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# Global Talent Management in Knowledge Intensive Firms in Europe and India

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## 1 Introduction

This chapter concerns global talent management in knowledge intensive firms in and between Western Europe and India. It also discusses the extent of talent flow between the two regions (specifically from Western Europe to India), and the challenges faced by these expatriates in India. In doing so it aims to identify and suggest future research directions.

The need for organisations to be as competitive as possible in the global marketplace has increased dramatically over the last 20 years. This phenomenon has led practitioners and researchers to rethink the traditional strategies used to manage human resources, now adding an international perspective. International human resource management follows the premise that organisations' global competitive advantage depends on the effective management of their workforces (Bryan 2010). Within the field of international human resource management, global talent management has been developing as a crucial topic for both researchers and managers. The relevance of this topic is due to the fact that, since the late 1990s, organisations around the world have been confronted with a major threat to doing business: a demand for talented employees that far surpassed the supply, thus creating a global talent shortage (Michaels et al. 2001). As a consequence, talent acquisition, retention and management have become a matter of great importance in the global business arena (Guthridge et al. 2008).

There is no unanimity in the definition of global talent management. However, from the large set of definitions in the literature, a key and common notion emerges: i.e. that there should be a focus on the talent of employees, so that organisations can attract, select, develop and retain this talent in order to enhance organisational performance in a global setting (Schroevers and Hendriks 2012; Farndale et al. 2010).

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Most of the research on international human resource management, and more specifically on global talent management has been developed in North America. In fact, there has been mention of the existence of a 'Gulf Stream' of ideas in this field, drifting from the USA and hitting the UK first, then crossing the Benelux countries . . . and Germany and France, and proceeding finally to southern Europe (Scullion and Collings 2011). Research outside North America and Europe is even sparser. Nevertheless, even with the global economic slowdown of 2008, there are continuing challenges in attracting, managing, and retaining talent, especially in the developing regions of the world where economic activity has outpaced the availability of skilled employees (Tymon et al. 2010), as these regions are witnessing greater growth rates.

In this chapter we decided to focus on talent management in Western Europe and India for the following two interrelated reasons. First, we wanted to focus on two representatives of Western and Eastern talent management strategies. The emphasis and focus of research is now moving from developed countries such as the US, EU and Japan to developing countries such as the BRICS (Brazil, Russia, India, China and now South Africa). However, the majority of research on Western vs. Eastern comparisons focused on contrasting Western Countries and Eastern Asian countries, mostly China. We decided to focus on a less researched topic and compare Western Europe and India in order to explore the specificities of the two regions and the challenges for talent management, and in the process help identify future research directions. Our second motive relates to the growing links between the two regions and talent management flows, especially from Western Europe to India. According to the Expat Explorer Survey (HSBC 2012), India is the 11th out of 30 countries of destination in terms of economic incentives for Western expats. These economic advantages are likely to be extremely relevant in a context of the current European economic crisis. Additionally knowledge sharing between the two regions is envisaged to be mutually beneficial.

Also, in this chapter, we will focus specifically on the context of knowledge intensive firms. For knowledge-intensive firms (Alvesson 2004) the strategic capacity to compete derives from knowledge: this knowledge is mainly derived from people (Kessels 2004). Because the emphasis is on knowledgeable people in knowledge-intensive firms, organisations constantly need to find ways to make better use of this knowledge (Schroevers and Hendriks 2012). Considering the relevance of the workers for organisations' competitive advantage, the strategy has been to manage knowledge via human resource management (HRM). However, simply thinking of knowledge management as incomplete without human resource management would be too vague considering the amplitude of the HRM field. The specific area of 'talent management' may be able to provide the missing link between the people side to management and knowledge-related challenges and problems within organisations (Schroevers and Hendriks 2012). Accordingly, we focus on the specific challenges for talent management and possible strategies to overcome them in the particularly fertile context of knowledge intensive firms.

Further, considering the multinational dimension of numerous organisations, and the arguments made above, there has been a growing concern with the

management of talent at a global level. There is a vast gap in research in this area. Accordingly, in this chapter, we focus on important theoretical and empirical research related to talent management in knowledge intensive firms, focusing specifically on Western Europe and India, with an aim to provide future research directions. We provide a thorough description of talent management strategies implemented in Western Europe and then move on to discuss, much more in detail, the emerging talent management strategies in India, especially the business process offshoring industry, aiming to emphasise some specificities between the two regions. We additionally describe and analyse the talent flow patterns from Western Europe to India, and challenges for expatriates in India. Our overall aim is to understand the specific challenges of these flows from the perspective of talent management, aiming to provide some suggestions to both researchers and practitioners.

