

Global Talent Management: Reality or Utopia? A Special Glance Through a Portuguese Multinational Organization

Joana Ribeiro and Carolina Machado

Abstract In this global world that we live in, global talent management is one of the big challenges faced by the human resource management areas around the world. It constitutes a privileged and innovated way of aligning human resource management and business strategy. The main purpose of this study was to identify and analyze the talent management System presented by a Portuguese multinational organization. In addition, there were two other propositions with significant relevance for the case: the analyses of a conceptual framework about human resources roles in global talent management and the impact of contextual factors; and the analyses of the principles of effective global talent management. The theoretical construct was supported by a qualitative approach. Data collection approaches for this qualitative research involved data observation and individual semistructured interviews. All global talent management strategies, policies, frameworks, and practices adopted by the multinational company have been carefully examined in order to pursuit the goals of the research. It was concluded that global talent management is now a reality for this Portuguese company and the company's global talent management system can be used as a model, as far as it concerns to the talent strategy and philosophy, influenced by the different roles played by the human resources area and the observation of the principles of effective global talent management. However, it is absolutely necessary to note that the success of each talent management system depends on each particular situation and on the organizational context as well as on the ability to innovate and on the creativity of the implemented policies and practices.

J. Ribeiro · C. Machado (✉)

School of Economics and Management, University of Minho, Braga, Portugal
e-mail: carolina@eeg.uminho.pt

1 Introduction

There is something that is much more scarce, something finer far, something rarer than ability. It is the ability to recognize ability.

Hubbard [1, p. 163]

Nowadays, one of the biggest challenges faced by organizations all around the world is the fact that human resource management (HRM) trends are directly connected to globalization and, consequently, to the intensification of the complexity of business activity.

The success of international expansion is based on the way the key people are managed. To attract and retain key talent, companies worldwide must recognize the importance of international mobility, as well as the adoption of talent management programs, and make efforts to create a talent mobility strategy [2]. According to this author, the talent pool is not local anymore, instead is becoming more and more global.

2 Literature Review

2.1 *Global Talent Management*

Human resource management is now facing new challenges, highlighted by the increase in global employment competition and also by the demand for talent. According to the SHRM [3], the competition for the best skills has been particularly emphasized by the rapidly emerging economies, such as China, India, and Brazil.

2.1.1 **Definition and Evolutionary Perspective**

Global talent management was widely accepted by human resource practitioners and consulting firms worldwide. Building on their excellent work, academics recently started to examine the talent management phenomena more closely in last few years [4].

Although there is a growing consensus that global talent management is an emerging area, there is no consensus regarding the exact definition or boundaries of it [5].

According to a literature review made by Tarique and Schuler [5], global talent management “is about a systematically utilizing IHRM activities to attract, develop, and retain individuals with high levels of human capital (e.g., competency, personality, motivation) consist with the strategic directions of the multinational enterprise in a dynamic, highly competitive, and global environment” [5, p. 124].

The international mobility of key people, with the intention of developing some individual or organizational business areas, skills or needs, is a crucial part of a talent management strategy.

Managing a global workforce is a big challenge, because it goes beyond what concerns to the geographical and cultural boundaries. One of the main research topics in this field is the lack of talent [5]. According to the Manpower Talent Shortage Survey [6], “Despite the continuing caution exercised by many companies amid going economic uncertainty, a substantial portion of employers in the U.S. and worldwide identify a lack of available skilled talent and a continuing drag on business performance.” According to the same source, the most difficult positions to fill in the Americas include technicians, sales representatives, and skilled trade workers, in the Asia-Pacific include sales representatives, technicians and laborers, in and Europe, Middle East, and Africa include skilled trade workers, technicians, and engineers.

Despite how talent management is defined, this is an emerging field which has been creating new roles and jobs. A recent study by Heidrick and Struggles [7] notes that we are beginning to see the steady emergence of a new discipline of strategic talent management, led by a Head of Talent or similarly titled role. “The cumulative impact of global demographic trends, combined with ongoing economic uncertainty and aggravated by a critical skills shortage, creates a powerful talent triple whammy facing business. As a response, companies worldwide are bringing talent, mostly leadership talent, to the top of the agenda and are assigning responsibility for aligning business and talent imperatives” [7, p. 2].

However, Guthridge et al.[8] identified many barriers to the use of HR policies and practices of global talent management initiatives such as the following:

- The fact that senior managers do not spend enough time on Talent Management maybe because they think there are more pressing things to be concerned with;
- Organizational structures that inhibit collaboration and the sharing of resources across boundaries, which include based regions, products, or functions;
- Middle and front-line managers who are not sufficiently involved in or responsible for employees’ careers because they see these kind of activities as less important than managing the business;
- Managers feeling uncomfortable on evaluating and acknowledging performance differences among employees;
- Managers at all levels who are not sufficiently involved in the formulation of the talent management strategy and therefore have a limited sense of ownership and understanding of global talent management actions.
- HR departments that lack the right competencies to address the global talent management challenges effectively.

Sculion and Collings [9] emphasized that HR policies and practices [9] must be mutually supportive and internally consistent. These also need to fit the specific firm characteristics, such as management leadership, values, vision, culture, size,

and type of industry. More specifically, it would be expected from them in their HR policies and practices selection to:

- Identify the specific global talent challenges that are confronting them;
- Evaluate their rigor and sophistication levels;
- Determine firm characteristics that are likely to be more supportive of certain HR policies and practices;
- Continually monitor the drivers and shapers of the firm's global talent challenges, facilitating the changes needed to implement them.

Therefore, global talent challenges emerge in the context of a dynamic environment. There are significant HR strategic business issues that ensure just the right amount of the right talent and motivation, at the right place, at the right price, during all economic and financial ups and downs, balancing the workforce with the needs of the firm in the short and in the long term [10]. In this context, significant Talent Challenges have emerged, specifically those associated with the need to reduce and remove talent in order to lower the costs of operations; locate and relocate the operations around the world; and obtain equally competent talent anywhere in the world at lower wages.

According to the mentioned authors, the major forces and shapers of the global talent challenges are as follows:

- (1) Globalization. Globalization is a concept that people use when referring to different phenomena. For this issue, it has been giving particular relevance to expansion of world trade, intensified competition among firms, the potential to reach more customers around the world, and the set of people worldwide who now compose a global labor market.
- (2) Demographic Changes. In the next years, with the exception of India, societies will be "greyer" than Japan, currently the country with the oldest population, and businesses worldwide will face a "greying" workforce. At this point, few companies offer lifelong opportunities to keep skills current. On the other hand, there is a big issue with the Generation Y' expectations: The lack of developing opportunities is the major reason given by Generation Y employees for leaving a company. Corporate Universities are turning their attention to attracting and developing the members of different generations [11].

