

# 6

# Talent Management in Egalitarian Cultures: Scandinavian Managers in Singapore

**Torben Andersen and Stefan Quifors** 

#### Introduction

This chapter explores perceptions of global talent management (GTM) among senior managers working for subsidiaries of Scandinavian multinational enterprises (MNEs) in South East Asia (ASEAN). Since most present TM research tends to be Anglo-Saxon, normative and written from the perspectives offered at corporate headquarters (CHQ), our hope is to broaden the understanding of the phenomena by providing a subsidiary managers' perspective of TM. Presently, TM literature sees limited empirical evidence exploring how TM work is operationalised and implemented. There is a lack of understanding for how TM policies and programmes are perceived and applied by practitioners at all levels

T. Andersen (⋈)

Department of Business Development and Technology, Aarhus University,

Herning, Denmark e-mail: toa@btech.au.dk

S. Quifors

Auckland University of Technology, Auckland, New Zealand

e-mail: stefan.quifors@aut.ac.nz

within MNEs. Many are formulated at top level (CHQ), and knowledge about how this works in highly decentralised company cultures is in our view not accounted for. Such a view is highly relevant and could be influential for those seeking successful implementation of GTM programmes.

In the chapter we provide empirical data on the use of GTM programmes at subsidiary level and how these programmes are de facto implemented in an ASEAN context (through the local regional HQ in Singapore). It will shed light on the main challenges that face TM practitioners and provide specific insights into the experiences, perceptions, and beliefs subsidiary managers have of these relatively new corporate initiatives.

The chapter is based on data from key informants—Scandinavian TM practitioners working and living in Singapore—and the choice of particularly Scandinavian practitioners is deliberate and aims to provide empirical research from outside the dominating literature context, the Anglo-American understanding of TM. This will hopefully broaden the empirical base of TM by indicating how GTM programmes are employed at subsidiary levels of Scandinavian MNE operating within different cultural and institutional contexts. This different contextual perspective to TM research is important since, as will be shown, meanings and understanding of what TM is differ among individuals, organisations, and social and cultural contexts.

The study also adds to Scandinavian management literature practised outside Scandinavia under very different cultural conditions. At present, little is known about Scandinavian TM and Scandinavian subsidiary talent management in practice, and our study addresses, in particular, three questions: How do Scandinavian subsidiary managers use GTM programmes to assist with selection and development of talent in ASEAN? Who do managers working for Scandinavian subsidiaries in ASEAN perceive as being a talent? Do Scandinavian managers in ASEAN amend the GTM programme to suit local contexts and, if so, what amendments are made?

#### Method

In total 22 participants were interviewed. It is important to keep in mind that the participants' opinions are their own and not their employers'. In the mapping of the perceptions of GTM programmes, it was particularly stressed that we did not want the official corporate statements, the window dressing, but how things were in reality. Among the sampled participants, 32% were female and 68% male, and the seniority ranged from 4 to 30 years, that is, no talents were interviewed, and several of the senior participants had been doing this for *many* years (see Table 6.1).

All participating interviewees were expatriates and had a previous history with the company before relocating. They had either applied for an overseas position or been approached about such a role. Some 45% of the participants had been transferred from other expatriate positions within the MNE, while 54% had transferred from Scandinavia. There was

Table 6.1 Overview of the participants in the stu
---

Code	Position	Nationality	Years in MNE	Years in ASEAN
11	Regional Manager	Sweden	10 years	6 years
12	Talent Acquisition Manager	Sweden	21 years	14 years
13	Country Manager	Denmark	17 years	12 years
14	Talent Acquisition Manager	Sweden	13 years	10 years
15	Country Manager	Norway	10 years	4 years
16	Regional Manager	Sweden	14 years	6 years
17	Group Executive VP	Norway	30 years	10 years
18	HR Manager	Sweden	18 years	15 years
19	Regional Manager	Sweden	16 years	5 years
110	Country Manager	Norway	15 years	10 years
111	HR Manager	Sweden	15 years	7 years
112	Regional Manager	Sweden	4 years	3 years
114	Regional Manager	Denmark	12 years	4 years
l15	HR Manager—Asia	Norway	14 years	6 years
116	HR Manager	Sweden	23 years	16 years
117	Regional Manager	Sweden	8 years	2 years
118	CEO	Sweden	7 years	7 years
119	Regional Manager	Norway	16 years	4 years
120	HR Manager—Asia	Sweden	20 years	15 years
121	HR Manager—Asia	Sweden	8 years	2.5 years
122	HR Manager—Asia	Sweden	12 years	3 years
123	Regional Manager	Norway	11 years	3 years

enough experience for the participants to be deemed topic experts. Participants who were active within HR generally had a more strategic HR function, overseeing several countries and not working with daily compliance tasks.

