

# **Multinationals' recruiting in industrial districts**

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## **Abstract**

This paper explains how multinationals source specific tacit and sticky technical knowledge in industrial districts through recruiting. Focusing on the location of the textile-dedicated company ZARA in a footwear-dedicated Marshallian industrial district, we study its recruiting strategy using mixed methods. ZARA recruits district footwear expertise by seeking primarily local workers with strong relational ties and intensive tacit knowledge originating from the best footwear-dedicated local firms that master knowledge on operations and expertise on managing local networks of subcontractors. Good local firms involuntarily benefit newcomer multinationals. The net effect on the district is the result of the tension between poaching and embeddedness and anchoring effects.

## **Keyword**

Multinational enterprises, Marshallian industrial district, tacit knowledge, recruiting, footwear