f) Frontier workers present themselves open and adaptable, flexible and geographically mobile (e.g., I7, I11, I16, I19). HR managers keep in mind these prerogatives during a recruitment interview and stress them to frontier workers, especially to those who have never worked in Luxembourg before. HR managers also challenge whether the candidate is willing to travel for work or even consider going abroad for a certain time.

g) The findings suggest that lifelong learning is a fact in Luxembourg (I19). Therefore, HR managers convince their boards about the necessity of investing in training, facilitated by the fact that the Luxembourg State contributes with 20% for each training course. This training is not be limited to gaining technical knowledge, but also includes soft skills as a
result of GTM, where talents move for the job more and more easily, with one example being frontier working.

h) HR managers are savvy when it comes to changes in labour or tax laws, and take responsibility for their collaborators in HR being trained (e.g., I7, I16). Therefore, they organize information sessions or invite respective service providers for a workshop. Luxembourg is small, and one would assume that the approach to business is similar to that in the surrounding countries; however, HR managers are aware of the different habits and cultures (e.g., I9, I10, I20, I26). This is mentioned during the hiring interviews and a lot of thought given as to how and whether the person is a proper fit for the company.

6.4 Implications for future research

This study used an inductive, qualitative approach to research with semi-structured interviews in organizations within the main fields of employment in Luxembourg, i.e., industry, the service sector and banking.

Future research could be extended into other private sectors of employment in Luxembourg, but could also be undertaken in the public sector or NGOs, as they were not the targeted units of analysis in my thesis. This could create new insights and challenges. Another interesting area of frontier working and its implications for TM would be to analyse further and in more depth the value of TM for society, as well as TM across other geographical regions that are under-represented in literature, such as Africa. Such studies could make a significant contribution to the understanding of GTM issues and the value that the appropriate application can add to organizations. Additionally, it could raise the awareness of MNCs in countries other than the US and Europe, which are the dominant countries so far within TM research, with Asia, predominantly China, gaining in importance (Zhu et al., 2013). In the best case scenario, it could prevent taking the wrong people on board due to the negligence of essential factors, such as relationship building or lifelong learning (e.g., I7), to give an example from the findings.

Taking the research on frontier working viewed from a TM perspective a step further, one could broaden the sample of interviewees to external stakeholders,
like government officials or service provider employees, in order to include additional views. This study already goes beyond the scope of other research by also conducting interviews with employees rather than with employers alone (Stahl et al., 2007).

Another idea consists of distributing questionnaires in order to test the findings within a larger audience. Furthermore, the boundaries of “talented” frontier workers could be broadened by adopting an inclusive approach that does not just consider persons that meet specific criteria – i.e., the “exclusive” approach. In a similar sense, people that hold positions other than those in HR could be selected as interview partners, which would increase the scope of the research.

Finally, since this study represents a snapshot in time, therefore, another idea would be to repeat the study after two or three years and compare the findings with the earlier study. In addition or alternatively, a longitudinal study over an extended period of time longer than employed for this research could complement this study.

To sum up, there is a great potential for research into frontier working and its implications on HR practices. The study investigated the phenomenon of frontier working from a TM perspective. The findings to the research question bring further questions into the literature and the practice such as what are the implications of frontier working viewed from a perspective other than TM, or looking into the phenomenon from an OB point of view to give examples. Furthermore, the research presented here may serve as a model for other researchers that use thematic analysis as a process for encoding information gained through interviews, and a way to look beyond the surface of oral information.

6.5 Concluding remarks

The perceived and empirically-evidenced talent gap is a challenge for employers, not only in Luxembourg where, to a large extent, it is covered by frontier workers, but for organizations worldwide. By 2030, Western Europe alone needs to grow its active workforce by 45 million people (World Economic Forum, 2011, p. 5). Thus, it will be the paramount task for organizations to attract, hire, develop and
retain the new generation of young graduates, with its differing perception of working. As Rana Ghandour Salhab, talent and communications partner from Deloitte, states in its Annual Millennium Survey (cited in Daily News Egypt, 7 April 2014, p. 4), “Business needs to show millennials it is innovative and in tune with their world view. Fostering a culture of innovation will not only help retaining high-performing talent but it will also drive growth by creating opportunities for individuals to unlock the next game changing innovations.”

This research described the characteristics of frontier working applicable to the Luxembourg labour market, and for existing or future frontier workers and organizations that employ frontier workers. It offered ways to identify the key issues surrounding frontier working according to HR managers in Luxembourg, drawing from their experience as well as from the frontier workers themselves. Hence, it answers the question “What are the experiences of frontier workers in Luxembourg, and what are the issues and implications of frontier working in Luxembourg viewed from a Talent Management perspective?” Overall, the study provides insights into the worldwide increasing phenomenon of frontier working, and develops an understanding of the underlying issues.

In conclusion, this study has shown that frontier working is a phenomenon of particular relevance. Luxembourg, although small in size and population but with the second highest GDP per capita in the world, can act as a model for successfully applying TM practices that make it attractive for frontier people to come to work to Luxembourg. Given our increasingly interconnected world, and opportunities such as open borders for residents of the EU Member States, the numbers of frontier workers will grow. Ultimately, then, this topic deserves to be more highly ranked on the agenda, not only in business and management, but also in academia, with the goal of offering solutions for further advancement in the field of GTM.
7 Reflections

7. Introduction to reflections

“Reflexivity is now the defining feature of qualitative research.”
- (Finlay, 2002, p. 211)

As an interpretivist researcher, I adopt a reflexive focus in this reflection chapter, which marks the final point of my study. It is a good habit at the end of a thesis to reflect on the experiences and lessons learned during the DBA journey. It is the time to look back to how it all started and what has happened along the way. It gives space to reflect on what I could have done better and how I will put my newly gained knowledge and skills into practice.

7.1 The journey to my doctorate project: from crafting activities to the write-up phase

So why did I chose to pursue a DBA?

In August 2010, when I was in the final phase of my MBA studies at EUFOM in Luxembourg, one of my professors approached me, asking if I could provide interview partners to one of his colleagues for a research project on Russia, knowing that I was in charge of a Russian operation. It turned out that the person who was searching for interview partners was doing a DBA at Surrey. So, learning more about it, I became interested and collected information, thinking, well, the DBA is a logical step after the MBA.

In addition to that, a lecturer in my MBA classes one day said, “You guys should always have a plan B and keep your CV updated on a regular basis.” My plan B was to go into teaching and, therefore, possessing a doctorate would make the access easier.
So I phoned up the DBA director at Surrey Business School, who informed me about the possibility of joining the next German cohort that was due to start in November 2010. This information troubled me a bit, because at this point in time I was just starting to write up my MBA thesis. Since it was not definite when and if there would be another cohort at Surrey (and thus far there were no more German cohorts), I decided to apply. On 10 September 2010, I submitted my research proposal, “Next Generation Talent Management”, to the corresponding department responsible at IBS in Bad Waldliesborn, which was the partner institute to Surrey. Only three weeks after this, I was admitted. I remember well the admission officer telling me that Surrey had never before given such a fast reply to a proposal, and that he had never seen such a convincing and lively one (he even asked for permission to put it on their website as an example). The official confirmation letter was sent on 18 October 2010.

My DBA activities started on 19 November 2010 with our first workshop, and I agreed to act as the Cohort 6 representative. Four more compulsory workshops were planned, spanning until November 2011. All modules were taught in Bad Waldliesborn, a small spa resort for retired persons in northern Germany. There were therefore no distractions besides “Die Kajüte”, a nice pub next to the hotel, offering superb mojitos!

But let us now see how the story line unfolded:


Here, my first impression was that entering the philosophical world is a challenge. I must admit that I was not familiar at all with terms such as epistemology or ontology. It was therefore challenging for me, and I remember well the article by Robert Chia entitled “The Production of Management Knowledge: Philosophical Underpinnings of Research”. Reading it for the first time, I felt overwhelmed by so many “strange” definitions. Nevertheless, diving deeper into this new world, along with the useful orientation provided by the course instructor during the workshop, strengthened my wish to continue. The fact that I was awarded a good pass confirmed my resolution to stay on.
Second module: Quantitative Research Methodology (11–13/03/2011):

In this weekend workshop, we were introduced to the world of numbers and statistics in research. Since I had studied economics, I was already quite familiar with quantitative methods. On top of this, I had used SPSS for my MBA thesis. This module was therefore rather easy and quickly comprehensible for me. Hence, developing a small-scale quantitative research questionnaire on happiness, defining hypotheses and applying different tests (my favourite: Kolmogorov-Smirnov) for the assignment was not a big challenge for me. Nevertheless, I was happy when the feedback was excellent and the outcome was another good pass.

Third module: Qualitative Research Methodology (10–12/06/2011):

This module contributed to opening my eyes to non-numerical research methods. After learning the different techniques of how to analyse qualitative data, and supported by the workshop’s chairperson, I leaned towards this path for my intended research project. I tested the acquired knowledge in the assignment and was awarded a good pass.


Due to work obligations, I only joined this workshop on the second day, and struggled to gain access to the content. Because of this, I missed the analysis of the first two articles that the course instructor had distributed as an introduction, and found myself puzzled for half of the day. The instructor solved this by showing me practical examples for critical evaluation, and gave me many tips on how to improve my writing. This module helped me a lot in sharpening my critical thinking capabilities. I was really glad to hear that my assignment was of doctoral standard (I was awarded a good pass) and that I was able to carry out critical evaluation at a good level. However, I did better in assessing the qualitative study of the two, thus encouraging me to choose this method.

Combining work, family and study has taught and urged me to be well organized, so this module was the funniest part for me, since I like planning. In addition to this, I was clear from the beginning on what I wanted to explore, so this module gave me the opportunity to pin it down. The course instructor showed us several examples for good and not-so-good proposals, which I found very useful. She also gave me the suggestion to include the institutional context into my research proposal. Writing this last assignment for the DBA was a great pleasure; I was awarded a good pass, and it gave me the feeling that I could make it through the rest of the DBA. Part of this last module was to come up with a preliminary timeline, which looked as follows:

Figure 7.1: DBA timeline process

(Source: author, 2014)
What were the next steps?

I started to review the literature related to my research subject. This phase lasted from December 2011 until September 2012. On 22 July 2012, I submitted the first draft to my supervisors, containing 30,000 words. Following their recommendation, I shortened it and resubmitted it on 23 September, reduced to 11,500 words. Together with my supervisors, we decided to leave it as it was at that time and to concentrate on the methodology. I submitted the first draft on 10 March 2013. Further actions, with written accounts submitted, included the analysis of the first four interviews by applying thematic analysis on 2 December 2013; an “audit trail” for data analysis and the first results of the thematic analysis for the remaining interviews on 20 February 2014; the first draft of the analysis chapter on 4 April 2014; and the thesis outline draft on 26 April 2014. During the write-up phase, which started at the end of 2013, I sent a reworked draft of the literature review on 7 May 2014, and on 21 May 2014 I sent one for the methodology chapter. A full set of chapter drafts was sent to my supervisors on 21 June 2014. Over the following months, I worked on the revisions, with a specific focus on crafting and getting right the research question and the objectives of the study, and I also amended the distinct chapters. A further focus was on reworking and updating the remaining chapters and composing the discussion and conclusion chapters, as well as checking the references with regards to being correct and complete.