While the populations of many developed countries are aging and shrinking in size, the populations of developing and emerging economies are expanding and getting younger [12]. There are significant variations in demographics characteristics by age and by region all around the world that multinational organizations need to consider in locating and relocating their operations internationally [13].

- (3) Demand for workers with competencies and motivation. New jobs are still being created that require higher levels of technical competencies. For the existing jobs, there is a growing need for employees more adapted to change and under new conditions that require the development of additional

competencies [14]. The need for highly motivated employees is likely to remain strong as well. Highly motivated or highly engaged employees, with high levels of productivity, are able to contribute for more to the firm than those who are less motivated [15].

- (4) Supply of workers with competencies and motivation. In developed economies, such as Western Europe, North America, and Japan, there is an expected shortage of managerial competencies, especially as the economy recovers.

In this context, Tarique and Schuler [5] suggested that global talent management, as any emerging field, requires much exploration to improve the clarity of definitions, frameworks, and models. According to them, there are several topical areas for future research to better understand the global talent management including:

- What it means to be a bridge field;
- Using more theoretical frameworks;
- Identifying more specific differences;
- Moving beyond descriptive statistics;
- Developing the notion of “systems” in global talent management systems;
- Implementing global talent management in different country contexts; and
- Developing exist strategies for talent.

2.1.2 Principles of Effective Global Talent Management

Stahl et al. [16] suggest six principles of effective global talent management. According to these authors following talent management, best practices can only take you so far. Top-performing companies subscribe to a set of principles that are consistent with their strategy and culture. One of the biggest challenges faced by organizations worldwide is building and sustaining a strong talent pipeline. The authors recognized that adopting a set of principles rather than best practices challenges current thinking. Best practices are only the best in the context for which they were designed for. On the other hand, principles have broad applications. The authors found out that successful companies adhere to six key principles: alignment with strategy; internal consistency; cultural embeddedness; management involvement; balance of global and local needs; and employer branding through differentiation.

1. **Alignment with strategy.** Corporate strategy is the natural starting point for thinking about talent management. Given the company’s strategy, what kind of talent do we need? This requires a significant overall of existing performance management systems, investment in line management capability, and overall changes to the mind-set of line managers and employees.

2. **Internal consistency.** Implementing isolated practices may not work and can actually be counterproductive. This principle refers to the way the organization's talent management practices fit with each other. Consistency is crucial.
3. **Cultural embeddedness.** Many successful companies consider their corporate culture as a source of sustainable competitive advantage. They make efforts to integrate their core values and business principles into talent management processes such as hiring methods, leadership development activities, performance management systems, and compensation and benefits programs. Rather than selecting employees for attitude and cultural fit, a more common approach to promoting the organization's core values and behavioral standards is through secondary socialization and training.
4. **Management involvement.** Talent management processes require managers' involvement, at all levels, including the CEO. Senior leaders, and line managers need to be actively involved in the talent management process and make recruitment, succession planning, leadership development, and retention of key employees their top priorities.
5. **Balance of global and local needs.** For multinational companies, operating in different countries, cultures, and institutional environments, talent management seems complicated. Companies need to figure out how to respond to local demands while maintaining a coherent HR strategy and management approach. A company's decision about how much local control to allow depends partly on the type of industry; for instance, consumer products need to be more attuned to the local market than pharmaceuticals or software. Companies that find a balance between global standardization and integration and local implementation have the best of both worlds. They can align their talent management practices with both local and global needs, resulting in a deep, diverse talent pool.
6. **Employer branding through differentiation.** In order to attract employees with the right skills and attitudes, companies need to find innovative and creative ways of differentiate themselves from their competitors.

On the basis of the above, it was concluded that companies cannot simply mimic top performers, because best practices are only the best when they are applied in a given context. Companies need to adapt talent management practices to their own strategy and circumstances and align them closely with their leadership and talent philosophy, while at the same time finding ways of differentiating themselves from the competitors [16].

2.1.3 Human Resources Roles in Global Talent Management and Contextual Factors

This study was based on a research developed by Sparrow et al. [17] that expands the knowledge of the process of talent management on a global scale which explores a framework of human resource roles in global talent management designed by Fardale et al. [18].

Sparrow et al. [17] focus on the role of the HR function in facilitating the successful management of key talent across the organizations based on data from two large multinational firms based in the UK and the USA. A particular point of interest is how the HR roles may be changing in global talent management based on the global financial services crisis.

Therefore, Talent Management has become more critical than ever. According to Somaya and Williamson [19], some argue that given the large number of lay-offs as a result of the crisis, there is no longer the “war for talent,” popularized by McKinsey. However, organizations continue to seek the top, justifying the significant investment made in the most highly competent people [17].

Farndale et al. [18] developed a conceptual framework that extends beyond the specific global talent management strategies. They described four roles which may be adopted to facilitate global talent management in multinational organizations:

- (a) ***Champion of processes***: Developing and monitoring global talent management practices and policies, tools, and strategies; ensuring that these are implemented across the organizations; monitoring GTM processes; and improving coordination of tools, processes, and techniques across functions.
- (b) ***Guardian of culture***: Ensuring a mobility culture across the organization; incorporating values in organizations strategies and activities to support global mobility of individuals.
- (c) ***Manager of internal receptivity***: Encouraging the inflow and outflow of key talent across business entities; encouraging receiving units to manage diversity, careers, integration, and work–life balance.
- (d) ***Network leadership and intelligence***: Developing appropriate networks inside and outside the organization to support the GTM process; being aware of developments in the internal and external labor market; mobilizing appropriate talent both internally and through external provider and a sense of timing and context.

Sparrow et al.’s [17] biggest challenge was to test this framework empirically, to see how the roles, if present, are actually enacted, and to explore at what extent different organizational contexts impact on the framework: business model, talent philosophy, and international financial crisis.

According to the same authors, talent can be divided into two perspectives, focusing either on the subject, individuals with career management needs, or on the object, knowledge, or competencies that the organization needs to manage. Part of the distinction depends on whether people are seen as having innate abilities or whether everyone has strengths which can be developed to reach the top talent status. Talent management then differentiates between taking a generic or differential approach to the management of potential. Should an organization aim to develop everyone, adopting a very inclusive approach, allowing everyone to get the chance to rise to the top; or should development opportunities be offered exclusively to the best? Both approaches constitute talent management systems, but each requires a different implementation strategy.