All interviews were held during the second half of 2016. We spent one and a half months in ASEAN, ensuing that we could meet with the interviewees. The initial intention was to conduct as many interviews in neutral venues as possible, but reality quickly dictated that most interviews had to be undertaken at the participant's premises, in the regional head-quarters—within the ASEAN context. We were considered visitors from the home culture, and the interviews were carried out in Scandinavian languages; this helped build trust as we could relate the question to the geographical context and together discuss the experience from both a Scandinavian and an ASEAN perspective.

#### **Research Settings**

Again, it is important to keep in mind that the data collected was the participants' own perceptions and not their organisations'. With that said, there is still an interest in understanding the organisations for which the participants worked. All MNEs had their CHQ in Scandinavia, but a substantial part of their business was outside Scandinavia. Many of them were the large, well known, and in this area trendsetting players from Scandinavia. They had a subsidiary, or in most cases several subsidiaries, legalised in ASEAN. Currently all the MNEs have more than 50% of their turnover, their business, outside Scandinavia. The interviews were only conducted with managers who resided in Singapore or Malaysia. The choice to focus on these two countries was made because of the researcher's familiarity not just with the region (the researcher has lived there and worked in IHRM in the region for ten years) but also because of accessibility. Singapore and Malaysia offer the most regional hubs for Scandinavian companies in ASEAN, making it possible to be flexible with where the interviews were held.

The interviews took place in a broad variety of companies, and the focus was explicitly regional. Even though the study is based on only 22

interviews, our experience was that the attitudes and perceptions held by interviewees tended to converge. Francis et al. (2010) and Constantinou, Georgiou, and Perdikogianni (2017) have in their investigation found that saturation is achieved rather fast, when carrying out theme analysis in interviews. Francis et al. (2010, p. 1231) mention 15 interviews, whereas Constantinou et al. (2017, p. 583) claim that the threshold is already at the 7th interview. Our 22 interviews make us convinced that we have covered the main attitudes held by Scandinavian experts on talent management in ASEAN, based on the similarities covered at the end of the study. Finally it is not a study of who classifies talents—we take for granted that the interviewees are the ones—and it is more a study on how and from which criteria they define and select. It is the gatekeeper's reasoning we are investigating (see also Faulconbridge, Beaverstock, Hall, & Hewitson, 2009).

#### **Theoretical Basis**

In this chapter, we are looking at the comparative dimension of talent management though juxtaposing the universalist and the contextual paradigms (see also Brewster, 1999, for a similar analysis of HRM). The universalist approach, which tends to dominate the US tradition of liberal market economies (LME), compared with the contextually inspired paradigm with its more ideographic approach, characterising many European countries. In this case, some of the most egalitarian countries, the Nordic countries (Denmark, Norway, and Sweden), coordinated market economies (CME) (Hall & Soskice, 2003), where national cultural values tend to be strong on institutional collectivism. The question addressed is how US-initiated unitarist and normative theories of talent management are received, interpreted, and used under a relatively strong cultural and institutional egalitarianism in a highly elitist part of the world. Is talent management in itself recognised as a solution to the HR-related challenges companies and organisations are facing, and if so, how is it implemented? Managers (in Scandinavian countries) have often been reluctant to distinguish top performers from the rest, that is, there has been very limited tradition for pinpointing winners (and losers) in

the workplace. On the contrary, a high level of autonomy and cooperation has been emphasised as key element in the successful Nordic model of managing employees (see e.g. Gustavsen, 2012; Lindeberg, Månson, & Larsen, 2013).