7.2 Accompanying activities: summer schools, conferences and workshops

My DBA journey was accompanied by other diverse activities, which contributed to becoming more and more integrated into academe.

- **Surrey Summer School** in Malvern (03–07/05/2013), which was organized for the first time. Although it was mostly PhD students attending, and only three DBAs, it was a nice forum for exchange in the pleasant rural environment at the ELIM Conference Centre.
• **UFHRD conference** in Famalicao, Portugal (23–25/05/2012), where I presented my topic in the doctoral colloquium. This helped me to reflect on the focus of my research, and provided beneficial feedback and tips. I particularly enjoyed the relaxing atmosphere and the uncomplicated exchange with other scholars.

• **EDAMBA Doctoral Summer Academy** in Sorèze, France (24–30/07/2012) brought together a community of 40 different doctoral researchers with 35 different nationalities. It was a forum to engage with Imre Lakatos’ “Falsification and the Methodology of Scientific Research Programmes” and Karl Popper’s “Conjectural Knowledge: My Solution of the Problem of Induction”, as well as logical and rhetorical skills for reading research texts, and the concepts of knowledge and knowledge management. Participation required writing a paper, attendance at lectures, a presentation, acting as a discussant and a final review by the Academy. It took place in the beautiful Sorèze Abbey School. I am still in exchange with some of the participants.

• **First thesis workshop on literature review and future methodological plans** in Surrey (25/08/2012), where we presented our findings and reported our progress. It was chaired by my main supervisor, who delivered invaluable advice.

• **Second thesis workshop on methodology** in Surrey (16/03/2013), in which the instructor stated “A very comprehensive run through” on my presentation.

• **Strategic Human Resource Management Workshop, EIASM,** at Copenhagen Business School (15–17/04/2013) was my first academic workshop dedicated to HRM, and gathered 62 scholars from all over the world. As per HR people’s nature, we had vivid discussions on all kinds of HR issues. The comments from the audience on my presentation were very helpful.

• **UFHRD conference** in Brighton (05–07/06/2013) meant meeting up with friends from the year before, so it was great – even the weather. I not
only presented my doctoral research project, but also contributed to a paper on Talent Management in Russia.

- **EURAM 2013 conference** in Istanbul (24–29/06/2013): I participated in the doctoral colloquium where, in a group of four people, we discussed our research with a professor from Université Paris-Est and, later on, exchanged with a group of 70 selected doctoral students (45 had not been accepted). This 13th Annual EURAM Conference was filled with presentations and was attended by almost 1,000 participants from diverse research backgrounds and various fields in business and management. I was particularly interested in the Expatriate and International Management streams. Hence, I was a bit disappointed that, despite so many participants, the sessions I attended were poorly attended, thus discussion was limited. But, all in all, Istanbul was a great place to visit, and no disturbances from demonstrations in Gezi Park, which had prevented 200 people from coming to the conference, occurred.

- **Third thesis workshop on data analysis** in Surrey (02/11/2013) provided us with lots of tips for the final phase of our DBA, and the course instructor expressed his satisfaction by saying “You are all well on track.” Unfortunately, only three cohort members were present.

- **UFHRD conference** in Edinburgh (03–06/06/2014), where I presented my topic in the Leadership, Management and Talent Development stream, and received valuable comments concerning the accuracy of the research question and the link to Talent Management.

- **Fourth workshop on progress and findings** (07/06/2014): on this occasion, I met two other DBA students who are doing research on Talent Management, and the only remaining fellow from my cohort. I gave an overview on how I had gone about my research since the last workshop in November, and received positive feedback on the conceptual framework that I concluded from my findings. The workshop chairperson also provided us with tips for a successful completion, and recommended that
we view the Viva as an opportunity to talk about our research in an enjoyable way.

- **Third Talent Management workshop, EIASM**, at ESCP Berlin (13–14/10/2014) where I met several main authors of TM research. I presented in Prof Collings stream who commented that it was a great presentation and that the topic is very interesting and relevant.

To sum up, besides the compulsory workshops, I followed the advice from my main supervisor in our first meeting in March 2012 to take on several opportunities to participate in conferences, as a forum to meet other scholars and to evaluate which professor might be interested in becoming my external examiner in the Viva. So, as presented above, throughout the whole DBA programme I took part in academic activities in addition to doing the research work. This was really the “fun part” of the DBA, where I got to know people and made new friends outside of work and my private life. This also gave me a lot of additional motivation, as it was good to discuss my research undertakings with others, be it other doctoral students, PhDs or university lecturers. It was very pleasant to be accepted without prejudices in the academic world.

During UFHRD 2013, two professors approached me after my presentation about “Opportunities for HRD and Talent Management in Russia within Multinational Corporations: The Case of a Luxembourg Headquartered MNC”, and invited me to contribute to a special issue of HRM (Warsaw). My first paper was published in HRM (ZZL) No. 6, 2013. Furthermore, I was interviewed on 1 November 2013 for RDP’s SurreyLearn series of podcasts on “Doctoral Journals”, to share my thoughts and experiences with the aim of supporting fellow researchers in their research. It was a pleasure sitting on the other side of the table this time and having the role of interviewee. For the UFHRD 2014 stream on “Leadership, management and talent development”, I reviewed two abstracts.
7.3 Learning from the DBA study: experiences along the way

What we, as members from German Cohort 6, were told repeatedly by several lecturers at the beginning really turned out to be true: you need to have a real passion for your project; it should truly interest you. At that time, I could not imagine why a predetermined timeframe of 48 months at a minimum was necessary to complete such a project, or what might happen during my DBA journey. Looking back, even if I could have fully dedicated myself to the DBA when I quit my job for the move to Egypt in mid-2013, such an amount of time was still necessary to complete it. Research work needs a lot of thinking time, and ideas do not just pop up. Furthermore, writing is a highly creative process, which requires sustained concentration. Therefore, I am really happy that, during the analysis and write-up phase, I had the luxury of time to concentrate. But it was still only me having the full ownership of writing and being the only responsible person carrying it forward, even if I always had the support of my supervisors, 4,000km away in the UK. The write-up phase spanned from March until October 2014, when I worked every day except for Fridays (a day off in Egypt), for six hours on average (I noted down the hours worked, which turned out to be a good motivational instrument).

One key piece of learning on my way was to continuously stay on track and use the timeline provided in the student handbook and regulations as a guiding frame. I found that taking a break of several days would make it hard to return, so I tried to keep the flow of energy and motivation going. I found out that working on the thesis every day (if possible) was a lot easier than doing big pieces of reading and long writing sessions and then being away from the DBA for several days. This makes it very tough to catch up again, resulting in wasting a lot of time on reflecting on what I had done last time, and how I could continue and hope to make progress. Of course, I had days where I did not feel like writing, when there was bright sunshine outside (which there is every day in Egypt), and it was tempting to spend a day next to the pool; on the other hand, I set myself deadlines, thinking that the day I would submit my dissertation would give me a feeling of pride, as well as relief. And, I must say, writing became part of my daily schedule and routine, and turned into great pleasure for me – so I really enjoyed it! Every morning, I sat at my desk at 8 o’clock, when my husband and children were off to
work and school, and I started writing with a fresh mind after a jump in the pool, which I also used for reflection on the work done and future steps. The beautiful and warm weather in Egypt created the perfect setting for writing, although the summer heat was tiring.

When writing up the literature chapter, I remembered my main supervisor’s words: “Like a sculptor who starts with a block of stones, just chip away whatever is unnecessary.” This he told me in one of our meetings when I submitted the draft for the literature review chapter that contained 30,000 words; it was way too long. I consider the data collection phase for my thesis as one of the most enjoyable times during my DBA, paired with reflection on my own work and building my network.

From the beginning, I knew that once I had gone through it I would reward myself and go on a long-desired trip to Indonesia, where I had spent three amazing months as a work student for Siemens back in 1990. So, to motivate myself, I posted a picture from Bali on my wall, amidst the figures and tables concerning my research.

To date, I have met my main supervisor ten times in person. My first subsidiary supervisor left Surrey University after one year, and I was assigned a new one. Here is a brief summary of my key learning from the supervision meetings:

1) **21/03/2012**: Discuss collaboration; how research question could look; what my personal interest in the topic is; recommendations on how to approach the literature review.

2) **08/05/2012**: First consideration on methodology; get interviewed to test method; write, don’t just read.

3) **25/05/2012** (at UFHRD in Portugal): Recap from presentation in doctoral workshop with Prof Saunders; discuss content for literature review.

4) **24/08/2012**: Shorten literature review; clarify research aim; consider methodology.
5) **16/01/2013**: Introduction to new second supervisor; discuss interview design.

6) **15/03/2013**: Discuss choice of methods and sampling; reflections on phenomenology ("Is it the right approach?"); organization of pilot interviews.

7) **17/07/2013**: Interview planning (main ones); task to recruit another 20 participants, to have 30 in total.

8) **01/11/2013**: Decide on pilots; reflections on appropriate analysis method; use CAQDAS?

9) **26/02/2014**: Discuss audit trail; reflections on external examiner; task to revisit, review and complete data analysis.

10) **06/06/2014** (at UFHRD 2014 in Edinburgh): Main supervisor attended my presentation.

All the way through my studies, I kept notes and copies of emails with my supervisors and prepared minutes of the meetings (progress reports) after each supervision meeting, where I summarized the key points discussed, the actions undertaken and the next steps. The meetings with my supervisors helped a lot and motivated me to continue. Only on one occasion did I feel a bit puzzled, when my main supervisor kindly asked me in our sixth supervision meeting to respect what supervisors are telling me. The background was that I had continued to conduct interviews after the pilot, although he had told me to refrain and spend more time on designing my methods and the research interviewing approach first. At that time, I had been impatient to start the fieldwork, also bearing in mind that I only had until 23 August, because my plane to my new home was scheduled for the day after. Anyway, in the future, I followed the advice from my supervisors not to hurry, because “research does need time”. The Skype meeting on 14 July 2014 was very important to enable me to become aware of the crucial role of the research question and the objectives.
7.4 Final remarks: the difference the DBA made to me

I perceive my DBA journey as a learning curve where, step-by-step, I became more knowledgeable about research methods and methodology, I worked on improving my writing skills, and developed, not only in my function as scholarly practitioner, but also as a person. From a professional point of view, I see myself as well prepared for an academic career now, and I feel confident that this is a potential and logical next step work-wise. I consider academic writing in a foreign language as a challenge; on the other hand, it is satisfying to fill a paper with my own words and comment on others’ findings and thoughts.

Doing a DBA is rewarding in the sense that it opens one’s eyes and encourages the consideration of as yet unknown topics, such as philosophical underpinnings. It broadens the horizons by allowing the acquisition of new skills, like critical reading and interpreting literature, but I also got to know people I would not have met without starting it. For me, one of the best things about research work is to participate in conferences, where you share your project, learn a lot and meet people from many different places. I now have friends all over the world, not only from work, but also from workshops and conferences. This is really great! Another good thing about doing a DBA – and about research in general – is that I can do it from anywhere, although the fieldwork for this project had to be done in the territory of Luxembourg, with just enough time before my move.

So, looking back to almost four years ago, it seems to me to have been a long time; on the other hand, so many things in my professional and private life have happened that it appears to have been like a short movie passing by. All in all, I am sure I would not be the same person with the same personality without the experiences I had during my DBA journey. In addition, I think there are two things that are required for writing a thesis: crafting one’s skills, and a real passion to solve a problem that rates high on the research agenda and has not been solved by others before.

