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The impact of high-skilled migrant inward mobility on firm-level innovation  
performance: Unfolding individual- and firm-level heterogeneity

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## Abstract

We adopt an organizational learning approach to examine how firms' recruitment of high-skilled migrants contributes to subsequent firm-level innovation performance. We argue that due to migrants' often different experience from that of native high-skilled workers, their perspectives on problem-solving and access to non-overlapping knowledge networks will also differ. The implied complementarity between these worker types makes migrant hires a particularly valuable resource in the context of firm-level innovation. We hypothesize also that since the acculturation costs are relatively low for high-skilled migrants while the innovation-related benefits deriving from diversity are relatively high, innovation performance should increase a fortiori if the high-skilled migrant employees are from a dissimilar culture. Finally, we conjecture that firms with high integration capacity as a function of prior experience of employing high-skilled migrants should derive more innovation-related benefits from migrant hiring than firms with a low integration capacity. We track the inward mobility of high-skilled workers empirically using patents and matched employer-employee data for 16,241 Dutch firms over an 11-year period. We find support for our hypotheses. (Paper version: October 20, 2018)

# **The impact of high-skilled migrant inward mobility on firm-level innovation performance: Unfolding individual- and firm-level heterogeneity**

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**Keywords:** High-skilled migration, innovation, dissimilar culture, integration capacity.

**Paper is available upon request via email.**