What and who is a talent is a fundamental philosophical and practical concern for TM research. Generally, the literature refers to two different approaches. Some assume that talent is exclusive and some that talent is inclusive (Björkman, Ehrnrooth, Smale, & John, 2011; Dries, 2013; Meyers & van Woerkom, 2014). This distinction is important since it determines how MNEs work with talent. Do they focus on identifying and working with a few high-potential individuals, or do they aim to spread their resources by developing as many as every employee in the organisation? Designers of GTM programmes, and those that operate GTM programmes, choose a path and construct tools to identify, select, develop, and reward talent based on who they see as being a talent (Meyers, van Woerkom, & Dries, 2013). In their seminal work, Meyers and van Woerkom introduced four main types of TM philosophies, based on two dimensions—an inclusive or exclusive approach to TM and a stable versus a developable one. This indicates that talent is either targeted at the few or the many and innate and not taught (stable) or developable (talent is an acquired knowledge that can be taught). The companies believing in talent being innate would be focusing their efforts on talent selection and, to a lesser degree, talent identification, whereas those companies that believe talent is developable place greater emphasis on talent identification and especially talent development (TD) (Meyers et al., 2013). This model provides a clue about how basic definitions and assumptions influence the choice and the importance of the respective TM functions within a GTM programme. This research will detail this further, seeing how these core beliefs shape the TM functions employed by the GTM programme. The dominant approach to talent identification assumes exclusivity. This approach aligns with the underlying assumptions presented in the "war for talent" approach. The focus is on identifying key individuals, often seen as "high potentials" or "A-players" (Axelrod, Handfield-Jones, & Michaels, 2002; Boudreau & Ramstad, 2007; Lewis & Heckman, 2006; Michaels, Handfield-Jones, & Axelrod, 2001). The main assumption is that these individual employees should be

identified and then groomed for future key leadership positions within the organisation (Lewis & Heckman, 2006; Tarique & Schuler, 2010). This approach concentrates TM activities on a few select individuals, and significant resources are spent to develop them (Ahlvik, Smale, & Sumelius, 2016; Björkman et al., 2011; Boudreau & Ramstad, 2007; Meyers & van Woerkom, 2014). However, there is another way to look at talent, an assumption used much less frequently, and that is the assumption of inclusivity. Dries (2013) has elaborated on the inclusiveness approach, suggesting that the entire organisation, including indirect employees such as sub-contractors, outsourced staff, and suppliers, have potential talents, and that TM needs to cater for this. Perhaps people in the periphery of the organisations have a larger variation in knowledge, skills, and abilities, abilities that could feed into the talent portfolio. This, inclusiveness, means that everyone within an organisation is considered a talent even though it has less support in literature (Swailes, Downs, & Orr, 2014). Only very few researchers have suggested this, and in order to obtain a competitive advantage, managers should focus on identifying the talent in each and every employee and develop it. This means that such organisations allocate considerable resources to talent development (Buckingham & Vosburgh, 2001; Cheese, Thomas, & Craig, 2008).

Presently, the main body of literature suggests that exclusively produces the best outcomes. However, some researchers have questioned this assumption saying that there is not enough empirical data to make it and instead suggested, that further empirical data is needed before any such conclusion can be considered valid (Farndale, Scullion & Sparrow, 2010; Al-Ariss, Cascio, & Paauwe, 2014; Björkman et al., 2011; Meyers & van Woerkom, 2014; Schuler, Jackson & Tarique, 2011). In this research setup, based on practical experience of the topic and context, we would not be surprised to find, that while the prevalent assumption in literature is that MNE assumes that talent is exclusive, Scandinavian practitioners may have a different view. Our research thus aims to see what the perceptions of Scandinavian practitioners are. Do they believe talent to be exclusive or inclusive, and how does this inform their choices and further on affect their TM practices and processes? To how large a degree does it influence them, that the study takes place in Singapore, in the ASEAN hub of the MNE, and in the heart

of the more elitist Asian culture? Groups like "transnational elites" (Friedman & Wolff, 1982) and "professional transients" (Castells, 2000) have been presented as core elements in the globalisation taking place in the last couple of decades, i.e. are we investigating people who have a life as privileged professionals moving between expatriate spaces situated mainly in larger cities around the globe (for a specific analysis of Singapore, see, e.g. Beaverstock, 2002)?