According to Stahl et al. [16], an exclusive approach, centralizes the rewordings and the attention on the top talent. Otherwise, it assigns less recognition, rewordings, and development needs to the other employees. On the inclusive approach, organizations' main concern is to try to develop and reward all the employees, on an equal way.

The two Talent Management philosophies can live together. Many companies combine them. Regarding specific talent pools (senior executives; specialized technicians; young talents), there could be different development strategies. A hybrid approach helps on the differentiation and overcomes the big controversy on the intrinsic value of some groups or functions.

Within the global talent management field, one factor differentiates it from "domestic" talent management which is global mobility or expatriation—the movement of key people to overseas locations of the organization [17]. Managing global mobility becomes a key part of the human resources strategy for global talent management. However, there is no single business capable for operating internationally, and there can be several variations in the roles of the HR function in different types of international organizations [17]. The distinction is made between organizations with more centralized operations compared to those which are more decentralized, with local operations able to decide their own approach to global talent management.

According to Farndale et al. [18], the centralized model requires high global integration, while the decentralized model requires local responsiveness. The general trend is toward increasing centralization in order to have some control on the development of the future leadership of the organizations.

Sparrow et al. [17] examined whether and how adjustments to the global integration and local responsiveness balance are being made in the financial and professional service firms. They also explored the extent to which the enactment of each of the HR roles is likely to depend on the contextual and strategic factors.

The first proposition relates to the need to build a core of competence able to transfer capability across multiple countries. In order to achieve this, the four roles are expected to be present.

The second proposition builds on the first. Although the four roles may be present, the authors anticipate the variation in the prevalence of these roles based on the context of the firms: inclusive or exclusive approach; centralized or decentralized business model; and the specific characteristics of the financial and professional service firm contexts.

The final proposition suggested that these four roles will be dynamic and the 2008 finance crisis is likely to have changed the global talent management Agenda and the supply of talent and reduced available resources for implementing global mobility strategies.

According to Nijveld [4], these four roles should be in good balance. The alignment between those roles leads to organizational performance. But the alignment between those roles is not the only alignment there should be. Internal alignment is the key for a positive relation between GTM and organizational performance.

Human resources area is a crucial competitive advantage source on the design of business strategy settled on three main issues: the belief on the potential of human development; the intention to value people on their workplace; and the reinforcement of leadership on the development of organizational culture [20].

According to Stahl et al. [16, p. 2], the competitive advantage in talent management does not come from implementing best practices, rather it comes from internal consistency of all the elements that constitute the talent management system, in other words, the way the talent management practices fit with each other.

Best practices as recruitment, staffing and succession planning, training and developing or retention management are not the key to competitive advantage, but they must align closely with the various elements of TM system, such as business strategy, leadership philosophy, and value system of the organization.

Schuler et al. [10] believe that the organizational culture in the form of business needs and strategies is also a main characteristic on the design of the talent management strategy. According to a literature review made by these authors, there are also many external contingencies that influence global talent management: economic trends, competitiveness, labor market conditions, and national culture.

Talent management globalization requires a specific approach that considers additional international pressures. In the current economic climate, it may no longer be appropriate to talk about a “war for talent.” This expression was replaced by “demand for talent” as a result of two big challenges: local competitiveness and the new forms of mobility related to the emergent markets. More people available on the labor market does not necessarily mean that employers are able to find the level of skilled professionals they are seeking. The demand for talent remains high and it stills remaining a lack of talent, especially on the high technology field in the emergent markets. There is also a high talent competitiveness beyond expatriates and local workers [21, 22].

Farndale et al. [18] believe that the quickest step to internationalization and globalization involves a strategic role of the human resources area. An effective talent management system allows the multinational companies to reach a global competitive advantage [10].

3 Research Methodology

The theoretical construct was supported by a qualitative approach. The purpose of the research is simultaneously descriptive and analytical.

The purpose is descriptive at the first part of the research, where the intention was to obtain and describe the main characteristics of relevant questions, namely through the identification and description of the company’s global talent management strategies.

The adopted methodological processes were selected in order to contribute to achieve the proposed empirical knowledge. In order to respond to the proposed purposes, the methodology was fundamentally qualitative and it is related to the

phenomenological paradigm. According to the qualitative characteristics of the required information, the case study is the core methodological instrument of this research. Regarding to the process, this is a qualitative research, based on the perceptions examination. On the other hand, regarding to the purpose, the research is analytical, intending to analyze, explain, and understand different phenomena and finding cause–effect relationships. The case study consists on an extensive review of the phenomenon on a Portuguese multinational company. The reasons behind this choice are as follows: the company’s intern and international market projection and collaboration on University of Minho projects.

Data collection approaches for this qualitative research involved data observation and individual semistructured interviews, including two thirty-minute non-directive exploratory interviews, to the Talent and Leadership Development Coordinator and to the Head of Talent Management and Development, with the intention of present the case study. These were followed by a conference call, directed to a Talent and Leadership Development Specialist, in order to get more information, and followed by an hour semistructured interview to the Head of Talent Management, with the purpose of testing the followed model and to better understand the way how the company attracts, selects, promotes, and retains high potential workers. The semistructured interview script was based on the script adopted by Sparrow et al. [17]. The questions focused on global talent management practices, policies, and strategies; business context and talent strategy; and on the core functions of the Talent Management and Leadership Development area. This was followed by data qualitative analyses.

4 Analysis and Discussion of Results

Beyond the Literature Review and after the presentation of the Research Methodology, below follows this case study explanation, analysis, and discussion of results.

The empirical research took place on a prestigious Portuguese multinational company.

4.1 The Company

- **Presentation**

The case study’s company is a Portuguese multinational founded in 1959. It is a retail company (food retail, specialized retail and retail properties) with two core partnerships: shopping centers and telecoms. In order to assure the confidentiality and anonymity rights of the company, we decided to call it “Y”.



Fig. 1 The Y world. *Source* Management Report'14

The company's corporate strategy is based upon the creation of value through three strategic pillars: international expansion, diversifying the investment style, and leveraging the asset base in Portugal [23]. Therefore, internationalization is the foremost strategic priority for future growth, and it focuses on core businesses and adjacent businesses areas.

At the end of 2014, the company was active in 67 countries (Fig. 1), including operations, third-party services, representative offices, franchising agreements, and partnerships.

According to the Chairman's Letter presented on the Management Report [24, p. 19]: "Success comes from valuing our team. This is a living organization and we are committed to ensuring that every single colleague feels that they are important to our success."

4.2 *Human Resources Management: Integrated Talent Management*

At the end of 2014, the company had 40,947 employees, featuring a young team (52% young people under the age of 35), and characterized by diverse profiles and gender (62% women).