During these past four years, it happened that every now and then someone from my relatives, friends or family asked me: “How do you manage to tackle a job, family and a doctorate? What motivates you? Would you do it again?” I must admit that, when I registered for the programme, I did worry about “Is it doable?
Am I really capable of bringing it to a successful end?” At the start of the programme, I was in the final stages of doing an MBA, had successfully submitted 15 assignments and was about to submit my master’s thesis. I already knew that I am an ambitious and well organized person, and that the time to relax and spend with the family would continue to be scarce. Nevertheless, having it in mind to go into teaching (where a doctor’s degree is generally a must) and armed with confidence in completing the doctorate, I took on the challenge. The moments in which I regretted having gone on this journey were very rare. The move to Egypt gave me another push, as I think that my professional experience paired with my academic knowledge will be of use in this third world country.

**Briefly, what were the greatest challenges for me?**

- To become familiar with the philosophical underpinnings of research;
- To create a conceptual framework;
- To decide on the research question;
- The long duration – minimum 48 months – of distance-learning, requiring high self-discipline, motivation and organization (what could happen during such a long period of time is unforeseeable);
- The time constraints: a family with four children, a full-time job in Luxembourg during the first 30 months, and two and a half hours per day spent on commuting;
- The high price (self-financed).

**What convinced me to stay on?**

- The support from my family;
- My supervisors and their positive feedback in my first annual review on 16 January 2013 (“Very good progress in the last 12 months”), in my six-monthly review on 12 May 2013 (“Excellent engagement with studies and strong progress continues to be made”) and in the latest annual review on 26 February 2014 (“She continues to make more than satisfactory progress”);
- My deep interest in my field of research, i.e. Talent Management;
• My nature: ambitious and enthusiastic about new things, always eager to learn and develop;
• My plan B: it is preferable to have the title to be able to work at a university, later, or as a consultant;
• My new acquaintances: my German cohort, university lecturers, research fellows met at conferences;
• The exchange with other scholars I met at conferences, combined with the opportunity to visit places I had never been to;
• The professional working environment and nice university location, as well as “my” hotel Asperion (I always stayed there) and its welcoming staff;
• The chance to create and try out something new as an alternative to 20 years of working in the corporate world;
• My interest in the UK: its people, houses, nature… except for the rainy weather. My two youngest daughters are now students at the BISC, the British International School of Cairo.

What is the best thing about doing a DBA?

• Getting to know new people;
• The intellectual reward: satisfaction from writing and reading;
• Honest and invaluable feedback from my supervisors, which kept me going;
• Acceptance by professors and PhDs at conferences, and their sincere interest;
• The feeling of being part of the research community and the academic world;
• Positive results from written assignments;
• Positive feedback on my presentations.

What recommendations would I pass on to future doctoral students?

• Be focused and well organized;
• Stay committed to your studies;
• Be conscientious in meeting deadlines;
• Maintain regular contact with your supervisors and give regular updates;
• Participate in conferences, workshops and summer schools;
• Read, read, read – but do not forget to start writing right from the start;
• Exercise to keep your body and brain fresh.

How will I put my newly gained knowledge and skills into practice?

• Share my professional experience and research knowledge to help Egypt and its nice people (some of them still missing “talent”, but it can be acquired) in the transition process towards a stable, safe and democratic country;
• Become linked to one of the Cairo Universities to become professor.

It is also important for me to reflect and report on the contributors during my DBA journey:

• My supervisors: all three acted as major motivators and provided timely, constructive and valuable feedback;
• The DBA directors: the former, who encouraged me to start this journey, and the current, who offered and chaired additional workshops on Saturdays;
• The compulsory workshop chair persons;
• The FBEL Programme administrator, who always lent me a helping hand in organizational and administrative matters;
• My cohort fellows: unfortunately, from the ten beginners, only four are still on it;
• NOT to forget: my husband and four daughters, who did not complain throughout the years when I had no time for them, but instead kept on telling me “We are really proud of you.”
Therefore, the best way of summing up my DBA journey is:

“The best time of my life” (so far…).

I borrowed this statement from one of the instructors at Surrey Summer School 2012 in Malvern, where she spoke about her experiences doing a PhD.

Ultimately, then, this accurately reflects my feelings looking back. I am now looking forward to “one of the most important days of my life”, and this is the

VIVA VOCE.
APPENDIX A: Organization of names by languages, keywords, sources

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APPENDIX B: Email request for participation

From: Eva Wüllner
Sent: Friday, 3 May, 2013, 18:12
To: [Redacted]
Subject: Interview request for doctoral project

Dear [Redacted],

I got your contact from Mr S.

I am writing you to ask whether you are willing and interested to participate in an interview in the framework of my dissertation with the title “Talent Management in Luxembourg – The Role of frontier workers”.

I am interviewing HR Managers that deal with frontier workers as well as frontier workers from different sectors who are working in middle or top Management positions (some persons combine the two roles, like me).

Duration approximately 1 hour 30 minutes and in form of an open exchange of experiences. You are welcome to decide upon the location, I can come to your Luxembourg office.

If you accept – and I would be very happy – I suggest any time in the coming two weeks or in week 24 or 25.

If you have questions you can reach me on my mobile, +49 172 66 25 815.

Best regards and have a nice weekend,

Eva Wüllner
Schlehenweg2
66663 Merzig
+49 6861 82 42 42

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From: [Redacted]@bank.com
To: eva.wuellner@arcor.de
Sent: Tuesday, May 7, 2013 11:41 AM
Subject: Re: Interview request for doctoral project

Dear Mrs Wüllner,

Thank you for your request. Could you provide some more information concerning your doctoral thesis, e.g. the interview questions? Since we are short in time I would like to agree upon internally.

Kind regards,

[Redacted]

Group HR & Change Management
Telephone: (00352) 666634242
Fax: (00352) 666634241
From: Eva Wüllner
To: privatbank.com
Sent: Tuesday, May 07, 2013 12:16 PM
Subject: Re: Interview request for doctoral project

Dear Mrs [Redacted],

Thank you for your quick reply.

Enclosed are the interview questionnaires: one for HR Manager, one for frontier worker.

These are only meant to be for preparation of reflection. In the interview the interviewee should talk about all what comes to his/her mind concerning frontier working (own experience and/or from a professional perspective).

I guarantee complete anonymity and confidentiality (I bring along a “letter of confidentiality”). Neither the name of the interview partner nor of the bank will be cited in the dissertation. If requested, I can send you a transcription of the interview.

It would be ideal to interview yourself or a co-worker who deals with frontier workers as well as a frontier worker from middle/top management (irrespectively of function) with a minimum of 2 years employment in Luxembourg (separate interviews).

The interview will be held in German. I would like to tape record the interview (only for my personal use).

Thank you for your support and regards,

Eva Wüllner

---

From: privatbank.com
To: eva.wuellner@arcor.de
Sent: Monday, July 22, 2013 5:44 PM
Subject: Re: Interview request for doctoral project

Hello Mrs Wüllner,

For our institution I selected two interview partners that reflect not only the theme of frontier working but also HR perspective and management issues.

Kindly suggest 2-3 alternative dates in the week of 5.-8- August?

Kind regards,

ANK S.A.

Group HR & Change Management

Telephone: (00352)

Fax: (00352)
From: Eva Wüllner  
Sent: Monday, 22 July 2013 19:27pm  
To:  
Subject: Re: Interview request for doctoral project  
Hello Mrs Wüllner,  
I am looking forward to interview both your colleagues and propose the following dates:  
Monday, 5th August as of 3pm  
Tuesday, 6th August, flexible  
Wednesday, 7th August, as of 3pm  
Thursday, 8th August, flexible  
Friday, 9th August, is also possible.  
I can come to your bank or elsewhere, I am flexible.
Thank you and regards,
Eva Wüllner

From: tbank.com  
To: Eva Wüllner  
Sent: Tuesday, July 23, 2013 10:47 am  
Subject: Re: Interview request for doctoral project  
Hello Mrs Wüllner,  
We can arrange a meeting on 8th August with Mr ____, HR Manager Luxembourg.  
As for the second interview this cannot take place in that week due to vacation; I try to get an alternative date for week 33 or 34.
Please confirm 8th August at 14:30 fits your agenda?
If yes, please directly come to see us in our building 5, rue des Primeurs (the KPMG building, where i.a. HR is sitting). You can park your car in front of the building. There is a phone in the lobby area from which you can call me (+352) or Mr ____, (extension 10). We will then come to pick you up.
Kind regards,

From: Eva Wüllner

Sent: Tuesday, 23 July 2013 11:43 am

To:

Subject: Re: Interview request for doctoral project

Dear Mrs I,

Thank you for your reply.

I will come 8th August at 14:30 as per your proposal.

Thank you very much for your support!

Regards,

Eva Wüllner
APPENDIX C: Semi-structured interview guidelines for
(a) frontier workers and (b) HR managers for pilot interviews

(a) Semi-structured interview guidelines / Frontier workers

Topic: Frontier working in Luxembourg – A Talent Management Perspective

a) Introduction researcher

b) Introduction topic and research goal

c) Explanation ground rules and data protection

General:

- Age
- Education
- Language skills
- Kind of employment, sector
- Level in hierarchy
- Operating locally or internationally

Opening question:

- Tell me about your employment (how did you find it?)
- Why did you choose to work in Luxembourg (motives)?
- How long have you been working in Luxembourg?
- Did you prepare yourself before starting your career in Luxembourg?
- Did you seek advice beforehand (i.e. on the Internet, at the Labor Office or other advisory organization)?
- What are you prevailing motives for working in Luxembourg?
Experiences with frontier working:

- Tell me about your experiences being frontier worker in Luxembourg
- Are you participating in events set up by your company outside your hours of work?
- Are you in contact with people other than colleagues outside of your place of work (in Luxembourg)?
- Think of tips for someone who is about to start working in Luxembourg
- Are you meeting with other frontier workers outside of work?
- Are you openly sharing problems occurring from your status as frontier worker (with other frontier workers, family and friends)?

Life as frontier worker:

- Have there been changes in your life since you are frontier worker?
- Describe Pro’s and Con’s for being frontier worker
- Do you see a difference being frontier worker or not?
(b) **Semi-structured interview guidelines / HR managers**

Topic: Frontier working in Luxembourg – A Talent Management Perspective

a) Introduction researcher

b) Introduction topic and research goal

c) Explanation ground rules and data protection

d) Leading interviews themes:

> Recruitment and selection

> Hiring

> Development

> Retention

1. **General questions for HR Managers:**
   - Age
   - Status / Level in hierarchy
   - Kind of employment, sector
   - Operating locally or internationally
   - Education / Language skills

2. **General questions on frontier workers:**
   - Which nationalities are you working with at your place of work?
   - What is the portion of frontier workers in your company?
   - What is the prevailing country of origin for frontier workers (Germany, France, Belgium)?
   - What is the prevailing language used in your company?
   - Does it happen that people are misunderstood due to the mix of languages?
RECRUITMENT AND SELECTION:

- How can talented people / knowledge worker be attracted to Luxembourg?
- What is the role of frontier workers who represent more than 50% of workforce?
- In your opinion, why do frontier worker choose to work in Luxembourg?
- Think of tips for someone who is about to start working in Luxembourg.