#### **Talent Selection**

Talent selection is often associated with general selective recruitment practices. Who is going to be hired or to whom should a specific position be given? According to Dries (2013), it is time for talent selection to migrate from that of filling vacancies to a position, where talent is selected in anticipation of skill shortages. This could be done by building networks, at many different levels, professional, academic, and through existing employees. There are two different schools regarding who should be selected, the persons that perform best on tests or the persons whose values best align with the organisation (McDonnell & Collings, 2011; Mäkelä, Björkman, & Ehrnrooth, 2010). Selection practices vary between MNEs; however, three distinct characteristics have been observed playing an important part when it comes to being selected:

- 1. Cultural distance—The further the candidates' assumed culture, traits, and values are compared with the decision maker, the less likelihood of selection.
- 2. Homophily—The similarities of the candidate and the decision maker. Similarities do not focus only on looks, they could be race, kinship, education, occupation, outlooks on life, gender, and other elements. It is presumed that the more similarities that exist between the decision maker and the identified person, the more likelihood of selection.
- 3. Network—The stronger the network (both internal and external network) and the more connecting network points the candidate has with the decision maker, the more likely the person is to be chosen.

We will return to these characteristics, quite commonly held beliefs, in the discussion and conclusion. In addition, the selection choice is suggested to be made based on one of four conjectural assumptions (Silzer & Church, 2010; Krogh, Lamastra, & Haefliger, 2009), even though none of them has yet been proven or disproven in an empirical study (Iles, Preece, & Chuai, 2010; Krogh et al., 2009).

The first assumption suggests that the right candidate, the one we refer to as talent, is spotted immediately by the manager through intuition (Tulgan, 2001). Many managers believe that the best way to select a talent is through face-to-face contact and that they will intuitively know who will be the right fit for the organisation. Both literature and practitioners use talent identification tools, but these are deemed as less important than the manager's intuition. This approach leaves the talent selection in the hands of subjective local managers. Managers are free to determine whom to select, how to develop them, and if they should identify them as talents.

The second assumption is that anyone can be a talent if you tell them that they are. What managers should look for when selecting is thus an individual who will fit within the team and the company culture, and then let them know that they are seen as talent. If a good fit is found, then success is assumed to follow. This is because when the selected individual gets labelled "talent", they will put in a greater effort and believe that they are destined for greatness. This belief, combined with greater effort, will help them become talented individuals that meet the requirements and expectations of the company. This is referred to as a Pygmalion effect (Eden, 1984; Swailes & Blackburn, 2016).

The third assumption is the opposite of the second; it suggests that if you tell a person that he or she has been identified as talent, they will stop trying, reducing work effort, drive etc. and then underperform. This means that when selecting talent, it is important to recognise innate qualities and based on them position the talent within the organisation. After positioning, there is an emphasis on the continuous development of those selected. To achieve the best outcome, this assumption suggests that the manager needs to select and then develop a person's career, not formally identifying them as talents (see Larsen, London, Weinstein, & Raghuram, 1998).

The fourth assumption is that when people are hired, the key is to ensure that the organisation stays focused and that the selected talent does not disrupt organisational performance. Selected talents are not identified, since work is suggested to be a team effort, and if individual employees are singled out as talent it will lead to resentment among the others. That might affect, in a negative way, the overall performance of the company since those that have not been identified may become disaffected and lose interest in the company (Bothner, Podolny, & Smith, 2011). In this instance, it is better to label every employee a talent. Royal Dutch Shell, for instance, does this and expects it to yield positive results. This is because when every employee is identified as talent, then an emphasis on development and understanding of individual capabilities is expected. It is also said that this situation, where all individuals have been selected as talents, creates a working environment where there is less individual competition and more team effort, helping to boost productivity (Bothner et al., 2011).

### **Talent Development**

Talent development has seen a gradual shift regarding how talent is developed. The previous assumption that vocational competences, skills, and abilities should be developed is now challenged by those who suggest, that talent development should focus on broader behavioural and performative competences, personal characteristics, and soft skills (Brown & Hesketh, 2004; Nilsson, 2010; Tomlinson, 2008). It is suggested that employees need to obtain general and contextually relevant competencies and these competences are developed according to a talent philosophy set out within the GTM programme (Brown & Hesketh, 2004). Competencies are not just hard skills, competency can be metacompetence, the ability to understand and conceptualise new learning, or specific organisation/profession context-bound specialist skills (Tansley, 2011). Thus, development of talent is multifaceted and involves developing specific focal points, such as developing the individual's ability to overcome problems generically and developing the individual's values, norms, and beliefs.

