

# Hiring foreign talent has a positive impact on the national workforce

October 3 2011

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Researchers at Universidad Carlos III de Madrid are participating in a study that has determined that when high quality players from foreign countries are drafted to play on sports teams within a determined country, there is an improvement in the performance of that country's national team. Credit: Image: Lita Bosch

Spanish researchers at Universidad Carlos III de Madrid are participating in a study that has determined that when high quality players from foreign countries are drafted to play on sports teams within a determined country, there is an improvement in the performance of that country's national team.

This research attempts to analyze the impact caused by the liberalization of the labor market in the world of sports brought about by the Bosman Rule. Specifically, the scientists have evaluated the [repercussions](#) that

the large influx of foreign players caused on national competitions and on the performance of national teams. "This liberalization process has stimulated domestic competition and improved the performance of the national teams that play in national leagues more open to the entrance of [foreigners](#)", declares one of the researchers, Juan de Dios Tena, of the UC3M Statistics Department.

This conclusion contradicts the popular cliché that claims that a huge influx of foreign players to a football league is harmful to the national team. "It's funny that we (Spain) won the World Cup precisely when the number of foreign football players in the Spanish league increased so dramatically, because up until now, nobody had mentioned the fact that the foreign players could have a positive impact on the national players' training", comments Professor Tena. "Science – he adds - offers analytic explanations for facts that doesn't always support popular beliefs".

This work, recently published in the journal *Labour Economics*, was carried out by the Sports Economics research group, whose members are Professor David Forrest, of Salford University (England), Ismael Sanz, of Universidad Rey Juan Carlos (King Juan Carlos University), and Jaime Álvarez, of the Universidad Complutense of Madrid. The general objective of this group, which also includes Ramón Flores, of UC3M's Statistics Department, is to use sports economics as an experimental field in which to study questions of interest to society, such as the impact of globalization on industry competitiveness. "The great advantage of sports economics is that, unlike other areas of economics, the impact of policy actions can be clearly observed in the results of competitions", the researchers explain.

## **Important in creative industries**

The results of the study can be extrapolated to other industries in which creativity is important, according to the researchers. That is, local

workers can benefit, in terms of skills and ability, from contact with new techniques and practices that foreign "drafts" use. "We have shown - Professor Tena concludes – that the [liberalization](#) of the labor market in creative industries improves and stimulates internal competition and industry performance at the national level".

In carrying out the study, the scientists used statistical analysis and econometric tools to compare the competitive sports balance before and after the enactment of the Bosman Rule. In addition, they examined the results of nearly fifty national basketball teams over a period of more than twenty years, taking into account the number of foreign players in their domestic matches and controlling the impact of other factors, such as the power of the clubs, countries, etc. In this way, they have managed to demonstrate, as the study shows, that an increase in the number of foreigners in a national league tends to generate a subsequent improvement in the national team's performance, although that team is made up of only domestic players.

Provided by Carlos III University of Madrid

Citation: Hiring foreign talent has a positive impact on the national workforce (2011, October 3) retrieved 27 June 2024 from <https://phys.org/news/2011-10-hiring-foreign-talent-positive-impact.html>

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