HIRING:

- What are the specific challenges for HR Managers in Luxembourg when it comes to TM / hiring?
- What is involved in hiring a frontier worker?
- What are your prevailing motives for hiring frontier workers?
- Is there a difference in hiring frontier workers, local residents or expats?

DEVELOPMENT (in a sense of integrating into the company)

- In your perception, do frontier worker feel well integrated into your company?
- Are they usually participating in events set up by your company (i.e. visiting a fair, department parties...) outside hours of work?
- Do the frontier worker employed by your company spend time in Luxembourg outside your working time (i.e. visiting, sports, restaurants, pubs)?

RETENTION:

- What issues do come up with frontier workers?
- Which aspects need to be addressed in particular when it comes to frontier workers?
- What is involved in best manage and retain frontier workers?
APPENDIX D: Semi-structured interview guidelines for frontier workers and HR managers

Semi-structured interview guidelines for frontier workers (FW) and HR managers (HRM)

Topic: Frontier working in Luxembourg – a Talent Management perspective
a) Introduction researcher
b) Introduction topic and research goal
c) Explanation ground rules and data protection
d) Bibliographical background:
   • Age
   • Status / Level in hierarchy
   • Kind of employment, sector
   • Description of organization
   • Education / Language skills
e) Leading interviews themes:
   • Attraction
   • Hiring
   • Development
   • Retention
1) ATTRACTION
   - (HRM) How can frontier workers be attracted to Luxembourg?
   - (FW) What attracts you to work in Luxembourg?
   - (HRM/FW) What are your experiences with frontier working in Luxembourg?
   - (HRM/FW) In your opinion why do frontier worker choose to work in Luxembourg?
   - (HRM/FW) Think of tips for someone who is about to work in Luxembourg.

2) HIRING:
   - (HRM) What are key issues for HR managers in Luxembourg in regards to frontier working?
   - (FW) What do you think are the prevailing motives for hiring frontier workers?

3) DEVELOPMENT
   - (HRM) How do you develop your co-workers, especially frontier workers?
   - (FW) Do you see your career evolving while working in Luxembourg and if so, how?

4) RETENTION:
   - (HRM) What issues do come up with frontier workers?
   - (HRM) Which TM practices are involved in managing frontier workers?
   - (FW) What is involved in frontier working in Luxembourg?

f) Closing / next steps

g) Thank for participation
APPENDIX E: Letter of Confidentiality frontier worker/HR manager

Letter of Confidentiality

CONSENT FORM

Dear …,

You have been asked to participate in my study on the topic “Frontier working in Luxembourg – a Talent Management perspective” because you are a HR manager/frontier worker in Luxembourg.

PURPOSE OF THE STUDY:

The purpose of this study is to explore the experiences of the frontier workers in Luxembourg and gain a deeper understanding of what the important features of frontier working in Luxembourg are.

PROCEDURES:

Your participation in this study is voluntary. You are informed that you can withdraw from the research at any time. The interview will be held face-to-face.

Please note that the interview is recorded and then transcribed. I am concerned about the sensitive information collected in the interview.

It is guaranteed that your identity will be held completely anonymous. The findings deriving from the interview will be submitted as part of my doctoral research. The research is conducted by me and the interview will take about 45 minutes of your time.

Thank you very much in advance for participating in my doctoral study. Yours

Eva Wuellner

Date & Signature:  
Print your full name:  

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APPENDIX F: Full transcript example frontier worker

30_FWMG_B

Date: 13 August 2013

Duration: 58 min

(Introduction of researcher, topic, research goal and explanation of rules and data protection)

Interviewer: Please introduce yourself and tell me about yourself and all what comes into your mind when you think of frontier workers in Luxembourg.

Interviewee: So shortly, I’d like to introduce myself, X, I am team leader organization belonging to the section of bank organization in general and also provider management, although this is only my first life, my primary life in the bank. I am amongst others also responsible for international projects like mergers and takeover of employees. In 1981 I started at a bank, all of my family are craftsmen, I did an internship at a bank and during my education I got in contact with an apple PC and started to write some programs what the bank used and step by step grew into it. And then I stayed 15 months at Bundeswehr. My IT background fascinated me more and more, there was an ad in Frankfurter Allgemeine as IT specialist with banking background, it lasted 6 months and I went to Dresdner Bank in Frankfurt, I stayed 5 yrs in FF, 2 years at Dresdner, all the IT basics, lots of projects, then to Deutsche Börse, started with new projects at huge PC’s, all had to be developed from scratch and parallel to this I started an IT study at Hagen. After 5 years I got and married came back to Saarland (my
wife is from Saarland) and question was what is the alternative for this education, there was not such job in Saarland. In 1990/91 I came back. So in Saarland you have big employers but for such profiles like mine there was no job, so at that time DG Bank in Luxembourg was looking for s.o. with relation to Frankfurt and so I found my job here. 1995 I moved to Dresdner Bank which here in Luxembourg was looking for s.o. to help with software implementation and introduction. So the labour market is very narrow and a lot goes via personal connection and you get and share information, so I just sent my CV and said have a look if it fits and thus I came to work at Dresdner. There I had several projects till 2000, then I was asked to go to Ireland for 2.5 years as Head of Operations with my family, my son was 3 years old. So although we had built a house in Perl 9 years ago we decided to go as it brings us further as family with experiences, especially our son, so it was interesting to see his development, he went to a Kindergarten in Ireland. So in the beginning it was very very hard as it is different to go on vacation to a foreign country than to work there and to speak 8-10 hrs a day in English and try to understand and I had a broad responsibility, I had never dealt with HR before. Then the labour market at that time it was booming. Notice periods of 4 weeks, the personnel had to be kept as we needed their experience as per a survey we found out it needs 2,5 years to build up the competency. So it was a challenge to keep them. Incentives like salary they would not get elsewhere. I was the only German there. I was Luxembourg expat. After 3 months I started an MBA in Ireland and I got settled and I was no longer tired of listening and trying to understand the language. So language is one thing but also the subtle things that not had been said. Then there was a project in Luxembourg to create a transaction bank with all transactions in Europe dealt with in Luxembourg. I was asked to do it. So I went back in 2003. I was first responsible for project mgt, and now for organization. I have 12 people in my team of which 8 are specialists for big projects. 3 live in Luxembourg of which 3 Germans, all the rest live in Germany and all are from Germany. All speak English, but banking language is German. We have 7 branches and deal with them from Luxembourg and send people from Luxembourg there to install software. In the last 5 years we concentrated more on the German market with 7 branches, and had 3 takeover in parallel which brought about plenty of hiring, we are now 1100, so a little group was created. What brought me to Luxembourg
at that time was the decisive question if we go back to Saarland which was emotional, what is the alternative to Saarland, so there is not much besides except for Luxembourg. So I was looking for an interesting job, it was not about the position, I wanted to continue to learn and an opportunity for me, it was not a question of the country itself, it was more about the option to grow which I would not have had in Frankfurt, at least not the combination of living in Saarland and develop at the same time. In Frankfurt there would have been a way to develop, although in Frankfurt I would not have learned how a bank works as the organization there is so huge that you only work in slots whereas in Luxembourg this is the case where you get a general overview and less deal with narrow specialists. There would have been an alternative in Frankfurt as bank and at the same time IT specialist but in Luxembourg there was the possibility to work as IT specialist but as generalist in a bank, so to get a general overview. Additionally, in the past 5 years we have a quite stable environment and the bank settled very well in the financial market here. It is part of the strategy to build up branches in Germany because we want to add additional clients and the financial crisis our gene code prepared us, so there is no risky business in cooperatives. Down-to-earth, close to the client and a strategic view on how it could continue this is what keeps me here at this bank and furthermore my participation and have some pride meanwhile. Another aspect is besides work: the country of Luxembourg and Germany, so I don’t feel like crossing the border in the morning, I cross the bridge in the morning and there is no more border house, that’s the first thing and then I use the same money like in Germany, so basically it makes no difference whether to work in Germany or Luxembourg. I can move freely and have no fear of contact in either form, there is no barrier when I cross the border. For me personally there is a language barrier when Luxembourgers talk Luxembourgish, I understand it but to talk is a problem. I did not need it over the past 20 years so I did not make an effort. French and English I deal with quite well, so most of the Luxembourgers they speak in German, so in 95% of cases I get along well with German. So this is the visual point, then the thematic of language and then there is s.th. which has nothing to do with life in Luxembourg, which is admin, so I get my pay slip in Luxembourg, I have to pay taxes here, I need to deliver tax declarations in Luxembourg and Germany and use one or the other advantage which is given by the Luxembourg State and which makes a
difference to Germany. So the Luxembourg tax system is very easy and also the support, the social benefits like employer pension, state pension, are better than in Germany, so I don’t feel it physically but in numbers, so it is a different effect. Mentality: what you get to feel personally, so you get used to certain advantages and positive effects in combination with salary and social benefits, this is clear. My family also got used to it. So my son is used to a different standard of living who reaches out approximately up to 10 km after the border. There is a belt till Merzig and Trier where Luxembourgers move to. So for them it still feels like living in Luxembourg. So I see it in Perl, we get along well mentality wise. What I wanted to say this is my personal perception. In my bank this are the Germans who create it. Key positions are with Germans and not with Luxembourgers. What I like about Luxembourg life, when we go out to eat there is a certain cultural aspect, a mix form is being created, so you pick the best of the three bordering countries, so Perl is also not far from France and also there a certain advantages. Like the baguette. So the good things prevail. So we have big advantages to live in the border triangle.

**Interviewer: Have you ever considered moving to Luxembourg?**

Interviewee: No, no, I cannot tell you. Not for school. We don’t shop in Luxembourg. It is still home feeling so we shop in Saarbrücken or Trier, this is strange, but also because my family lives in Saarland. Despite the flexibility that we showed going to Ireland we found a home which is Perl. So when you spent a certain time in a place it makes it hard to take the decision to move to Luxembourg, so s.th. else would need to happen and all the invisible barriers like house, son at school and social ties which we have in Perl we would have to cut you need to consider when it comes to deciding whether to go or not. To be honest, I would not make it again, at least not for emotional reasons, it would not make sense. S.th. else like you have to move for tax reasons would need to happen this is not realistic. I rather move to an English speaking area. My son is 18 and once he finished school we could go. So I would still work in a bank also in IT, but in a different country. Luxembourg yes, but it would not be such a challenge than Ireland or Singapore, why not, but the framework would need to be right. So motivation not only comes from working it is also a certain risk which drives you.
would even not distinguish Luxembourg, we feel ourselves at home in this region which you cannot depart from each other.