Talent development literature discusses the effectiveness of different talent development approaches. Some prefer a more traditional, formal educational approach, focusing on skills, attributes, and knowledge, while others prefer an approach that is based on experience, values, norms, and human competencies (McCall, 2010; Larsen, 2012). This assumption that development of specific skills, attributes, and often technical competences as a means to provide an organisation with a strategic competitive advantage has been challenged by those stating that skills and technical competences can today quickly be replicated and instead organisations should seek to develop conceptual skills and competencies to maintain a strategic competitive advantage (McCall, 2010). Specialised skills are to be taught at work, through on the job training, and talent development should instead aim to develop the employees' ability to, for example, interact in teams and problem-solve. Many practitioners have realized that specialised skills are not enough to provide companies with competitive advantages; instead it is suggested that continuous investment in general competences and knowledge that allows individuals to easily learn specifics and problem-solve is what is needed (Jørgensen, 2004; Nilsson, 2010). It has been argued that the ability to collaborate, to find information, and to critically evaluate its importance, are employee skills needed for an organisation to maintain a strategic advantage. It has also been suggested, that leadership capabilities together with the ability to pick up and weigh different opinions among staff are increasingly important (Harvey, 2005; Hesketh, 2000). There is in other words an expectation, in many modern companies, that employees should know how to handle tasks with a moral distinction, as this ensures that strategies and policies are followed and there is sensitivity to differing needs, cultures, values, and contexts (Nilsson, 2010). Individuals are thus expected to have broader abilities to understand not just the function of where they work, but also to understand it in concert with a wider array of functions which exist within the organisation. It is hoped for that such a holistic knowledge will lead to the ability to provide oversight and a better ability to structure tasks, utilising all employee resources (Hesketh, 2000; Nilsson, 2010).

With the constant refinement of development needs, practitioners, whose task is to develop talent, face many issues. Predicting future needs is one, but more concerning is that of assessing individual talent

competence and anticipated talent competency needs. Talent development practices are constructed and intended to identify future and present organisational abilities that are needed to obtain a competitive advantage for the organisation. This identification is done by detailing skills, values, norms, and abilities for each individual and each job/position (Söderquist, Papalexandris, Ioannou, & Prastacos, 2010). Positions are created, aligned, and amended to fit the employees; the positions must match the individuals to create a fit. Developing individuals who can fit into positions and are able to adapt to future positions is what TD practitioners are focused on (Baker, 2009; Nilsson, 2010; Söderquist et al., 2010). There are tensions among those aiming to design and construct talent development strategies. These tensions trace their roots back to the development of HRM (Pfeffer, 1998). The main tensions are between those who look for best practice (Armstrong, 2009; Richardson & Thompson, 1999) and those that look for best fit.

Those that look to identify best practices follow the universalist tradition (Richardson & Thompson, 1999). It is assumed that if identified these best practices of talent development can be applied to any organisation in any circumstance and achieve improved organisational performance. It is thus assumed that there is a linear relationship between TD practices and organisational performance (Huselid, 1995). Unlike the best practice approach, the best fit perspective first considers the internal and external context and adapts the strategy to fit it. It focuses on aligning TD practices to organisational strategic goals, allowing those goals to determine which TD practices are most suitable for an organisation (Boxall & Purcell, 2008; Lengnick-Hall, Lengnick-Hall, Andrade, & Drake, 2009). It has been argued that no matter what approach an organisation takes, in reality the majority of organisations follow the best fit rather than the best practice approach, with the need to develop talent becoming greater and warranting much more attention (Lengnick-Hall et al., 2009).

There has also been an issue with talent development mapping. When an organisation develops individual context-based competences, problem-solving skills, team working abilities, and promoting specific values, it is not something that lends itself to exact measurement of progress. Nor are such abilities easy to improve/increase in the context of the organisation's future