In 2014, the company had 38,726 employees in the retail area. Of these, 67% were women and 8% were international collaborators, namely from Spain, Brazil, China, and Turkey [24].

The company's sustainability strategy has three axes of performance: better purpose, better planet, and better people. The biggest better people commitment is "the integrated talent management," promoting well-being and investing in the development of employees' skills and abilities, continuously enriching the company's culture [24]. According to the Sustainability Report [23], the integrated talent management commitments are as follows:

- **Attracting Talent Effectively**

The company has been given particular importance to the creation of direct contact opportunities between the business world and students and recent graduates. Through the promotion of different initiatives, the company supports personal and professional development of young people and identifies young talent. The company played an active role in bridging the gap between young people and the labor market by:

- Participation in job fairs at schools and universities;
- Promotion of workshops and providing support for academic and research work;
- Promotion of study visits to the company (central structures and operations);
- Undergraduate, Master, and MBA students can participate in mentoring programs;
- Partnership in the "Bué d'Escolhas" program, promoting initiatives focusing on providing skills and development of children and youngsters at-risk;
- Participation in the partnership regime of the "Alliance for Youth," which aims to contribute to the fight against youth unemployment in the Portuguese and European context.

- **Career Management**

The company's careers' model plays a role in supporting the management of the talent pipeline, ensuring alignment between priorities and professional development expectations. Therefore, this reflects two management approaches: One focused on the planning needs of human resources and the other more directed toward the employee as an actor of their own professional and personal development.

The company values the diversity of profiles and pathways of its people and supports personal and professional development between areas, directing the attention toward reflecting on this model and the internal mobility process that allows the employees to acquire cross-cutting and multipurpose skills.

- **Training and Development**

The company has demonstrated the ability to generate innovative and entrepreneurial leaders internally which has proven to be significant to the rapid development and diversification of the business and occupying leadership positions in various segments of activity.

This fact is due to investing in the best management practices and development of talent, but more importantly by the introduction of this concern in the daily lives of the leaders.

For the company, “being a leader means developing talent and recognizing that the achievement of goals depends on the performance and commitment of extraordinary teams, who have to constantly overcome the challenge of efficiency and continuous improvement” [23].

With emphasis being placed on the following:

- Management and leadership academy;
- Training center—continuous improvement;
- Forums for knowledge-sharing and consulting groups;
- Innovation and creativity management and the sharing of in-house knowledge;
- Retail school; and
- Mentoring program.

- **Performance Evaluation:**

Based on the principles of meritocracy, pluralism, and participation, the company’s performance manage model encompasses all the employees, in all the businesses and locations. Every year, the company invites all the employees to reflect on their achievements and aspirations, ensuring a performance management interview with each team member. During this interview, an opportunity is given to discuss the results achieved in the year under review, sharing expectations and ambitions, the identification of development opportunities, and the definition of goals and action plans.

Within the framework, the companies have had place since 2012 a talent management tool, a nine-box grid that despite encompassing all the employees was mainly designed for the most senior employees in the organization and for the employees identified with the most growth potential.

4.3 Talent Management and Leadership Development: The “Talent Nine-Box Grid”

It was found that the human resources department is a big differentiating asset for this company.

The human resources administrator reports directly to the CEO, which is equivalent to a business CEO. He has sat on Executive Board, and, at the same time, he leads the HR Advisory Board, chaired by the CEO and Chairman, and responsible for the definition and approval of all the HR policies, the majority of which are related to talent management policies and contribute to the alignment with the global management strategy. As a result, the communication of talent management issues is facilitated, as though the sharing of ideas and concerns.

The **Talent Management and Leadership Development** area led by the Head of Talent Management and Leadership is responsible for the development and implementation of strategic talent management policies through the different HR departments, with a special focus on Top Executives. This area supports on the conceptualization and operationalization of employee's personal development models, according to the company's strategic guidelines and the best practices, in order to maintain and improve the talent pipeline of the organization.

However, it is important to highlight that the company, under the talent management and leadership development area, positions all the employees on a "Talent nine-box grid" which forms a very organized talent management System. The "Talent nine-box grid" is a matrix tool that is used to evaluate a company's talent pool based on two factors, performance and potential.

The "Talent nine-box grid" is part of the Performance Management [25]. The Performance Management System's target public includes all the employees, from team members to senior executives. The system applies equally to all the employees that have had a minimum of six months of exercise of functions. The evaluation stands on an annual basis with a formal follow-up in the middle of the year.

Therefore, in order to get a careful analysis of the company's talent management system, we precede to a detailed analysis of the Performance Management System which crosses performance and potential.

The performance evaluation system [25] intends to adjust cross-cultural skills to the particular needs of each business. Thereby, it includes two different kinds of components:

- (1) Evaluation components (individual goals; soft skills; technical skills).
- (2) Information components (self-assessment; performance review; career development; development needs; reviewer's comments; employee's comments).

The employee's global performance grade comes from the qualitative result of partial results obtained from the components Individual goals, soft skills, and technical skills expressed on the next performance scale [25]:

- (1) Unsatisfactory;
- (2) Needs improvement;
- (3) Effective;
- (4) Very good; and
- (5) Outstanding.

The informative components are from major importance to the company because they assure data qualitative collection that complements the qualitative components which enables the connection between all the HR policies, particularly Career paths, and Training and Development.

In this regard, and with the exception of self-assessment, all the informative components are mandatory to this process. Self-assessment is recommended and preliminary to the performance evaluation interview.

On the informative component, career development takes place the discussion of the employee interests on global mobility, as well as the fit to that kind of career.

Therefore was created a mobility assessment which is the result of the evaluation of a crucial range of soft skills and technical skills to this issue, such as the following [25]:

- (1) Commitment to organizational principles;
- (2) Striving for excellence;
- (3) Intercultural understanding;
- (4) Communication skills;
- (5) Ability to network effectively; and
- (6) Foreign language skills.

The evaluation of performance system, as a connecting tool through all the HR processes, intends to identify the employees' training and development real needs and the functions performed requirements. Thus, all the skills grades under 3 (reference level) will be listed as development needs.

Another crucial parameter to the **Talent nine-box grid** is potential assessment. To a company, a high potential employee is somebody who can rise to the top and can succeed in senior and critical positions.

Potential is the result of aspiration, engagement, and skills, which increase success probability on a senior position [25].