*Interviewer: Are there aspects you need to consider when you decide to work in Luxembourg? What do you need to bring along or isn’t it different here?*

Interviewee: The special thing about working in Luxembourg is about creating a broad spectrum of knowhow. This is thematic what all my key personnel brings along, this is the foundation on which they built their career. Secondly, to build a network, not only in the bank but also over banks, so Luxembourg connections or to other German banks, so the labour market is very narrow or small and information is flowing very strong. A lot has changed over the past 3 years. More and more German banks leave the place or are dissolved. So fund business still is very strong. The Luxembourg State is very flexible when it comes to put into place new ideas but the company needs to show this flexibility and also its personnel. So stay flexible and take on certain challenges that are offered, not to view every single challenge as a threat. So we are confronted with totally new ideas, and there are opportunities and we can create business with it. So you should choose a company who follows this philosophy and which is not only a branch from a German group but where you can bring in own ideas and this leads me to the people themselves: you also demand it from them, so it’s about the employees who represent the flexibility and it is a permanent development and learning but also continue the company strategy and demand. So this flexibility of each of us is important. So since 1981 when I started to work the wheel turns faster and faster. Meanwhile everything is supported via IT and supported by the different departments. So banking is not an IT driven business. Banking is driven by the bank itself. IT is a tool. So besides banking education a lot of IT skills is demanded so the connection between technical knowhow, IT and the implementation; this combination of knowhow, how to do projects and a broad technical skill are key. I am part of the motor of the bank, of IT. So this is about Luxembourg, it’s about specialists which make Luxembourg. How to define a good co-worker or leader? Good soft skills, leading skills, conflict management
etc. so all this exists in a project. So I need to lead a team, have social competencies, keep the people motivated, need to plan, to control, to keep things running, and this you learn via projects. So once you built this up and this we feel here as well with my 12 people so they know what they are worth, it is subject for the bank to decide whether the intention is to keep them in the long run or not. As long as those people are continuing to learn and develop and take along s.th. for their future and for themselves, even if for daily life, they will stay. So the learning curve at a certain point gets flatter and needs to be raised again, this takes 6-7 yrs. And we try to take it into the bank with younger people. So I concentrate on taking on board such persons and to develop and this is a lot of fun! And this possibility I think I won’t have in a company in Frankfurt, I don’t think so in a big environment it is hard to get an overview, I cannot imagine.

**Interviewer:** *So this means your career would have developed differently if in 2000 you would not have started in Luxembourg?*

Interviewee: Definitely, but what do you consider as career?

For me there are 3 dimensions of career:

1) To get up in hierarchy, you need to want it

2) Career as specialist to build up knowhow and

3) From a personal view, what brings me further, who am I? So my aim never was the hierarchy, but the other 2 points. So I doubt that I would have reached this somewhere else, I doubt because the framework conditions are better here.

**Interviewer:** *So you mentioned you pick the best of all dimensions, so are you participating in cultural life besides company events?*

Interviewee: Luxembourg is interesting but we rarely go there on a private basis. So I told you there is a region where we live in but this region when it comes to social or cultural things it swaps more to the Saar side than Luxembourg or Trier. This is my identity.
APPENDIX G: Full transcript example HR manager

16_HRMB_B

Date: 29 July 2013

Duration: 48 min

(Introduction of researcher, topic, research goal and explanation of rules and data protection)

Interviewer: Please introduce yourself and tell me about your career path, your education and some words about your company. Just in general.

Interviewee: Yes, very quickly indeed. I am currently HR Director and General Secretary of Y Luxembourg. I’ve been working for Y for 21 years in different positions, mainly HR positions, but mostly in the business as branch manager. Ahm, I am married, I have 3 kids. Aaaah, Y is a very large banking company, ah, in total having 70000 employees and Y Luxembourg is the 5th contributor of Y group in profit and results, having 800 employees and active in all bank activities, it’s really a universal bank, then with private banking activities, corporate banking activities, retail banking and financial market activities.

Interviewer: Let’s continue with the 4 key themes when it comes to TM. So in your function you are also responsible for attracting, hiring, developing and retaining people.

Interviewee: Yes.
**Interviewer:** So what is your action in that sense, can you describe in general and later on with specific focus on frontier workers.

Interviewee: Ok, the first thing to do is to attract people, then we are working very hard on employer branding activities and also – and I will make directly the link to the frontier cross-border employees, hm, we have developed some type of partnership with an university in France, to give you an example, with the university of Nancy, where we each year go in order to make our company attractive for the potential candidates and then we go in type of job markets organized by the university abroad. Because we are really thinking if you look at the job market in Luxembourg, it is not only the job market in Luxembourg but it is what we call “la grande région” in French or the ‘greater region’, as I can say it like this, and we must be also attractive for people coming from Germany, France: Nancy, Metz, Thionville and also Belgium, the Southern part of Belgium. Then we are also trying to position ourselves abroad for that reason and the example of partnership with universities is only one example of course.

**Interviewer:** So why is it that you are also targeting foreign universities? There is a university in Luxembourg.

Interviewee: I totally agree upon that, but first of all the potential candidates of Luxembourg, we tried to attract candidates from Luxembourg University also and we are working on the local network, but for our private banking activity it is key that people are coming from the other countries. And secondly I believe that the pool of candidates coming from Luxembourg is not big enough for filling all the positions we currently have open. This is the reason why and Luxembourg is very specific as it is most probably the most important cross-border job market in the world or in Europe with almost 200 000 people crossing the frontier every day for coming to work, it’s really key and it is the same also, I will make the link with the customer approach, we are not focusing only on Luxembourg city and Luxembourg as a country but also with the foreign countries close to Lux.
Interviewer: So you mentioned you have been working many many years in Belgium. If you compare the situation on the job market in Belgium do you see a difference compared to Luxembourg?

Interviewee: I see a lot of differences, and the first reason for explaining the difference is probably historical. Ah, in the past, in Luxembourg, I would say till 5 or 6 years ago, and I speak about the financial sector, to be really profitable was not so difficult, it was clear all the customers were coming to Luxembourg, you did not have to hunt the customer, they were coming. The situation has changed with the project of automatic exchange of information, the financial sector has changed. Now the situation has become more competitive and then it is more difficult to be a banker than it was the case before. Now, and I see that on the job market and also on the HR practices: I was quite surprised when I came here to see that the HR function, and I remember we had a discussion at the beginning the first time we met, it was a little bit old-fashioned, it was not so modern, to give you an example, I have implemented in my company the home working, something I did in 2005 in Belgium and here it was done in 2011 and I was the first doing that in Luxembourg in the financial sector in 2011. It was evident for me, it was not so modern, it was less important to be very attractive, to be a top employer, to have an employer branding that it is the case now. I see that and my feeling, and I am always speaking about the financial sector here, is that in fact the financial sector is facing its first real financial crisis now in Luxembourg. In Belgium – and I can only compare with Belgium – ah, it was already the case beginning of the year 2000 and you see a lot of HR practices coming from the financial situation.

Interviewer: So when you talk about a crisis in the banking sector what do you mean?

Interviewee: So if you look at the financial sector you see a lot of restructuring: 45 I guess social plans over the last 3 years and a forecast of 75 social plans in the 5 coming years you can really see it is crisis in the financial sector and you can see that people really have to change their mind set in Luxembourg. It is
really key for them. It was more comfortable 5 years ago and they were better paid. In this financial situation we have reduced bonus we allocate to our employees and this is the message we give, we are working more than before and we are less paid, and I tell you this is the truth, this is the reality, but we are really facing a huge financial crisis, then this is one of the consequences of the financial crisis we are having. It really means that from an HR perspective you have to communicate a lot to your employees, to attract them, to retain them and I am coming back to the retention part, but they are becoming aware of the situation. Because first of all I see they don’t much exist which is surprising because the reward packages we are decreasing but they stay within our company and I believe it is related to what we organised from a top employer perspective, but it is also related to the financial situation of my competitors.

Interviewer: So you mentioned you are a top employer, so what are the consequences when it comes to attract people, so Y as one of the biggest banks in Luxembourg?

Interviewee: We receive a lot of applications, it depends from year to year, it’s something like 3000 applications 2012, we receive a lot, ha, the quality is very Ah, diverse I would say, we receive a lot of applications which don’t really fit with what we need but I understand that we receive also a lot of good applications and I see that we don’t really have an attraction problem which is quite positive of course, in fact the risk from an attraction point of view is not Y compared to the other financial institutions but it is the financial sector compared to the other sectors. I believe that the financial sector currently is less attractive than it was the case before.

Interviewer: Ok, let’s get back to this point later, but about the applications: are these blind applications, so are the people just sending in their CV in the hope that there will be a position for them or are these applications where you post ads? Which channels do you use?
Interviewee: I use both, but I use several channels of course, ah, we use all the classical channels, like Monster, Ah, there are a lot of organizations doing that. We are using our internet site which is quite attractive also for the potential candidates because I believe we have a good employer branding, we use also some Ah, job offers in our branches so the customers see that Ah, and they give the message to other people potentially interested coming to Y, we of course have a really good data bank after years of people potentially interesting for us, Ah, we sometimes publish in the newspapers, we do that, we use more and more LinkedIn of course, which is one of the best channels we can use, and those are the most potential ones, we are working more and more via social networks, we are building up a social network structure.

**Interviewer: Are you using any executive search?**

Interviewee: We do that but my strategy also is to avoid that for several reasons because I find that the prize you have to pay is not comparable to the work that is done, Ah, secondly we believe that for a lot of positions we can find them by ourselves, I use it for some specific markets where we are not positioned like if I look for a private banker for Russia to give you an example, or for Ukraine, it is a bit more difficult to find by ourselves, and then we are using executive search.

**Interviewer: So do you recruit them for here in Luxembourg?**

Interviewee: Yes.

**Interviewer: So you are responsible for other countries?**

Interviewee: Those are people based in Luxembourg, but working and attracting customers coming from new countries, the emerging countries in Europe.

**Interviewer: Again back to the attraction point, Ah, when you think of attracting people from other countries, Ah, you mentioned the Nancy**
university where you have contacts, is there any other reason behind, say, language, why you go outside of the country?

Interviewee: The language is something we are trying, though it is a little more different, in fact, one of the problems of my company is that we are really a French speaking based company, because what is happening, we have a lot of if I am not wrong, Ah, 25% of the population is from France, 40% is from Belgium which explains that French is the official language which is a problem from my perspective, why, because we want to be a local bank, and we don’t speak German which is the second language of each Luxembourger. French is only the third language Ah, then we also believe if we want to make marketing and publicity and so on we need to speak more and more German, that’s why we will go more and more into the German speaking part of Luxembourg and also then in Germany, Trier and so on. Indeed French is the most common language here in our company, then this is also why we try to go more and more to Germany, and in fact France and Belgium this is because the Luxembourg pool of potential candidates is not big enough for filling all the positions, this is the reason, almost 200 000 people cross the border each day. The challenge is to attract more Luxembourgers, although this is not the subject for your study, but most of the Luxembourgers work in the public sector.

Interviewer: Let’s talk about the second point, hiring. So when you are about to make an offer to someone, let’s say this is someone who is not yet living here and maybe will not live in Luxembourg but will commute every day, so what are the convincing points you use for this person in order to come to Luxembourg?

Interviewee: One of the reason, and I don’t have to mention it, because people know it, this is the most attractive part of Luxembourg, this is the tax advantage that is quite clear for the people coming from France or Belgium, the tax system in Luxembourg is so attractive that people spontaneously think I should better go working in Luxembourg than in France, or in Belgium or in Germany, this is one. The second point for attracting people and it works very well for French people,
in fact the French organizations compared to a Dutch one like mine, is really quite the hierarchical system, and from a leadership perspective and from an understanding of the strategy perspective to work in a company like mine is much better, first of all the have a direct access to the CEO and for a French guy this is something surprising, because for a French guy the CEO is like a god you never see, Ah, in a company like mine it is absolutely not the case, Ah, then the structure is also flatter than in others, this is also something quite attracting for the people, the strategy also because we as a universal bank and I believe that currently people who want to work in the financial sector are a little bit afraid going to a company doing only private banking because for the long term it is not sure that it will be sustainable. Those are the major reasons we use because looking at what we offer our decision is to be at a benchmark not above and not under, really to be at the benchmark, then we are not the company paying much in Ah, Luxembourg we are according to the level.