assumed needs and demands. Previously, development would be focused on specific skills and tasks, practices that lent themselves to measurement using Key Performance Indicators, so that a clearer linear logical sequence could be seen between talent development and assumed future organisational performance (Wright & Snell, 1998). While specific skills can be taught and certified, value-based organisations face the daunting task of teaching values, norms, shared meanings, and organisational culture (Iles, Chuai, & Preece, 2010), that are individually subjective and where measurement and impact are highly contextual. How employees address, manage, and interact with their colleagues, how they approach problem-solving, and how they align themselves with the core organisational culture, is thus only to some degree defined and reinforced through repetitive talent development exercises, and the work is infinite (Alvesson & Kärreman, 2007). Previously, attending specific development programmes was seen as creating an image, an anchoring of rationality which was used to legitimise the employees' organisational position. Adding skills, attending training was often linked to either promotion or expanded scope of the talent's position (Alvesson & Kärreman, 2007; Iles et al., 2010). However, such practices present several issues; while the formal competencies linked to obtaining a role are often directly aligned with formal credentials such as degrees, certifications, or tenure, the ability to perform in a role is often linked to human, political, social, and cultural competencies (Iles et al., 2010).

## **Empirical Analysis**

In this section, we have selected illustrative interview quotes from the 22 transcribed interviews. It is obviously our selection among hundreds of pages, but in many respects, the quotes are very good proxies for the attitudes held in general by the participants. Wordings differ, but intentions are similar across the interviewees. The first thing that is noticeable is that Scandinavian managers to a great extent perceive talent as an inclusive phenomenon, and it is mirrored in the highly inclusive approach practiced in the participating companies (see quotes below from two senior HR managers):

I4 Everyone is a talent. If I hire them and they aren't seen as talents, I'm not doing my job. They may be raw and in need of serious coaching but that's our

job and we have those tools. Key is to see their talent and utilize it. We often fail to see what people can improve and keep them performing certain tasks. A major mistake. Individuals need to be challenged and feel that someone is looking at their role.

I15 Everyone, it's about finding what they are a talent for. Where their talent can be used, we all have some talents. Me, my work is to identify and develop each person's talent. That's what I am sent here to do.

The participants' perceptions of talent were closely tied to their own competences in identifying this, and secondly they felt they had the implicit right to define, amend and balance the TM programme, so that it was adapted to their reality—without informing CHQ. They assume that it is the local subsidiary manager's role to prioritise among the elements in the GTM programme so that best possible local results are achieved. The reason given was that they, as subsidiary managers, have the competence to make such decisions without having to gain approval from HQ level. This means that while the GTM programme serves as a guide, the individuals choose how much effort each function is given, and thus the GTM programme is implemented differently across a MNE.

I16 Its good, really needed, of course we need to adapt it to suit Asia, but that should be done by us here and not in the guide itself. I think that since we were allowed to comment and provide written feedback in the guide things have improved substantially. It doesn't just leave a trail of evidence but also allows me to better understand how other subsidiaries work with GTM. Having a clear guide is a must for a big company like ours, if we don't and if we don't enforce it we are left with a few islands...

I17 I think it's good, it's a platform. We need to have greater input from us out here in the subsidiaries. We aren't always involved in its updates, well we are involved but not enough.

The perceptions and work with talents therefore reinforce the picture of rather decentralised - in good and bad terms -MNEs, and this is also supported by the importance of values, as the basis for the broader talent identification, selection, and development was mentioned many times, for example:

I22 The values are our guiding strategy and GTM explains what they are and how they can be identified or developed in our employees. We are lean, we have a shared commitment to quality, to respect for the individual and to always put

the customer first. We lead by example, that is the XX way. That's what we strive for. From there we design not just the GTM programme and procedures but everything in the entire company. That's where it begins and we work from it.

13 GTM starts with us, who we are, our history and how that has formed us. Provides our values. Based on those values and beliefs, GTM provides us with tools to make informed choices. It helps with recruitment, remuneration, training and development and it helps with company culture.

Implementation of GTM is in other words initiated and controlled through the strong values characterising the companies, and in this way, talent work does not depart from other types of activities in the MNEs. There is also an underpinning understanding that GTM in the Scandinavian companies is a long-term process and that quick results and changes are not to be expected:

I8 GTM is our 5, 10 and 20-year plan. We plan for the individual and how and where helshe will fit into our organisation. We have an idea what we need to provide to him/her and what helshe needs to provide to us. GTM is about shaping people over time, allowing them to be successful in our team.

I19 One initiative is to look at those who have spent more than five years with us. Those employees have committed to the organisation. They are often an underutilized resource and we try to see how we can work with them and invest in their careers. In Asia, it is often so that there is an expectation that you should, after having served enough time with an organisation, be rewarded.