The potential assessment methodology adopted by the company is mainly explained by the following [25]:

- On the aspiration and engagement fields, there are three levels: 1—little; 2—medium; and 3—high;
- On the skills field, it takes place an automatic analysis to the employee skills gaps, through the difference between the level 4 on the skills evaluation (exceeds) and the employees average grade on the soft skills and technical skills evaluation: $\text{gap} > 1$: employee scores 1 on skills; $\text{gap} > 0.6 \leq 1$: employee scores 2 on skills; and $\text{gap} \leq 0.6$: employee scores 3 on skills.

The potential assessment result is automatically presented by the calculation of the partial average scores of each potential field [25].

- If the average result is between [1–2.5], the employee is on level 1;
- If the average result is between [2.5–2.8], the employee is on level 2; and
- If the average result is between [2.8–3], the employee is on level 3.

On level 1, it is not expected the rise of the employee to major responsibility and complexity functions within two or three years.

On level 2, if it takes employee development, it will be expected the rise of the employee to major responsibility and complexity functions within two or three years.

On level 3, it is expected within two or three years, and the rise of the employee to major responsibility and complexity functions.

Thereby and according to the scores of the employees on the Performance Evaluation and Potential Assessment, they are framed on the talent nine-box grid (performance vs. potential) [25] which follows below (Fig. 2).

This is a talent nine-box grid, 3 × 3, because the two lower scores (unsatisfactory and needs improvement) and the two higher scores (very good and outstanding) are agglutinated.

The employee’s framework on the talent nine-box grid is a valuable input, not only to the definition of priority policies but also as to the supporting tool to all the HR policies and practices.

The talent nine-box grid includes different segments to which match a specific color and designation (Fig. 2).

Therefore, at the end of the performance evaluation and the potential assessment, after the talent nine-box grids were properly completed, take place the Talent Forum Reviews at the performance management cycle. Through a global vision is discussed and adjusted the organization’s talent, based on a range of relevant indicators and analysis.

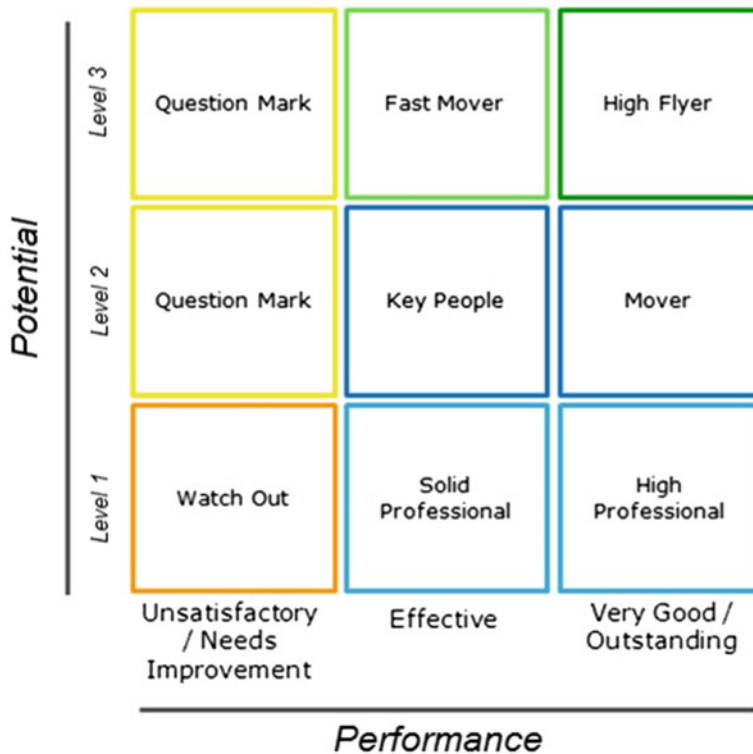


Fig. 2 Talent nine-box grid. Source Performance management system manual [25]

The Talent Forum Reviews' main goal is to identify and discuss the top talent management, with special focus on the next talent nine-box grid segments [25]:

- High flyers (employees with excellent performance and high potential who can make commitments on risky challenges in new areas or on their own) and fast movers (employees that achieve the expected performance levels and with high potential, who are able to take risks and can have different professional paths).
- Key people (employees that achieve the expected performance levels and reveal medium potential levels; they should strengthen their current function) and movers (employees with excellent performance and medium potential levels who can be eligible to horizontal mobility in the short run with the same complexity level).
- Questions Marks (employees who reveal medium or high potential, but who did not have the opportunity to show it yet; they reveal low-performance levels that could be related to some kind of functional mismatch or because they are a new admission).

Thereby, all the macro-action and development plans are designed for the employees. This process follows and incorporates the organization's strategic planning cycle.

In this context, it is important to highlight the Management and Leadership Academy's role on the leadership development, at the extent of training and development and career management fields. The Management and Leadership Academy's main goals are as follows: contributing to the dissemination of organizational culture; creating moments of sharing experience; building networks among employees; and promoting internal mobility, in order to increase the synergies between different business areas.

4.4 The Company's Main Talent Management Challenges

The big obstacle assumed by the Head of Talent to the talent management strategy's implementation is the huge dimension of the company. According to her, "plural mindsets impact on information systems and constrain the implementation of inclusive, concerted and unique models, however, that is easy to overcome."

Additionally, some challenges were diagnosed on the implementation of the talent management strategy related to get a good balance between the following:

- (1) Internal talent versus external talent;
- (2) Individual work versus teamwork; and
- (3) Young employees versus older employees: generation gap and diversity management.

All of these challenges are key issues for the company. There is a clear strategic focus on in-house development, but sometimes, the company feels the need of

external recruitment. The company manages to balance internal talent and external talent as well as assures the mobility between different areas or businesses. Many times, the need of external recruitment comes from the special requirements of new business areas.

With regard to the individual work vs teamwork, the Head of Talent was emphatic “Success comes from the accomplishment of teams.” For the company, the teamwork is a core issue to the achievements of goals. However, good teams always have individual talents.

Change demographics and generation gap are part of international agenda. The company has recently made a diagnosis and is working on the necessary adjustments in order to get generation equality.

In Portugal as well in all developed nations, we have an aging population and, consequently, an increase in the retirement age. The company has been assessing the developments in this situation and has been designing an action plan. This action plan focuses on the alignment, optimization, and adjustment of all talent methodologies, ensuring maximum benefit of different generations.

4.5 Principles Examination to an Effective Global Talent Management

The main aim of this point is to verify the existence, in the adopted strategy by the organization, of the six principles defended by Stahl et al. [16] to the global talent management efficacy.

1. **Alignment with the strategy.** We have observed that talent management is a key part of the business strategy. Human resource administrator reports directly to the CEO, being equivalent to a business CEO, and is a member of the board of directors, having access in all executive commissions. On the other hand, there exists a forum called Human Resource Consulting Group, headed by the CEO with the leadership of the human resource administrator, who defended and approved all HRM policies, whose majority reports to talent management policies, making easier the alignment with the global management strategy. We have observed, this way, the existence of a very close line top/down and bottom/up, facilitating the communication of talent management themes and the concerns share.