Interviewer: Which policies are there in place at Y when it comes to developing the people, training and so on. Can you talk a little bit about it?

Interviewee: Yes of course, the development is key in our strategy, because this is something we launched 4 years ago, we have launched an employability plan where we say each employee has to stay employable because we never know what will happen tomorrow that there could be a social plan here, some restructuring, that it is important that something happens on the market, we know the situation and we have really worked on making people aware that they are responsible for their employment compared to other institutions. Of what we did before: this is the training we have organized for you to be successfully employable. People must be aware that they need to work on their own employment and at each level, Ah! I have also some people who are heads of department, now that they are 47 years old, I don´t know what will happen in the coming years, they also have to work on their employability and we have of course also people in the organization where we have to increase level of competency. And we work a lot on this, and at the same time we offer, via several channels, a lot of trainings to our employees.

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Interviewer: Coming back to the hiring part, are people asking you what are my possibilities when it comes to training when I am about to start to work for Y?

Interviewee: Yes, this is something coming, as we discussed about hiring someone and if they are hired they see it immediately when they are hired because we a have developed an onboarding program where you have a lot of trainings at the beginning of your career. This is coming during the negotiations.

Interviewer: Do you think this is becoming more and more important when you look back to when you started your career and you talked to potential candidates?

Interviewee: The importance of training, if I look at my experience here but also in Belgium has always been quite important. The difference is that it is less the employer that gives all with a spoon to the employee, it is more the employees that are in charge of their training and this is also why we offer trainings via several channels like also e-learning, training on the job and also classical one, and they are in charge of the training, this is the paradigm shift is more on that, this is…they are in charge.

Interviewer: At the beginning you mentioned something concerning retaining the people, that you have people less inclined to switch employer when you look at the current situation on the financial market, can you talk about this, what does it mean for your people here at the bank, do you see that there is also less and less people?

Interviewee: Yes it becomes a problem to be honest, I do not have enough people leaving my company, and this is what I see. The 2 last years we have developed a type of human capital dashboard where we can really follow what is happening and I follow very closely exit, very low level of exit the last 2 years, what are the reasons: first of all we are in a crisis and what happens, people stay in their seat and they say ok I stay careful. I stay in my position and will not take risk, we are
not in a situation where people are taking risks, I am sure, Ah, secondly you have less positions open than before and thirdly we believe that employees and we follow it each year with an engagement survey, we believe that people are happier engaged within our company, they are working very hard, globally they are satisfied with us as an employer. But it creates problems for me because, if you want, we are a small size company, 800 people, if everyone stays in his position and does not leave the company I don’t really create any career opportunities of the people, and we need to do something about career opportunities, it has become a problem and this is also one of the reasons why we have decided to be stronger and sharper on the performance management level where we say we take more difficult decisions for people where in the past we were more flexible.

**Interviewer:** *Also in the beginning you mentioned there are 25 % French, 40% Belgian, the rest other nationalities…*

Interviewee: Yes, there are approx. 40 % Belgians, 25% French and 22% Luxembourgers, then we have 87%, and then some percentages from Germany, as we are a Dutch company there are some Dutch people and then you are at 92/93%, and the rest is composed by other 2-3, I don’t know, we 2-3 people from the USA, we have two to five people from England, so it is very diverse.

**Interviewer:** *So this means that most of your population here is composed by frontier workers or non-nationals.*

Interviewee: 40% of people working in my company are Luxembourg residents, the rest coming from France, Belgium and Germany.

**Interviewer:** *If you were to talk to an HR Manger, let’s take an example in a Frankfurt bank only limited to Frankfurt and Germany, what would you tell this person what is very specific about your position dealing with so many people coming from other countries, is this special, the environment, here?*
Interviewee: It is special and not special; you face the same traffic problems as all the big cities, I come from Brussels, we face the same problem you have people coming from all parts of Belgium coming to work. So this is from that side there is no major difference, for me the major difference is the multi-cultural environment which is one of the major strengths of Luxembourg, this is the multi-cultural environment, you have to deal with the German people, which is totally different from a French, totally different than a Belgian one, you have to deal with lots of different cultures, and from a diversity perspective it is fantastic, because you have a lot of people thinking differently, working differently; then it makes sometimes things more difficult because those people need to learn how to work together but at the end of the day I believe that we will find the best solution, we will define the best product, best strategy, related to the diversity and if I look I really find fantastic this is most probably the most important point of Luxembourg and the second thing, but this is not related to the difference to Frankfurt, is probably the fact that the organizations in Luxembourg are smaller than in Frankfurt, this is not related to frontier workers, it is related to the size of the city and the size of the country, Y, to give you an idea, Y in Luxembourg is 800 people, in Belgium is 9000, in Germany it is 5000 which means the difference, and it is also one of the advantages of Luxembourg because it creates a lot of flexibility. If I want to implement something at Y Luxembourg it is quite easy, Ah: we discuss it in the Executive Committee Thursday, we implement it the Friday. In Belgium this is a big company, you have a lot of stakeholders, it’s more political because the size of the company is bigger, it makes a big different, different due to the environment. Ah, flexibility as to the size of the organizations, Ah, it’s very pragmatic here, I don’t know exactly what is happening in Frankfurt, here it is very pragmatic, Ah, what can I say, the fact that you could have the same multicultural environment in a city like Brussels to give an example, which is also partly multicultural with people living in Belgium. It is not the fact, ah, it is the position of Luxembourg is really the center, Ah, it’s a strange country, with German, French and Belgium influence, this is what makes the most, the difference, it’s very specific.
**Interviewer:** I think now is a good point to go to your private or personal situation, if you can describe a little bit.

Interviewee: I started here in 2009. I was appointed and I held several HR positions in Belgium, I was appointed the 1st July 2009. And the from a private perspective, how do I manage it: I do have an apartment here in Dudelange, close to Cloche d´Or, and I sleep there 3 nights a week, 2 to 3 nights a week, I start from my home the Monday morning, I am back Tuesday evening at home, I leave back to Luxembourg Wednesday morning and I am back Friday evening. Which makes things manageable from a private perspective, because a lot of family during the week – we have a lot of family activities - and then the activities of my wife are more the Monday and Wednesday because I am not there, but we try when I am back we make ourselves available for the family, the way we manage it, it is manageable, Ah, but it requests more organization than before, for sure, Ah, this is from a private perspective, my family sometimes comes to Luxembourg, my wife is here with me for 2 days. It was a good timing, my children 4 years ago were from 12 till 17 and now they are from 16 till 21 which makes that they have a lot of autonomy, and for my wife it was good because there were always children at home but at the same time they are independent and then it makes things also doable from that point of view. If the children are very young you have to do a lot of things and you have to manage a lot of things and if they are older they are no longer at home, then the timing was Ah, not bad, we do a Skype each evening, so I do have all the latest news every evening, Ah, there are exceptions, there are day when there are external activities, receptions, normally we Skype each evening, it works well, yes it works well.

**Interviewer:** But you never reflected on moving the family to Luxembourg?

Interviewee: No, due to the age of my children, it was not doable, because they have friends and they have all their social network in Louvain-la-Neuve where we live in Belgium and it was not doable and they were absolutely not enthusiastic to the idea of going to Luxembourg and my wife has the position as teacher in
high-school, and she has a good position, and we never imagined that type of scenario.

**Interviewer:** *But on the other hand your company was also quite flexible of offering you the possibility to work from home...*

Interviewee: I give you an example. As Y Belgium is the owner of Y Luxembourg, I always have functional contacts in Brussels so twice a month, that means that 2 Fridays each month I go to Brussels, and work at home and I organize that I am back Thursday evening and I do my Friday in Brussels. This week I am only here 2 days which is also Ah, manageable, I have flexibility for working from home, and then as I said, it is not a real challenge, it only causes a little bit more organization. This is the only point.

**Interviewer:** *Are you going out with your colleagues?*

Interviewee: I have a social network here, this is something quite remarkable when you come to Luxembourg, the way, it is really easy to create a network, I remember when I went for the first time at the POG, and immediately I knew 20 people Ah, and they know another 20 people, they know people and it´s a village, Luxembourg. It is easier to create a network here than it is in Brussels for example and I am sure it is also easier to create a network here than in Frankfurt. I don´t know how many inhabitants there are in Frankfurt?

**Interviewer:** *It is not so big, 500,000 I guess. It was just an example, I could have said Munich because I am from Munich area.*

Interviewee: Are you are from Munich, ok.

**Interviewer:** *So if you summarize your overall situation, professional and how to combine the commuting, so would you, when you were asked again, would you come to Luxembourg again?*
Interviewee: Ah yes, I would do it, I would do it because I find it is a country where it is quite enjoyable to work, smaller, I believe more in smaller financial institutions than the big ones, I see the reality the work we are doing here, it’s a flexible Board, so if you want to have a decision you talk to someone, it doesn’t take them 2 years, in Belgium it was really the case, Ah, then from a professional perspective no doubt about it, this is really fantastic to work here and it is the first time I had the possibility to work as HR Director, covering all aspects of HR, I really like my job. From a family perspective it depends from the time in my life cycle I would say. Ah, it should not have been at the beginning of my career with very young children, probably not, or what I should have known at that time it is more going abroad but really abroad, to Singapore, New York, or Switzerland...this is one of the options of course, still. Ah, and then yes, I should do it again, of course. Yes I would do it again. Ah, it is not so complicated to organize, it is really a question of organization, so if you are at home you are at home, concentrated on your family, so if you are not at home you are not at home and that is also why I do not go out often in Luxembourg, and the day in Luxembourg I work till 9 o´clock as nobody is waiting for me and it is also very comfortable from a professional point of view, you start at 8am and you know I have time I have 14 hours to do what I want, I really like what I do, it is very comfortable. I have 2 minutes or 3 minutes before arriving at my apartment, cook something very quick, and I have my Skype and then go to bed. But I have really worked.