Talent management is not a quick fix, something companies are using here and now and perhaps tomorrow, as an answer to recent fashion demands. It is seen as a long-term investment, where retention takes place through individual development, i.e. carefully planned career work with very limited employee turnover.

Among the interviewees, there was a belief that the effort is not focusing as much on the individual, but instead to obtain results, there needs to be a focus on the team, its fit, and it should guide the manager towards how to develop talent. TM is highly team focused:

I12 I am the coach, I construct and develop my team and to do that I use the GTM programme, it is my manual so to speak.

I7 GTM is about creating the right team, the right people and the right organisation for them.

Interestingly the interviews also revealed a strong focus on personteam fit as a basis for talent work. This is to a lesser extent mapped in other studies; in other words, here we see the micro-level inclusiveness, which probably removes some of the resistance towards talent work. The link between an inclusive approach and the functions is highlighted since the participants all stated that first they aim to identify talent internally. GTM provides continuous development of talent keeping the MNE with a productive talent pipeline:

I22 Our focus is to look internally first. It should be clear to all employees that they are given opportunities to grow with us and we will look internally when vacancies occur.

I2 We prefer internal talent but that's not always possible. We try to have a pipeline of talent, well that's my job to ensure we have, mine and local management's. External talent is expensive.

Looking at the means to install values and develop talent effectively, the method deemed most valuable was that of inpatriation. It allowed values, habits, and organisational culture to be taught over time, and it allowed the employees to experience what the organisational culture is like in practice—something that they are more likely to replicate when and if they return to Asia. Many participants commented that inpatriation was the single most effective GTM tool on offer, and here we again return to the Scandinavian values as a selection mechanism and Asian values as a lesser important element.

19 It is (inpatriation) something we in Asia push for. We want more of this. The learning is immense and they understand what our corporate culture is. They return as changed individuals, they have a network in Sweden and they almost act as change agents. They are between Swedes and Asians when they return, one foot in each group.

I4 In an ideal world they would be sent frequently back to Scandinavia to understand what we are about, working locally can never prepare you to manage properly in a Scandinavian way.

However, training needs to occur over time since it is a longer process changing values, beliefs, norms, and culture, i.e. we can through repeated and specific workshops hope for that the predicted results will materialize.

Alternatively, a consistent focus on soft skills and competences needs to be instilled and understood by talent over time. To create a new way to interact takes time and requires change among employees who are used to a different kind of management and contextual expectations.

118 The key with Asians is that they need to be trained over time, reinforce behaviours and get used to working and interacting like Scandinavians do. They are good people, high quality but to succeed in Scandinavian companies they need to learn how to interact, how to speak out and when needed question manages. It's a different culture....

Finally, while the interviewees prefer a socalled Scandinavian organisational culture, and values to be maintained and followed within the MNE, also outside of Scandinavia, they acknowledge that they needed local expertise. However, that expertise should be able to understand both the MNE context and culture and the specific local context where the subsidiary is present.

I4 Our most challenging task within the coaching here in Asia is to make them function as Asians but within a company with Scandinavian values and patterns, it takes time. We want Asians, their local skills and understandings but we want them to be able to function in a Scandinavian setting. A win-win.

I18 ASEAN is different and we need to understand that. I believe that having a Swedish HR manager in the largest subsidiaries is vital. It is something not enough companies have. But it needs to be a people person because that's where helshe is needed, not at the compliance or payroll side of things. Having a manager that works with Asians and their values and norms to ensure they fit with the organisations would be extremely beneficial. The key here is that they should focus on where Asian weaknesses are, people skills, inability to question managers or handle being questioned, etc.

The ASEAN headquarters seem to be in a juxtaposing situation, where very different demands have to be met simultaneously. At the functional level, talents should be Asians and at the value level Scandinavians, and it of course triggers the question as to how large a degree this is possible, at least in the short run. The solution seems to be to carry out TM within a rather long-time horizon, thereby securing the high retention and low turnover level.

#### **Conclusions**

A common "finding" in much GTM literature is that assumptions held at CHQ level could be deemed valid for the entire MNE. Through interviews with heads of talent or programme initiators, that is, a single (and central) point of data entry, we have in talent research to a large degree only mapped the CHQ preferred perspective. This study has found that such assumptions cannot be assumed universally; instead the realities of TM at subsidiary level quite often differ from those at CHQ level. It is of course also necessary to consider the underlying philosophies for the GTM programmes and link them to any assumptions about TM processes and outcomes. In our case, there is a link between a perception—that talent is inclusive—and how talent selection, talent identification, and talent development are undertaken.