In the light of the foregoing, we have observed an effective alignment of the talent strategy with the global strategy. About the talent nature, the organization adopts a hybrid approach. Inclusive in the sense that everyone could be a potential talent, thus positioning all collaborators in the Talent Matrix, which crosses performance with potential. But at the same time exclusive considering the particular attention given to three specific talent segments such as, senior executives, high potentials, and persons considered critical and that deserve a more customized

follow-up. Depending on their positioning in the Talent Matrix, there are persons that are the target of more customized processes and others of more global processes. The global process, included in the *Dragging our talent* program, corresponds to the matrix extremes, being monitored by their superiors. The particular three segments earlier referred are directly monitored by the *talent management and leadership development* area, being the target of a strategy designed to the growth and to leverage more critical themes.

2. **Internal consistency.** According to this principle, implement practices in an isolated way can be counterproductive. All talent management practices need to be adjusted to each other—the consistency is essential. The organization Performance Management process covers all the organization, about 40,000 persons, with close rates in the order of 95%. It has as main aim to manage and develop talent, in the attempt to conciliate personal aspirations, development and career opportunities, mobility, and business development, in the win/win sense.
3. **Cultural embeddedness.** Organizational culture is considered as a source of competitive advantage to Y organization. The organization develop efforts to integrate its values and principles in the talent management processes, such as, recruitment processes (“Contact Program,” “Call for Solutions,” “Call for Summer”), leadership development activities (“Management and Leadership Academy,” “Knowledge-Sharing Forums and Consulting Groups,” “Mentoring Program”), performance management system (“Upward Feedback,” “Tracking on Talent”), compensation and benefits programs. The organization looks to promote its values and competences through socialization and training.
4. **Management Involvement.** Talents Management process highlights managers commitment, in their diversified levels, including CEO. Leaders are highly involved in the Talents Management process, since talents identification to the definition of succession plans for them, as is possible to observe from the Talents Matrix and Talents Revision Forums analysis presented earlier. These place their persons in the Talent Matrix and receive feedback from the teams. Indeed, everybody is directly involved, regardless the leadership level.
5. **Balance between global and local needs.** The organization faces two main needs: answer to local demands and maintain a coherent HRM strategy. The multinational organization in study looks to instill its global standards, recognizing simultaneously the need to do the necessary local adjustments, providing the subsidiaries with the autonomy needed to maintain local specificities.
6. **Employer branding through differentiation.** The organization uses the employer brand as a marketing strategy. Therefore, it has found creative and innovative ways that have enabled distinguished themselves from their competitors and become attractive to potential talents, namely through the adoption of creative and aggressive strategies in talent attraction (specific individual profiles; business students; diversified talent pool, including more and more women); the talent philosophy included in the global strategy; and the belief that organizational culture is a source of competitive advantage.

4.6 *HRM Roles in Global Talent Management Examination and the Influence of the Organizational Context*

This present study looked to analyze the different roles that can be performed by HR managers as global talent management facilitators through the balance sheet analysis between global integration adjustments and local responsibility needed to an organization that acts globally.

In this regard, and from the interviews analyses and the diverse documents made available by the organization, we have easily saw that the organization philosophy transfers capacity by its collaborators and the different countries where it acts and presupposes the existence of the presented four roles:

- Monitor the implementation of relevant policies and practices (“*We have a Corporate area, within Human Resources, Talent Management and Leadership Development, which positions all persons in a talent matrix and supervises directly three segments of talents that deserve a special attention through very customized and variable processes. The remaining are subject of a more global process supervised by line managers, which focus, always, the development*”—Head of Talent)
- Disseminate the organizational culture (“*We are daily motivated by our history, culture and values wealth. In this sense we dispose what we call of ‘our way of doing’, a document that summarizes our culture and values and that is based in four crucial pillars: Our values, how do we work, or teams, our managers. We try hard day after day in order to be able to contribute to become our persons distinctive and unmistakable, in all places where we operate, being Talent Management processes prepared to adjust to all international scenario*”—[23, p. 22])
- Establish networks and guarantee that all parties are sensible to global mobility needs (“*We develop in a regular basis transversal forums to the diverse business areas, with the aim of share knowledge and promote the adoption of best practices. We also have four consulting groups, with periodical meetings designed to share and coordinate information. In addition, we count with two commissions used as a platform to knowledge and experiences share*”—[23, p. 28]).

Considering the presence of the four roles, a new proposition was therefore established. In other words, we wanted to know whether it will be possible to foresee the prevalence of each of them, based in the company organizational context, i.e., according to the adopted talent management approach (inclusive, exclusive or hybrid), the talent philosophy or the world economic crises context.

In the multinational organization, the role ***Champion of Processes*** assumes a great relevance. “*HRM, through the Talent Management and Leadership Development, assumes the main role in the Talent Management System architecture, namely in the Talent Matrix design and analysis, previously analyzed, and in*

the follow-up of all involved in the Performance Management Cycle, that covers all the organization—Staff Corporate and stores” (Head of Talent).

In the Y organization, the ***Guardian of Culture*** role is important, in the sense that it assumes to be critical to manage and conciliate the organizational culture role, which is highly evident and strong in the organization, with the expatriation process and the acquisition of local talents and the needed local adjustments.

It was found that in most situations of the international expansion, the organization resorts to local workers. In those situations when the organization resorts to expatriation, the expatriates are carefully prepared to the international mission. In the talent management point of view and according to the organization Head of Talent, *“the organization considers absolutely indispensable to have an international mindset where the language care (English language is adopted as the official language of the Group) and the respect and attention toward certain cultures are crucial”*. Sometimes is possible to observe the need for local adjustments *“in what concerns Spanish people, who have less familiarity with English, there was an attempt in adopt the Spanish language in business”* (Head of Talent).

Human resource managers of the Y organization also assume, clearly, the role of manager of local receptivity as they show flexibility and the necessary complexity in career management, showing adjustment to the new approaches of the international assignments, namely with the existence of more and more self-initiated expatriates.

“The communication of Talents Management themes is always facilitated as well as the concerns share” (Head of Talent). Talents Management assumes a crucial role, paying HRM attention to the change of processes, mentalities, and practices, compared to the workers international experiences. This role is well visible in the Talent Matrix and more specifically in the Talent Revision Forums. The organization is concerned in developing future leaders and promoting a talent management culture, which is considered a long-term investment.