_Interviewer: Thank you for your time and interest!_
APPENDIX H: Interview Logbook sheet

Interview Logbook

Interviewer: Eva Wuellner

Number of Interview:

Name of Participant:

Access to Informant:

Date of Interview:

Time:

Place of Interview:

Duration:

Participant´s Profile: Frontier worker

HR Manager

Time code / folder:

Respondents´ Activity:

Comments of Interviewee:

Noticed disturbances:
APPENDIX I: Example for first cycle coding or pre-coding
APPENDIX J: Initial list of codes from interviews for frontier workers

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>I8</td>
<td>Lots of activities such as fairs</td>
</tr>
<tr>
<td>I8</td>
<td>Open culture, widens my horizon</td>
</tr>
<tr>
<td>I9</td>
<td>Internationality</td>
</tr>
<tr>
<td>I9</td>
<td>Work in other languages</td>
</tr>
<tr>
<td>I9</td>
<td>Contact to all kinds of nationalities</td>
</tr>
<tr>
<td>I9</td>
<td>Luxembourg Labour market has its limits</td>
</tr>
<tr>
<td>I10</td>
<td>Decisions are made in the organizations’ home country, not in Luxembourg</td>
</tr>
<tr>
<td>I10</td>
<td>More and more headquarters leave</td>
</tr>
<tr>
<td>I10</td>
<td>Need to be open for other ways of working</td>
</tr>
<tr>
<td>I10</td>
<td>Need to be flexible and adapt</td>
</tr>
<tr>
<td>I11</td>
<td>Mixture of nationalities</td>
</tr>
<tr>
<td>I11</td>
<td>I can develop here</td>
</tr>
<tr>
<td>I18</td>
<td>Short distances to deciders such as ministers or other decision makers</td>
</tr>
<tr>
<td>I18</td>
<td>Many activities</td>
</tr>
<tr>
<td>I18</td>
<td>Willing to commute</td>
</tr>
<tr>
<td>I18</td>
<td>Know several languages</td>
</tr>
<tr>
<td>I26</td>
<td>Part of identity lies on knowledge about Luxembourg and its authorities</td>
</tr>
<tr>
<td>I30</td>
<td>Car sharing, company bus</td>
</tr>
<tr>
<td>I30</td>
<td>Team events such as Luxembourg marathon</td>
</tr>
<tr>
<td>I11</td>
<td>Sport sponsoring</td>
</tr>
<tr>
<td>I11</td>
<td>Open house</td>
</tr>
<tr>
<td>I30</td>
<td>Subsidize Luxembourg University</td>
</tr>
<tr>
<td>I30</td>
<td>Internal newspaper</td>
</tr>
<tr>
<td>I30</td>
<td>Had first day introduction</td>
</tr>
<tr>
<td>I29</td>
<td>Company organizes info sessions, e.g. with tax advisor</td>
</tr>
<tr>
<td>I18</td>
<td>It is the habit in the family to work in Luxembourg</td>
</tr>
<tr>
<td>I22</td>
<td>so many international organizations here with strategic positions</td>
</tr>
<tr>
<td>I18</td>
<td>It’s a great mix and match, so you have some good opportunities</td>
</tr>
<tr>
<td>I29</td>
<td>Flexible working hours and working from home</td>
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<tr>
<td>ID</td>
<td>Statement</td>
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</tr>
<tr>
<td>I18</td>
<td>You can join a position without having the education for it</td>
</tr>
<tr>
<td>I22</td>
<td>Lifelong learning</td>
</tr>
<tr>
<td>I22</td>
<td>I did an internship here</td>
</tr>
<tr>
<td>I23</td>
<td>It’s very dynamic with plenty of activities</td>
</tr>
<tr>
<td>I23</td>
<td>The Luxembourg participates financially in trainings</td>
</tr>
<tr>
<td>I25</td>
<td>Opportunity to work in projects all around the world</td>
</tr>
<tr>
<td>I25</td>
<td>Great balance between professional and private life, you can develop your career here</td>
</tr>
<tr>
<td>I25</td>
<td>Multi-national environment, practice foreign languages</td>
</tr>
<tr>
<td>I26</td>
<td>It’s a human company where you can find flexibility</td>
</tr>
<tr>
<td>I27</td>
<td>I took training vacation paid by the Luxembourg State when I did my MBA</td>
</tr>
<tr>
<td>I27</td>
<td>It’s very difficult, it’s political</td>
</tr>
<tr>
<td>I27</td>
<td>I see a great flexibility of people to adapt to French, English or German</td>
</tr>
<tr>
<td>I27</td>
<td>a lot goes via personal connection and you get and share information</td>
</tr>
<tr>
<td>I31</td>
<td>Down-to-earth, close to the client and a strategic view</td>
</tr>
<tr>
<td>I23</td>
<td>The Luxembourg State is very flexible when it comes to put into place new ideas</td>
</tr>
<tr>
<td>I27</td>
<td>It is a permanent development and learning</td>
</tr>
<tr>
<td>I28</td>
<td>Here you exist through your network, everybody knows everybody</td>
</tr>
<tr>
<td>I31</td>
<td>You feel you can participate in this global development</td>
</tr>
<tr>
<td>I31</td>
<td>Luxembourg did so much recently to attract people</td>
</tr>
<tr>
<td>I31</td>
<td>Networking plays an important role in Luxembourg</td>
</tr>
<tr>
<td>I34</td>
<td>I think employers respect their employees</td>
</tr>
<tr>
<td>I31</td>
<td>The law is very protective, Luxembourg cares for work-life balance</td>
</tr>
<tr>
<td>I34</td>
<td>With the European laws we as frontier workers profit from the advantages</td>
</tr>
<tr>
<td>I34</td>
<td>In Luxembourg it’s about talent, competencies, networking</td>
</tr>
<tr>
<td>I34</td>
<td>now it’s more about talent than nationality</td>
</tr>
<tr>
<td>I35</td>
<td>I have developed in my function, I am trusted and was given more responsibility</td>
</tr>
<tr>
<td>I35</td>
<td>I follow trainings requested by the company of by myself, it’s very reactive</td>
</tr>
<tr>
<td>I35</td>
<td>when it works fine for the company, then it works fine for the employees</td>
</tr>
</tbody>
</table>
**APPENDIX K: Initial list of codes from interviews for HR managers**

<p>| I7  | Incentive programmes, training programmes, career perspectives |
| I7  | Good working climate                                         |
| I10 | Open company culture                                         |
| I10 | Change process                                               |
| I10 | Salary is the difference                                     |
| I6  | Luxembourg is good to have on CV                             |
| I12 | Annual talks                                                |
| I12 | Language classes                                             |
| I7  | Model of business partnering                                  |
| I12 | Need to know the language of the business                    |
| I7  | Team building                                                |
| I13 | Hire via Labour Agency                                       |
| I13 | In-house training                                            |
| I14 | Globally acting                                              |
| I7  | Visit fairs                                                 |
| I12 | Ads on Monster                                              |
| I13 | e-recruitment                                               |
| I12 | target universities                                         |
| I15 | we talk diversity                                           |
| I17 | we want to have a mix                                        |
| I15 | keep the borders open in teams                               |
| I15 | work with people from all continents                         |
| I7  | we demand mobility                                          |
| I16 | we do not want silo people, but with broad mind              |
| I16 | think internationally                                        |
| I16 | surveys, in-house communication                               |
| I12 | info sessions                                               |
| I17 | inform our people                                           |
| I19 | learning and development                                    |
| I20 | succession planning                                         |</p>
<table>
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<tbody>
<tr>
<td><strong>I21</strong></td>
<td>no need to convince them to come to work to Luxembourg as they know the advantages</td>
</tr>
<tr>
<td><strong>I20</strong></td>
<td>differences in benefits or support in career planning and talent management</td>
</tr>
<tr>
<td><strong>I20</strong></td>
<td>ads in newspapers or on internet pages, employ headhunters</td>
</tr>
<tr>
<td><strong>I24</strong></td>
<td>we live from our network</td>
</tr>
<tr>
<td><strong>I24</strong></td>
<td>flexible in designing labour contracts</td>
</tr>
<tr>
<td><strong>I24</strong></td>
<td>small country, transparency</td>
</tr>
<tr>
<td><strong>I24</strong></td>
<td>after work events, give room for socialization</td>
</tr>
<tr>
<td><strong>I19</strong></td>
<td>personal development</td>
</tr>
<tr>
<td><strong>I28</strong></td>
<td>depend on worldwide standards (special programmes for high potentials)</td>
</tr>
<tr>
<td><strong>I28</strong></td>
<td>salary package must be fair and market oriented</td>
</tr>
<tr>
<td><strong>I28</strong></td>
<td>company pension, lunch vouchers, parking for employees</td>
</tr>
<tr>
<td><strong>I28</strong></td>
<td>you know each other between the HR people</td>
</tr>
<tr>
<td><strong>I31</strong></td>
<td>it’s like a carousel, good if your name is known</td>
</tr>
<tr>
<td><strong>I31</strong></td>
<td>a lot of jobs are handled via network</td>
</tr>
<tr>
<td><strong>I31</strong></td>
<td>succession plan for leaders</td>
</tr>
<tr>
<td><strong>I13</strong></td>
<td>aim is to keep them as long as possible and therefore need to develop and train them</td>
</tr>
<tr>
<td><strong>I13</strong></td>
<td>good connections to universities</td>
</tr>
<tr>
<td><strong>I13</strong></td>
<td>we use social networking media</td>
</tr>
<tr>
<td><strong>I17</strong></td>
<td>we show candidates how their career with us could look like</td>
</tr>
<tr>
<td><strong>I17</strong></td>
<td>multilingualism in-house</td>
</tr>
<tr>
<td><strong>I17</strong></td>
<td>safe work, good reputation</td>
</tr>
<tr>
<td><strong>I20</strong></td>
<td>we train our people over borders</td>
</tr>
<tr>
<td><strong>I20</strong></td>
<td>we offer unlimited contracts</td>
</tr>
<tr>
<td><strong>I24</strong></td>
<td>we involve in community service</td>
</tr>
<tr>
<td><strong>I14</strong></td>
<td>introduction plans</td>
</tr>
<tr>
<td><strong>I14</strong></td>
<td>we offer long-term employment and commitment</td>
</tr>
<tr>
<td><strong>I15</strong></td>
<td>annual performance reviews</td>
</tr>
<tr>
<td><strong>I15</strong></td>
<td>more flexible companies (than in Germany)</td>
</tr>
<tr>
<td><strong>I14</strong></td>
<td>no big competition between us (for employees) in our sector</td>
</tr>
<tr>
<td><strong>I15</strong></td>
<td>emerging leader programme</td>
</tr>
<tr>
<td><strong>I15</strong></td>
<td>performance management</td>
</tr>
<tr>
<td>I14</td>
<td>local touch, but there are global policies</td>
</tr>
<tr>
<td>I15</td>
<td>satisfaction survey</td>
</tr>
<tr>
<td>I15</td>
<td>intercultural awareness training</td>
</tr>
<tr>
<td>I16</td>
<td>employer branding activities</td>
</tr>
<tr>
<td>I16</td>
<td>partnership with universities</td>
</tr>
<tr>
<td>I16</td>
<td>we have a customer approach</td>
</tr>
<tr>
<td>I16</td>
<td>when I came the HR function and practices employed were a little bit old-fashioned</td>
</tr>
<tr>
<td>I16</td>
<td>home working</td>
</tr>
<tr>
<td>I16</td>
<td>be a top employer campaign</td>
</tr>
<tr>
<td>I16</td>
<td>a lot of HR practices coming from the financial situation</td>
</tr>
<tr>
<td>I16</td>
<td>have to communicate a lot</td>
</tr>
<tr>
<td>I16</td>
<td>we use classical channels for recruitment</td>
</tr>
<tr>
<td>I16</td>
<td>we post job offers in our branches</td>
</tr>
<tr>
<td>I16</td>
<td>good employer branding</td>
</tr>
<tr>
<td>I16</td>
<td>we publish in newspapers and use more and more LinkedIn and other social networks</td>
</tr>
<tr>
<td>I16</td>
<td>low hierarchical system, direct contact to the CEO</td>
</tr>
<tr>
<td>I17</td>
<td>we make our people aware that they are responsible for their employment</td>
</tr>
<tr>
<td>I16</td>
<td>onboarding programme</td>
</tr>
<tr>
<td>I16</td>
<td>dashboard human capital</td>
</tr>
<tr>
<td>I17</td>
<td>deal with lots of different cultures, diversity</td>
</tr>
<tr>
<td>I17</td>
<td>a lot of flexibility if you want to implement s.th.</td>
</tr>
<tr>
<td>I17</td>
<td>it’s very pragmatic here</td>
</tr>
<tr>
<td>I17</td>
<td>I have a social network here</td>
</tr>
<tr>
<td>I17</td>
<td>You have strong network here in Luxembourg, my value add is my network</td>
</tr>
<tr>
<td>I17</td>
<td>Working in HR in Luxembourg is easier than in other countries because of the legal part</td>
</tr>
<tr>
<td>I17</td>
<td>there are not so many opportunities to really grow and develop</td>
</tr>
<tr>
<td>I19</td>
<td>Need to be flexible and adapt</td>
</tr>
<tr>
<td>I19</td>
<td>Many changes in the organizations: before traditional, now matrix structure</td>
</tr>
<tr>
<td>I19</td>
<td>Home working</td>
</tr>
<tr>
<td>I19</td>
<td>Work on part-time basis</td>
</tr>
<tr>
<td>I20</td>
<td>Respecting people as success factor</td>
</tr>
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</tr>
<tr>
<td>I20</td>
<td>Luxembourg is some kind of learning school: cultural learning, languages</td>
</tr>
<tr>
<td>I20</td>
<td>Work-life balance between business and private life</td>
</tr>
<tr>
<td>I20</td>
<td>We try to develop three main skills: technical, management and commercial skills</td>
</tr>
<tr>
<td>I20</td>
<td>For executive positions we use executive search or agencies</td>
</tr>
<tr>
<td>I21</td>
<td>We have a very specific métier: so it’s more about networking</td>
</tr>
<tr>
<td>I21</td>
<td>We try to find the highest trained people in our business</td>
</tr>
<tr>
<td>I21</td>
<td>We have very low turnover as it is against our company policy to separate</td>
</tr>
<tr>
<td>I21</td>
<td>Here we try to create a positive climate with the employees and the unions.</td>
</tr>
<tr>
<td>I21</td>
<td>Need to do things politically correct</td>
</tr>
<tr>
<td>I21</td>
<td>We have to be very flexible, treat this guy different as he has a different origin</td>
</tr>
<tr>
<td>I21</td>
<td>Trainings in collaboration with the Labour agency</td>
</tr>
<tr>
<td>I16</td>
<td>We involved an external body, Great Place to Work</td>
</tr>
<tr>
<td>I16</td>
<td>Part-time work, different models</td>
</tr>
<tr>
<td>I24</td>
<td>Possibility to buy holidays</td>
</tr>
<tr>
<td>I24</td>
<td>Unpaid leave</td>
</tr>
<tr>
<td>I24</td>
<td>Home working, teleworking</td>
</tr>
<tr>
<td>I24</td>
<td>We allow flexible arrival and departure</td>
</tr>
<tr>
<td>I24</td>
<td>We try to adapt our infrastructure to the needs of our employees and our business</td>
</tr>
<tr>
<td>I24</td>
<td>Social project with Red Cross</td>
</tr>
<tr>
<td>I24</td>
<td>Adopt working hours to help single parents</td>
</tr>
<tr>
<td>I28</td>
<td>easier life because in Luxembourg the say of the workers council is limited</td>
</tr>
<tr>
<td>I28</td>
<td>High level of independency from the HQ</td>
</tr>
<tr>
<td>I28</td>
<td>Luxembourgers only know training on the job, no dual education what we look for</td>
</tr>
<tr>
<td>I28</td>
<td>German banks started to set up dual trainings together with the Luxembourg State</td>
</tr>
<tr>
<td>I28</td>
<td>Selection is done via language skills, you have to be fluent in English</td>
</tr>
<tr>
<td>I28</td>
<td>We know the curriculum [of the Luxembourg University] and try to influence it.</td>
</tr>
<tr>
<td>I31</td>
<td>It is a carousel.</td>
</tr>
<tr>
<td>------</td>
<td>------------------------------------------------------</td>
</tr>
<tr>
<td>I31</td>
<td>you have an over proportional portion of well-educated people in the total workforce</td>
</tr>
<tr>
<td>I28</td>
<td>I compare salaries with other banking colleagues, we chase poach of each other</td>
</tr>
<tr>
<td>I28</td>
<td>HR pushes the integration of the fw and promotes Luxembourgish language classes</td>
</tr>
<tr>
<td>I28</td>
<td>I concentrate to take on board people who are willing to learn and develop</td>
</tr>
<tr>
<td>I16</td>
<td>HR business partner able to attract people and to make them stay with the company</td>
</tr>
<tr>
<td>I31</td>
<td>So many companies did not really introduce succession planning within their HR policies</td>
</tr>
<tr>
<td>I15</td>
<td>It is very challenging for HR people because their employees are not just workers</td>
</tr>
<tr>
<td>I24</td>
<td>Need to explain situation (traffic)</td>
</tr>
<tr>
<td>I21</td>
<td>Flexible working hours, working from home</td>
</tr>
<tr>
<td>I21</td>
<td>We post open positions with the Labour agency</td>
</tr>
<tr>
<td>I21</td>
<td>Comparing frontier workers and expats</td>
</tr>
<tr>
<td>I31</td>
<td>Luxembourg should be seen as something like a role model</td>
</tr>
<tr>
<td>I33</td>
<td>We offer the same budget for company car to someone that makes 15 or 50 km.</td>
</tr>
<tr>
<td>I33</td>
<td>We don’t have a home working policy</td>
</tr>
<tr>
<td>I33</td>
<td>We don’t consider the place of residency when we recruit.</td>
</tr>
<tr>
<td>I33</td>
<td>Flexible working hours</td>
</tr>
<tr>
<td>I33</td>
<td>Company car and parking are very sensitive issues</td>
</tr>
</tbody>
</table>
APPENDIX L: Example for coding using the term “flexibility”