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## 2 Talent Management in Western European Knowledge Industries

Alongside North America and Japan, Europe has long been a privileged location for the development of knowledge intensive firms. Knowledge-intensive business services in particular grew significantly since the early 1990s. During this time, the perception of the services area shifted from a role of ‘adapters of innovation stemming from the manufacturing sector’ to the role of ‘important players in the innovation process’ (Muller and Doloreux 2007: 19). However, as expected, there are several inequalities in terms of the distribution of knowledge intensive firms throughout Europe, with Scandinavia, the Benelux countries and the UK leading the charts, and with the Mediterranean and the new EU members at the bottom. Despite these expected regional differences, the most remarkable contrasts are between some urban poles and the remaining territories. In particular, the highest concentration of workers in knowledge intensive firms is in Île de France, Lombardie, Comunidad de Madrid, Outer London, Cataluña, Rhône-Alpes, Düsseldorf, Andalucia, Inner London, Lazio and Upper Bavaria (descending order; European Commission 2012). These areas are all located in Western European countries, which is why we chose to focus on Western Europe in the current chapter (leaving out the new EU countries).

The high number of highly-skilled global workers in European capitals has soon led to a managerial and academic interest in the management of this talent (e.g., Pettigrew 2002; Scullion and Collings 2011). Nevertheless, Europe is a very heterogeneous continent, which leads to the existence of different forms of managing talent across different regions. The most common regional division is: Anglo Europe, Germanic Europe and Latin Europe (Carter and Galinsky 2008). Each of the three regional profiles poses challenges to talent management. We advance some possible solutions to overcome them.

Research has shown that in Anglo-Europe, organisations and their employees have common ‘value-based’ behaviour that predicates rewards on merit, are highly

individualistic and male dominated, despite the efforts to reduce gender inequality and implement a better work-life balance (Carter and Galinsky 2008). The main challenges for talent management, especially in the context of knowledge intensive firms relate to team-work and knowledge sharing, which are crucial for the success of this type of firms. One possible strategy to overcome these challenges might reside in a better team leadership, where group achievements would have a direct impact in the extremely valued individual careers. For this individualistic culture, it would also be relevant to consider the emerging perspectives of leadership as a collective process: collective leadership within a team, particularly the development and mentoring dimensions are predictors of supervisor-rated team performance (Hiller et al. 2006).

Workers from the Germanic Europe cluster are likely to value traits such as assertiveness and being results-oriented, reporting a greater concern for standardisation, being focused on the future, avoiding uncertainty and appreciating collectivism (Carter and Galinsky 2008). The particular talent management challenges for Germanic Europe relate to being able to break standardised processes and readapt when situations suddenly change (difficulty dealing with uncertainty). This spontaneity might be extremely relevant in the constantly changing business of knowledge intensive firms. One possible strategy to overcome these challenges might relate to extra training aiming to develop skills such as creativity and fast resolution of unknown problems.

In the Latin Europe cluster, workers have been found to be less likely to engage in collective action, and leaders are less likely to exhibit and promote altruistic ideals or reward members for performance improvement and excellence. This culture is more characterised by affective autonomy, in which individuals are independent and pursue positive experiences for themselves (Carter and Galinsky 2008). The main talent management challenges for Latin Europeans relate to the idea that collective performance might not necessarily lead to individual rewards. The suitable talent management strategies for this context would be similar to the ones appropriate for the Anglo European context: the implementation of better leadership strategies that would develop a stronger altruistic feeling, where the investment of the whole group would be directly linked to rewards to all individuals. This would be relevant for knowledge intense firms where team-work is crucial.

Despite the relevance of the aforementioned challenges related to specific regional business characteristics, the major challenge for the talent management of all Europeans, since 2008, has been the economic recession. The 'war for talent', which characterised the years up to the economic crisis, has been quelled as companies have fewer funds. According to the Eurostat (2013), the overall unemployment rate in Europe was 12 % in August 2013. Among the Member States, the lowest unemployment rates were recorded in Austria (4.9 %), Germany (5.2 %) and Luxembourg (5.8 %), and the highest rates in Greece (27.9 % in February) and Spain (26.2 %). Figures are even more concerning when we focus on youth unemployment, since they are a crucial source of talent, especially for knowledge-intensive firms. From the beginning of 2009, the gap between the

youth and the total unemployment rates has increased, so that at the end of 2012 the youth unemployment rate was 2.6 times the total rate. The economic recession has impacted knowledge intensive areas and we have been witnessing, not only a brain drain from Southern to Northern Europe, but also a brain drain from Europe to the US or to emerging economies (OECD 2013).