Repatriation is also considered crucial: Repatriation success is an important tool to encourage others to international assignments.

Intelligent networks and leadership: HRM reveals an extensive knowledge and applicability of the last tendencies and developments in internal and external labor markets as well as high sensitivity to what is happening simultaneously at the local and global levels. Social and organizational networks assume a crucial role to internal receptivity. According to Y Organization Head of Talent, networks and relations established in the organization can be presented in four levels:

- (1) Communication among collaborators;
- (2) Networks related with specific roles that allow leaders to identify international individuals and assignments;
- (3) Networks with the respective HR Departments, encouraging regular contacts to the discussion of global mobility subjects;
- (4) Networks among expatriates that allow the exchange of experiences and concerns, creating a social and professional support.

HR area reveals a concern in managing structural social capital (configuration, density and network function/relations) and, simultaneously, social cognitive capital (shared objectives and culture, such as language, codes, among others).

The final preposition suggests, as it had happen in the study that supports this present one, that roles performed by HR managers' enablers of global talent management are dynamic, product of **the organizational context influence**. In what concerns the context of the global economic crisis, contrary to what happened in the study developed by Farndale et al. [18], in the present study we have concluded that despite the crisis started in 2008 has affected global markets and changed the way to search talents, it did not require a resource reduction in the implementation of the global mobility strategy adopted by the organization. In the multinational study, the great influence is exercised by the organization talent philosophy inherent to the global strategy that is people orientated.

Talent management system of Y organization and the talent philosophy that underlies it presuppose the existence of a hybrid management approach. If, on the one hand, all workers are integrated in a Talent Matrix—inclusive approach, on the other hand the organization focuses its performance in top potentials and senior executives, having to them a customized and differentiated approach—exclusive approach.

The organization further considers that there is no single business model able to operate internationally. The type of management developed by the organization at the subsidiaries level is decentralized, with local approaches to the Talents Management. The organization adopts a decentralized model, providing subsidiaries with some local responsibilities. However, the organization considers essential to have a good balance between global integration and local responsibility. If global integration allows the organization to transfer its management philosophy in the countries where operates, local responsibility allows to provide the subsidiaries with great autonomy and the possibility to incorporate local specificities and culture, having respect by the environment where they operate.

4.7 Final Considerations and Recommendations

After analyzing all the global talent management system of the organization, its philosophy and talent strategy and respective Talent Matrix; evaluating HRM roles enablers of the Talents Management; and verifying the existence of the principles to the global talent management efficacy, some final considerations and possible suggestions of continued improvement were established, as followed in the next paragraphs.

Therefore, the multinational organization should continue its efforts so that its global and local organizational structures, at the products and functions level, allow the collaboration and resources share cross borders. Looking to ensure a continued improvement in its Talent Management system, middle managers need to be increasingly involved in the global talent management process (which is, in this

process, unanimously the less strong point in any organization), investing in its training and competences development at the leadership level, performance appraisal, and teams management, recurring also to a less classic and more innovator technics, such as coaching, mentoring, and emotional intelligence development.

In its HRM policies and practices selection, the organization should remain attentive to the great Talent Management challenges (reduce or remove talent; locate or relocate operations in the world; and obtain similar talent in any part of the planet); evaluate, always, the rigor and sophistication level revealed by each policy and practice; seek to identify, always, its characteristics that can best support the implemented policies and practices; and constantly monitor the drivers that contribute to the global talent great challenges (talent scarcity; demographic changes; change of attitude toward job positions; cultural differences among countries), thereby facilitating the implementation of the required amendments. Therefore, the organization should remain attentive to the drivers' impact in Talents attraction, development, and retention. At the talent attraction level, the emphasis goes to the talent planning, the employer brand construction and the talent aggressive search, with the implementation of strategies increasingly creative and aggressive, recruiting and developing foreign people to work in its home country and attracting a diversified pool of talents, with the inclusion of more women.

About talents development, the efforts that have been pursued by the organization in leadership global competences development are considered quite assertive and should be combined with succession and substitution plans.

Talents retention presents a huge challenge to this and any other organization. *“Talents retention depends mainly from our capacity in develop a work environment that promotes personal and professional development”* [24]. It is suggested that the organization continues to use the leadership programs, which are an important tool in talent retention. At the same time, it is of huge relevance to focus in a sensitive issue of HR internationalization like is repatriation, adopting organizational practices that facilitate workers retention when they return, namely through mentoring programs during the international assignment as well as career planning sessions.

These mentioned issues are very pertinent to the good functioning of the organization' Talents Management system and its continued success.

5 Conclusions

Nowadays, global organization “travel” in a new work world that requires dramatic changes in leadership, talent and HRM strategies. In this new work world, barriers between the job and personal life are completely blurred—workers are in permanent contact with organizations, product of mobile technology. Networking tools, such as LinkedIn, Facebook, and others, allow individuals to a constant market monitoring, providing them the knowledge of new job opportunities in real time. Many

people work in global teams, and well-succeed organizations make efforts to integrate its HR in talent attracting and development programs.

To HRM, this new world where we live requires an innovator thinking that constantly challenges the existing practices. Indeed, the present research allows us to conclude that global talent management is not Utopian in the Portuguese reality, but real, being the studied organization a good example of that.

The research main aims previously defined were clearly obtained as follows:

- Checking the existence of a formal global talent management in a Portuguese multinational.

The studied multinational presents a Talent Management System well organized that allows them to:

- (1) Attract talent collaborators;
- (2) To take advantage of its HR strengths;
- (3) Disseminate its organizational culture;
- (4) Create an employer brand with a strong national visibility and increasing international visibility; and
- (5) Do from its talent philosophy an important source of competitive advantage.

- Empirical checking of an existent conceptual tool relative to the global talent manager enabler roles in multinational organizations and analysis of its organizational context impact.

The existence of a corporate, talent management, and leadership development area led by a Head of Talent, reinforce the different roles that HR managers can have as global talent management enablers, and guarantee the workers development to the organization, allowing to conciliate more massive and inclusive approaches (Talent Matrix), with more customized approaches (Management and Leadership Academy) for the members of the Administrative Board and High Potentials, whose strategy is drawn for growth. Talent management processes are designed to multigeographies, respecting the need of some local adjustments, such as the adoption of Spanish language to business with Spanish people, replacing the traditional English.

- Checking the existence of the principles to the global talent management effectiveness

The presence of the six principles defended by Stahl et al. [16] to the global talent management effectiveness—alignment with the strategy, internal consistency, cultural roots, management commitment, balance between global and local needs, and employer branding through differentiation—contributes to the organization global talent management System success.