Quotes from HR managers:

74  no flexibility
75  Labor contracts are not so different. I think I am more flexible to design labor contracts.
76  The standard candidate who first applies for Luxembourg is happy to work here and easy to
77  handle. The one who changes knows his value and what he can expect as total package but
78  this is an advantage being in a small country, it’s transparent. I don’t have to evaluate much
79  when I am looking for s.o. for a specific function and what I need to offer in order to be in
80  line with market conditions.

184  yes
185  I can only speak for those whom I know, but I think in Luxembourg everything is more
186  relaxed, so in Germany you start working at a fixed time, then you have lunch and then you
187  go home. So in the companies I worked for this is more flexible and I have the claim as team
188  leader not to control my people, I just suspect that they do their work but - I don’t know how
189  to express this – they should not abuse the fact that they are not controlled, because
190  everything is within a team and you need respect different mentalities, it happens the Spanish
191  only start at 9:15 although start is set for 9am, because they stay till 7. Germans are usually
192  early at work. So you learn to deal with the mentalities and different reactions of the people.
193  So you need to have a sense on how to approach people.

244  most important point of Luxembourg and the second thing, but this is not related to the difference,
245  is probably the fact that the companies in Luxembourg are probably smaller than in Frankfurt, this
246  is not related to frontier workers, it is related to the size of the city and the size of the country, ING,
247  to give you idea, 800 in Luxembourg is 800 people, in Belgium it is 9000, in Germany it is 5000
248  which means the difference, which is also one of the advantages of Luxembourg it means a lot of
249  flexibility, if I want to implement s.th. at ING Luxembourg it is quite easy: we discuss it in the exec
250  committee Thursday, we implement it the Friday. In Belgium this is a big company, you have a lot
251  of stakeholders, it’s more political as the size of the company is bigger, it makes a big different
252  Flexibility as to the size of the companies, it’s very pragmatic here, I don’t know what is happening
253  in Frankfurt, here it is very pragmatic, what can I say, the fact that you could have the same
254  multicultural environment in a city like Brussels which is also multicultural with people living in
255  Belgium. The position of Luxembourg is really the center, it’s a strange small country, with
256  German, French and Belgium influence, this is what makes the difference, very specific.

205  So here we have 25 different nationalities so this gives certain richness even if it is not easy to
206  deal with sometimes. So when it comes to productivity this plays an important role also
207  culture wise. There are expectations from the people, we have to be very flexible, so I cannot
208  tell this guy something I could tell to another guy. I have to lead this guy different as he has a
209  different origin, he expects other things. So if we would not have the frontier workers and the
210  frontier workers would not have Luxembourg, this would be much poorer for both sides.

57  of our population and lots of things were sorted out. So we created working groups to adapt
58  our place to the needs of our employees. We started to adopt flexible working hours especially
59  for frontier workers to arrive out of traffic time peaks and so nowadays we have some people
60  arriving very early in the morning, at 7 / 7:30 who will leave earlier, 4 or 4:30 and others who
61  start at 8:30 / 9 hr and return at 5:30 / 6 hr. This has been a strong demand from employees
62  side. So we also found out that they are much more concentrated on their job. So everybody
63  feels well now, the collaboration also is better now. In parallel we also introduced flexibility
64  when it comes to part time work, because we have nowadays 61% female workers and 39%
65  men and with the needs different from those of men. We are 84 people et 60 FTE. The whole
APPENDIX M: Key “in vivo” quotes from interviews

Frontier workers:

‘development’
31FWFF_SI:
“It’s a very international place so we have got a great balance between private and professional life, especially for the frontier workers as we are living in the little villages in Belgium, France or Germany and we have a chance to get a touch of internationality in Luxembourg”.

‘adaptation’
27FWMB_SI:
“From a professional point of view I see a great flexibility of people working in Luxembourg, either to adapt to the French language, English or German, so no problem, they know of the added value from the frontier workers”.

‘network’
29FWMB_SI:
“Everybody know each other in Luxembourg, so communication is very easy. So when you come from abroad you need to understand this and you don’t perceive that the bad or good news circulate very fast. There are non-official things and it is even not necessary that there is a journal, this is also part of the Luxembourg culture”
‘training / career development’

19FWFF_SI:

“First of all, I think the attractiveness of Luxembourg is that you are able to join a positions without having the education for it. When you show the motivation and ability to adapt you have a chance to start and grow up in a function, there are many opportunities to be trained besides the normal traditional education and till now organizations have the budget to train the staff. I think many people have the chance to be trained, lifelong learning, if you want, is a reality”.

HR managers:

‘development’

12HRMG_I:

“The big advantage the company can offer is that we have a really international set-up. We have 24 branches all over the world. Our business always was international and we can show the candidates how their career abroad with us could look like”.

‘flexibility’

33HRMB_SI:

“So commuting can generate some kind of stress with transport, so this is a question of time, losing time, flexibility, because they want to avoid traffic jams and think of ways to avoid them. We have flexible working hours […]. Vacation (in the 3 bordering countries) are different, but people organize themselves, but it’s more about organizing the daily life. So this is our role to offer flexibility”.

289
‘connections / network’

11HRFG_I:

“I participate in a lot of events to build my network which is very important. You know each other between the HR people, irrespectively if it’s a bank or industry, you know the names, it’s like a carousel and it’s good if your name is known. A lot of jobs are handled via the network and the longer you work here the better it is as you get a name and reputation”.

‘information / communication’

7HRFG_I:

“We need to watch out for different laws, differences in the pension system, health system, we need to explain what is different in labour and law. This is important and has been neglected in the past. Now it is more of a benefit. We take care about you. We show you how to do it. So we try to explain to our people. […] We organize a lot of info sessions, whenever there is a change […]. It’s about informing our people”.
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