Whether companies are in the midst of restructuring, recruiting and developing talent on shoestring budgets, or struggling to maintain and motivate top talent, changes of this magnitude must be actively managed with workforce capabilities as a key consideration (Davidson et al. 2008). The major strategy in this situation may reside in the identification of crucial sources of talent in knowledge intensive firms, both at the managerial and at the technical levels. Attempts for retention at this level may involve strategies that promote job security and work-family balance. Furthermore, we believe that there is a relevant strategy that would, not only help manage talent in the context of economic recession, but also contribute to overcoming the recession: the reinforcement of the bridge between science and practice (McDonnell 2011). Bridging this gap is crucial for talent search and retention in knowledge intensive firms, since it will promote the faster application of innovative ideas and thus increase the market value of these firms. In particular, there should be a stronger reliance in partnerships between profit-oriented organisations and Universities/Research & Development Centres. Excellence at the scientific and technological levels may be one of the most relevant factors to differentiate Europe from its worldwide competitors and boost the recovery from the European recession. Initiatives such as ‘Horizon 2020’<sup>1</sup> might become important instruments to bridge this gap between science and practice in Europe.

Having described some of the key features that influence the way talent is (and should be) managed in Europe, we now discuss the talent management strategies in the newly evolving knowledge intensive industries in India, such as the business process offshoring industry. We start with discussing the specific knowledge intensive industries, its extent and growth and then the talent management strategies, practices and challenges and the ways in which they are managed.

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### 3 Talent Management in Indian Knowledge Industries

Globalisation has transformed the way business and work is conducted, both in the global north and south. The increased use of offshore outsourcing or ‘offshoring’ of knowledge intensive work has meant stakeholders are affected by work being carried out in geographically different global destinations. This trend has changed global employment patterns and talent management strategies and has as a result led to management implications and consequences. India is a major destination for such knowledge intensive work, such as for e.g. work in ‘information technology

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<sup>1</sup> ‘Horizon 2020’ is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe’s global competitiveness.

enabled services' (ITeS), 'business process offshoring' (BPO) and 'pharmaceutical' industries. Activity has grown rapidly for India in recent years, with success in attracting both relatively low skilled transactional work, and high skilled 'professional' work. There is increased interest in this phenomenon from academics, researchers and practitioners worldwide to understand these new trends and their implications. Relatively little research on talent management strategies in knowledge intensive firms investigates the phenomenon's consequences and implications for human resource management strategies and practices of those firms in destination countries supplying such services to external clients. What is the balance between 'indigenous' and 'novel' talent management practices, for example, and 'best-practice' policies that may be adopted in these knowledge intensive industries? Also, what is the extent and challenges of talent management flows between Western Europe and India? These and others below are important questions that future research needs to address.

### 3.1 Why India?

India is seen as the second largest growing economy of the world after China (Budhwar and Varma 2010, 2011). The growth of the Indian economy, growth in Indian firms and their resources are salient issues in the current environment (Cappelli et al. 2010; Kumar et al. 2009). The Information and Communication Technology (ICT) sector is still the fastest growing segment of the economy, both in terms of production and exports. With complete de-licensing of the electronics industry with the exception of aerospace and defence electronics, and along with the liberalisation in foreign investment and export-import policies of the entire economy, this sector is not only attracting significant attention as an enormous market but also as a potential production base by international companies. These are knowledge intensive industries and hence need talented knowledge workers to service these sectors. The Indian IT sector has shown remarkable resilience during the current global financial downturn. Arguably the greatest area of growth in this respect is with regards to the knowledge intensive BPO industry which was worth \$69.4 billion in 2009, and growing; in 2012, estimated at almost 7.5 % of India's GDP and employs close to 2.2 million people (NASSCOM 2012). However, for established firms the outsourcing of business processes potentially carries a number of risks (Earl 1996; Aron and Singh 2005; Aubert et al. 1998; Hoecht and Trott 2006). These risks include unsuccessful outsourcing experiences in which suppliers have failed to meet expected service levels and deliver the expected cost savings. Therefore, for Indian firms the development of sustainability, through a strategic talent management process, is a key issue in order to compete with more established firms, particularly those originating or associated with countries that have a more established reputation with regards to the knowledge intensive sector, to extend their success to an international level. Several Indian organisations are now well known globally and hence it becomes imperative for them to sustain this and remain competitive, through a sustainable talent management strategy. In this context, how

can successful 'best-practice' talent management strategies and practices from Western Europe be adopted and adapted in these Indian business process offshoring organisations?