Concluding, it is possible to consider the strategy and the global talent management system adopted by the studied organization as a success model to be followed by other organizations, always dully supported by changes imposed by each organizational context. The used model, per se, should not be copied. On the contrary, it could be used as a theoretical basis to the development of new models.

6 Limitations and Suggestions for Further Researches

As in any other study that presents a theoretical tool developed in a particular reality, the main limitations are based, essentially, in its incapacity to generalize. Therefore, and although we are in front of a well succeed global talent management System, its implementation in the diverse types of organizations and geographies could be limited, product of the exercised influence by each particular organizational context.

In this regard, in the scope of a global talent management and in a scenario characterized by a scarce national academic production, its analysis and deepening, in the most diverse organizational contexts, will be of great contribution to the deletion of possible existent limitations as well as to the development of a field increasingly actual and pertinent to HRM and the business world.

So, the following themes can be suggested to future research, namely:

- (1) **Development of theoretical models of Talent Management:** Theoretical tools allow that other researchers develop or improve the existent ones at the same time they allow to better analyze all global talent management process.
- (2) **Global Talent Management in SME:** SME represents the majority of the Portuguese business market. It is important that these organizations recognize the need of a global talent management and take conscious of its advantages. SME requires specific approaches of global talent management which are interrelated with the organizations own characteristics, such as the small number of collaborators, or sometimes, with a management familiar character, or with inexperience at the internationalization level.
- (3) **Women and Global Talent Management,** developing issues such as glass ceiling and equal opportunities. Women still have lesser representation in executive commissions and in leadership positions, reason why it is urgent to analyze in what way women and their organizations could break the glass ceiling, comparing leadership, of thought and emotional styles.
- (4) **Global Talent Management and Ethics:** Analysis of the talent programs ethic. HRM should consider the ethic involved in the global talent management systems. The workers exclusion from talent programs can be seen as a way to suppress opportunities to express the individual identity and authenticity. Management male nature also could form a threat to women progress and to equal opportunities. Global talent management should be followed by a sense of justice.
- (5) **Global Talent Management and Innovation:** In a global world, innovation is seen as an imperative to organizations. In order to be competitive, organizations should take advantage from its capacity to innovate. The higher its capacity to innovate, more efficient will be the talent management strategies. However, we should take in mind that innovation requires creativity that often goes by simplicity, which, curiously, not always is of difficult

operationalization. Innovation in global talent management assumes the existence of distinguishing skills, different ways of leadership development, and talent culture.

References

1. Hubbard, Elbert. (1901). *A message to Garcia and thirteen other things*. New York: Roycrofters.
2. Mullaney, E. (2012). Talent mobility. *Magazine of World at Work*, 2, 33–36.
3. SHRM. (2011). *Workplace forecast: The top workplace trends according to HR professionals*. http://www.shrm.org/research/futureworkplacetrends/documents/11-0014wfp_posting_6.pdf. Accessed in December 18, 2013.
4. Nijveld, J. M. (2014). *Role of global talent management in organizational performance*. Third IBA Thesis Conference, July 3, 2014, Enschede, The Netherlands.
5. Tarique, L., & Schuler, R. (2010). Global talent management: Literature review, integrative framework, and suggestions for further research. *Journal of World Business*, 45(2), 122–133.
6. Manpower. (2011). *Manpower Group talent shortage survey 2011*. <http://us.manpower.com/us/en/multimedia/2011-Talent-Shortage-Survey.pdf>. Accessed in December 15, 2013.
7. Heidrick & Struggles. (2012). *Strategic talent management: The emergence of a new discipline*. <http://www.heidrick.com/~media/Publications%20and%20reports/HS-StrategicTalentManagement.pdf>. Accessed in January 12, 2015.
8. Guthridge, M., McPherson, J., & Wolf, W. (2008). Upgrading talent. *The McKinsey Quarterly*, (1), 61.
9. Scullion, H. & Collings, D. (2011). *Global talent management*. New York: Routledge.
10. Schuler, R. S., Jackson, S. E., & Tarique, I. (2011). Global talent management and global talent challenges: Strategic opportunities for IHRM. *Journal of World Business*, 46(4), 506.
11. Kolo, P., Strack, R., Cavat, P., Torres, R., & Bhalla, V. (2013). *Corporate universities: An engine for human capital*. Boston Consulting Group. https://www.bcgperspectives.com/content/articles/human_resources_leadership_talent_corporate_universities_engine_human_capital/. Accessed in March 12, 2015.
12. Strack, R., Baier, J., & Fahlander, A. (2008). Managing demographic risk. *Harvard Business Review*, 86, 119–128.
13. Goldstone, J. A. (2010). The new population bomb. *Foreign Affairs*, 89, 31–43.
14. Rich, M. (2010). Factory jobs return, but employers find skill shortage. *The New York Times*, July 1. http://www.nytimes.com/2010/07/02/business/economy/02manufacturing.html?_r=1. Accessed in January 12, 2015.
15. Tymon, W. G., Strumpf, S. A., & Doh, J. P. (2010). Exploring talent management in India: The neglected role of intrinsic rewards. *Journal of World Business*, 45(2), 109–121.
16. Stahl, G., Björkman, I., Farndale, E., Morris, S., Paauwe, J., & Stiles, P. (2012). Six principles of effective global talent management. *MIT Sloan Management Review*, 53(2), 25–32.
17. Sparrow, P., Scullion, H., & Farndale, E. (2012). *Global talent management in professional and financial service firms: A key strategic HR challenge*. Paper presented to the IFSAM, Track 11 Strategic Talent Management and Human Capital, Limerick, Ireland.
18. Farndale, E., Scullion, H., & Sparrow, P. (2010). The role of the corporate HR function in global talent management. *Journal of World Business*, 45(2), 161–168.
19. Somaya, D., & Williamson, I. (2011). *Embracing turnover: Moving beyond the “war for talent”*. *Global talent management*. New York: Routledge.
20. Guest, D. (1990). Human resource management and the American dream. *Journal of Management Studies*, 27(4), 377–397.

21. Teagarden, M., Meyer, J., & Jones, D. (2008). Knowledge sharing among high-tech MNCs in China and India: Invisible barriers, best practices and next steps. *Organizational Dynamics*, 37(2), 190–202.
22. Li, S., & Scullion, H. (2010). Developing the local competence of expatriate managers for emerging markets: A knowledge based approach. *Journal of World Business*, 45(2), 190–196.
23. Sustainability Report. (2014). Y company, Portugal.
24. Management Report. (2014). Y company, Portugal.
25. Performance management system manual. (2014). Y company, Portugal.