The next section discusses the growth of the Indian knowledge intensive industries and the global linkages.

### **3.2 Growth of Indian Knowledge Intensive Firms: Global Linkages**

A feature of the Indian knowledge intensive industries is its incredible rate of expansion. However, it is less clear to what extent, and how, talent management practices of such firms have fluctuated over time, and more recently as a result of the turbulent international business environment. In particular, what have been the consequences and implications for talent management practices in such firms of the recession where impact on Western countries may have led increased incidence of offshore work? As a prime destination for knowledge intensive outsourced work, India is a critical case for research into talent management. For e.g. Lahiri et al. (2012) state several reasons for investigating into the Indian BPO industry. First, India remains the top choice among various offshoring destinations for western client firms (Luo et al. 2010; Zaheer et al. 2009). Second, Indian BPO industry has evolved from low-value added services (e.g., call centers) to high-value added knowledge-based services. Finally, as one of the world's largest and most dynamic economies, India-based studies add value to the overall understanding of the global business environment. In terms of HR research, some studies of Indian call centres and BPO organisations have highlighted the formal, structured and rationalised human resource management (HRM) systems (Budhwar et al. 2006a, b), with some evidence of innovative practices in 'high end' services (Raman et al. 2007). The rapid growth of the outsourcing industry has resulted in both high turnover and skill shortages, as employers compete for a restricted talented segment of the labour force and have been forced to consider new types of response (Kuruville and Ranganathan 2010).

Over time, the Indian IT/BPO industry's performance was marked by sustained revenue growth, steady expansion into newer services, increased geographic penetration, and an unprecedented rise in investments by MNCs, in spite growing concerns about gaps in talent and infrastructure impacting cost competitiveness. NASSCOM (2012) further reported that as a proportion of national GDP, the sector revenues have grown from 1.2 % in the financial year 1998 to an estimated 7.5 % in 2012. Thus, the Indian IT/BPO sector has portrayed itself to be building a strong reputation in terms of its high standards of service quality and information security. The industry also continues to portray its drive to set global benchmarks in quality and information security through a combination of provider and industry-level initiatives and at strengthening the overall frameworks, creating greater awareness and facilitating wider adoption of standards and best practices. Within the broad-based industry structure, IT is led by large Indian firms, BPO by a mix of Indian and



MNC third-party providers and captives, and this reflects the talent supply-base. Whilst the larger players continue to lead growth, gradually increasing their share in the industry aggregate; several high-performing small and medium enterprises (SMEs) also stand out. In terms of the extent of talent, today, India leads the world in terms of the number of quality certifications achieved by centres in any single country (NASSCOM 2012). The US and the UK remain the key markets for Indian IT/BPO exports (excluding hardware), accounting for nearly 80 % of the total exports, followed by the remaining countries in Western Europe. Though these two markets account for the largest share of worldwide technology spends, the EU has a fair share of the market. In terms of global standing and competition, Indian business process outsourcing (BPO) providers have proved to be stiff competition to western BPO providers, accounting for 5 % of market revenue generated among the top 150 providers in 2008, according to Gartner Inc. (2008). In 2002 there were few, if any, India based BPO vendors in the top 150 worldwide providers, but by the end of 2008, the top 20 India based BPO providers accounted for \$4 billion in revenue, representing 5 % of the \$80 billion revenue of the top 150 BPO vendors globally. Gartner expects this trend to accelerate because of economic pressures that are contributing to demand for low-cost BPO. This again could not have been achieved without the sustained talent management practices and strategies of the Indian firms.

### **3.3 Talent Management and HRM Challenges in Indian Knowledge Intensive Industry**

Above all sectors in India, the experience of talent management specifically in IT/BPO organisations is often flagged as standing apart from those in more traditional parts of the economy (Khandekar and Sharma 2005, 2006; Saini and Budhwar 2008) with more emphasis on formal, structured and rationalised HRM systems that reflect the importation of practices in the call-centre industry in other countries (Budhwar et al. 2006a, b). The workforce's identity is constructed as 'professional' rather than proletarian by the graduates themselves and the BPO firms that hire them, although this may belie the actual nature of much of the work (Noronha and D'Cruz 2009). Part of the reason for the formalisation of HRM can be found in the double-edged nature of the IT/BPO industry's expansion. The rapid growth of the outsourcing industry has resulted in both high turnover and skill and talent shortages, particularly evident in large cities, as multiple employers fish within the same relatively small pool for a restricted segment of the graduate labour force (Chatterjee 2009: 276–277; Kuruvilla and Ranganathan 2010). Numerous sources, including the BPO industry body NASSCOM (2010), suggest that relatively few fresh graduates are employable without further training. For example, Bayadi (2008: 24) claims that, despite the two and a half million graduates that India produces annually, 'human resource managers at multinationals consider only 10–25 % as employable'. With the Indian IT/BPO industry faced with recruitment, attrition and poaching problems, one recent survey finds the sector of the opinion



that use of better HR practices is the main key to future success (Rajeev and Vani 2009: 59). Companies have been forced to consider new types of response (Kuruvilla and Ranganathan 2010). Some evidence exists of more innovative HR practices in ‘high end’ knowledge processing services, intended to recruit, retain and manage the performance of the relatively scarce group of graduates deemed to possess the right skills (Raman et al. 2007). Longitudinal data suggests a degree of movement in the governance and organisational features of IT/BPO firms from an initial transactional orientation to one more focused on achieving resource complementarity through the development of trust and a longer-term orientation to the provision and delivery of the offshore services (Vivek et al. 2009; Pereira and Anderson 2012).

Despite a hiatus in the fortunes of India’s inherently globalised IT/BPO sector as a result of the international financial crisis, with recruitment freezes and even lay-offs in some firms particularly dependent on Western contracts (Ghosh and Chandrasekhar 2009: 728–729), there appears little reason to think that the hiring and retention problems outlined above are not recurrent. The challenge to recruit and retain talented people in the knowledge intensive industries in India is thus complex, evolving and on-going. Whilst Indian companies look towards the global north or Western countries for talent management models and strategies, they are also looking inwards towards indigenous way of managing its talented workforce in knowledge intensive sectors. In this context, what is the extent of the talent flow between Western Europe and India and what are the challenges faced? These questions are addressed below, with suggestions for future research in this area.

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#### **4 Knowledge Based Talent Flow from Western Europe to India**

In the last two decades, there has been a growth in the two-way flow of trade between India and member states of the European Union, mostly Western Europe. This flow has led to the creation of organisations such as the EU Chambers of Commerce in India and the European Business Group in India. The major talent flows from Europe to India and from India to Europe have been occurring in the context of knowledge intensive firms, particularly the ones aiming at innovation and research and development activities (EBGI 2012). These talent flows are likely to persist in the future, especially due to initiatives such as the “Horizon 2020” strategy in Europe and the recently launched “Innovation Union” as it is in India with the “Decade of Innovation”. We will now describe the way talent has been flowing from Western Europe to India, giving particular emphasis to the context of knowledge intensive firms.

The largest talent flow from Western Europe to India has started in the early 1990s, with the implementation of multinational organisations in this country. Today it is estimated that over 750 research and development subsidiaries of multinational organisations employing 200,000 engineers exist in India (EBGI 2012). There are several reasons why multinational organisations would decide to

enter India. These reasons are initially more related to pure market considerations, sighting cost advantage, qualified workforce and attractive market conditions as prominent reasons. However, a medium term strategy is also leveraging India as a design base and research and development centre. The other reasons identified for entering India include: providing service support for high-end equipment imported from Europe, offering environmental services to the parent organisation and local customers, funding India specific projects, providing securing services, marketing and sales operations, mineral, and oil and gas exploration, delivering IT consulting services to global and Indian customers, and geographical expansion.

The majority of the talent flow from Europe to India occurs at a top managerial level. The implementation of subsidiaries of multinational organisations in India has led to a flow of European expatriates with high skills, performing managerial jobs and with high responsibility levels. Although these expats may belong to knowledge intensive organisations, they are unlikely to perform technical jobs. They might have strong technical skills in their field, but their roles as expatriates are more likely to involve the supervision of this type of jobs.

Talent management of European expatriates in India is intrinsically related to the management of the expatriation process. This involves specific organisational management strategies before, during, and after the expatriation period. Gesteland and Gesteland (2010) wrote a comprehensive book about the expatriation of 'Westerners' in India ('Westerners' would involve Northwest Europeans, Americans, Australians and New Zealanders). They describe the specificities of the business culture in India, which may present some difficulties for the western expats. The specific differences between the business cultures in Europe and in India are related to a monochronic vs. polychronic interpretation of time, respectively. Gesteland and Gesteland (2010, p. 22) exemplify: "German and German-Swiss expatriate managers in particular often experience great stress" due to their strongly monochronic interpretation of time. Other crucial aspects to account for considering western expatriates' adaptation to the Indian business culture involve the climate, the relationship-focus vs. deal-focus, hierarchical and egalitarian business behaviour, communication challenges and intercultural leadership challenges. Organisations need to be extremely careful in managing the talent of these expatriates. One strategy is to provide them training, which will allow them to be ready for some of the differences in the way of doing business. Furthermore, organisations' talent management strategies should also involve not only financial support, but also guidance related to the settlement of the expatriates' families.

In summary, though there is an increased flow of talented expatriates between Western Europe and India, research on talent management of these expatriates in India is largely missing. Future research thus needs to keep pace with this topical and evolving area. We hope the discussions above (and the subsequent Table 1) has pointed to several areas for future research.

**Table 1** Talent management challenges of knowledgeable workers in Western European and Indian knowledge intensive industries

Five key points regarding Global Talent Management challenges	Five key points regarding strategies to overcome these challenges	Five key points regarding future opportunities in Global Talent Management
1 Recruitment and Retention of Talent by Knowledge Intensive firms (applicable to both Western Europe and India, see special emphasis on Indian firm under point 3 below)	Reinforcement of the investment in partnerships between the Academia and Private Organisations	Talent Management Strategies should pay special attention to career transitions between Academia and Private Organisations and vice versa
2 Impact of the Recession in Europe and Brain Drain	Widespread implementation of R&D initiatives such as 'Horizon 2020'	As Europe is affected by the recession, it is crucial to identify the most talented individuals, providing them several inducements (related to increased job security in particular) in order to promote their retention
3 Attraction and retention of key talent personnel in newly evolving knowledge intensive firms (e.g. IT-BPO)	The utilisation of Western (e.g. European and US) best-practices and local indigenous talent management practices and models	Identifying the hybridisation of talent management practices through research
4 The need for talent management to keep pace with the fast growing knowledge intensive work coming into India through offshore outsourcing and dealing with the complexities of such work	Using practices that are best-fit to overcome the challenges rather than mere global or local best practices	Greater research needed to unbundle the complexity facing talent management and thus keep pace with the growth
5 Talent Flow from Western Europe to India: Management of the Expatriation Process	Preparation for the Indian Business Culture and close monitoring of the expatriation process	Future research should focus on the identification of strategies for talent management post-expatriation process

## Conclusion

In the current chapter, our aim was to address some of the specificities of talent management in knowledge intensive firms. We focused on the particular cases of Western Europe and India, describing thoroughly these two contexts and the talent management challenges and strategies implemented to overcome them.

In the case of Western Europe, these challenges may differ according to the main geographical differences (Anglo Europe, Germanic Europe and Latin Europe). However, the biggest challenge for talent management in knowledge-intensive firms in Western Europe relates to the current context of economic

recession, which has led to high unemployment rates, talent flows within Europe and brain drain from Europe to the U.S. or to some of the emerging economies, such as India. We advanced some possible talent management strategies involving the appropriate identification and retention of key talented workers thought increased job security and work-family balance. We also suggest that talent management in knowledge intensive firms should involve the reinforcement of strategies to bridge the gap between science and practice. In India, the current economic situation is in a much better shape, largely led by the phenomenal growth of the Indian business process offshoring industry, meaning that there has been a large proliferation of such knowledge intensive firms in this country. The particular challenges that arise relate to the attraction of quality talent and skilled personnel and then the retention of such talented people. Furthermore, we focused on the Western Europe-India talent flow. Concerning the flow from Western Europe to India, we described the main talent management challenges that arise from the expatriation process and the possible strategies to overcome them. However, we also argue that there is a glaring gap in research in this area and that future research on talent management should concentrate on addressing this gap.

In summary, we chart the following five key points regarding challenges within talent management of knowledgeable workers in Western European and Indian knowledge intensive industries (Table 1), with relevant strategies to overcome these challenges and future opportunities in global talent management.

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