From the interviews, it was clear that subsidiary managers "tweak" the GTM programme to suit their context, and this is without a designated feedback channel to CHQ. This was the one dominant recipe among the interviewees, and it was also clear that participants assumed that this was part of their managerial tasks. Such adjustments make it difficult to analyse the effectiveness of a specific GTM process across a MNE. It is also noticeable that the local contextual pulls make one consider whether there are multiple realities across the MNE in regard to talent, and that specific choices made regarding talent and TM lead to different results. Those that assume that talent is a few select individuals and focus their development and rewards on the selected few will inevitably face the realities described in "the war for talent" (Axelrod, Handfield-Jones & Michaels, 2002). Using a Scandinavian approach to talent and GTM provides a different reality, where talent is consistently generated through internal talent pipelines, regional differences, and strong values of inclusiveness.

However, the participants highlighted a risk of "clonism", both when it comes to using own local criteria for selection, close cultural distance, homophily/similarity, and network connections. They argued, that MNEs need to ensure that they are part of their specific contexts, so that they can utilise the local employees' contextual knowledge and competences without losing their own specific Scandinavian character. Thus, for Scandinavian subsidiary managers, there is a belief that this risk is reduced

when the GTM programme provides specific and detailed requirements regarding talent identification, selection, and development but also ensures that there is breadth and context sensitivity within the programme. The latter is achieved by the fact that subsidiary managers of Scandinavian MNE, while attempting to transfer the GTM programmes, also amend and adapt these practices and processes to better fit the local context. It is a two-way fit they try to accomplish. These amendments are local to the subsidiaries and assume that the local subsidiary manager is deemed, based on competence and experience, to be the person that should decide on this.

Overall, this means that while there is considerable support for a standardised approach to talent and GTM, there is, at the same time, an effort to use the GTM programme's functions as effectively as possible in respect of the subsidiary context. The Scandinavian companies seem to harvest both the advantages of ethnocentrism and polycentrism in their regional approach (see also Taggart, 1998). The programme modifications come in many shapes and forms with a focus on specific talent identification, selection, and development methods being common. A noticeable specific trend has been an increase in regional platforms, developed to help the local GTM programme within the broader region, like ASEAN covered by the subsidiary. In particular, this is the case when it comes to talent development practices such as inpatriation. Regionalism is in other words paving the way for the development of translocals (Smith, 1999), a group of talents who in future can participate in intracompany networks accumulating and transferring knowledge between the local-context CHQ.

At the same time, it is noticeable that Scandinavian MNE's ethnocentric approaches to management and organisational culture, through strong emphasis on having or potentially acquiring distinct Scandinavian value sets, are supported by local subsidiary management in ASEAN. Our interviewees believe that since most transfers of knowledge and values are tacit, then only someone with experience from the parent organisation can determine what kind of knowledge should be transferred and facilitate such transfer. This way the Nordic exceptionalism thesis—that more human and mild penal regimes prevail when culture differs—is challenged by the somewhat repressive elements of value assimilation demands (Barker, 2012; Minbaeva et al. 2018). Tacit knowledge is rooted in the experiences and understandings of the individual, and if one wants to enhance organisational values and cul-

ture, experience of how this is passed on makes a difference. This makes a solid grounding in Scandinavian management important and could contribute to the relative strength of the HRM system here (see also Farndale & Sanders, 2017). It is also aligned with the participants' belief that Scandinavian management philosophy is, in itself, a competitive advantage and, without the full understanding of the philosophy and beliefs, this competitive advantage can be lost in a more diverse, globalised, world, where many different hybrid models (sectoral, regional, national, and supranational) seem to develop (see Brookes, Brewster, & Wood, 2017). The specific values and culture are the bases for a more decentralised and efficient way of working in the Scandinavian companies, and the way to make that work in practice is participants have to subscribe to an inclusive and development-oriented talent approach. And one could add, that an important precondition for the successful Scandinavian culture tightness could be that Singaporean culture itself is one of the tightest in international comparison (see Gelfand et al., 2011), that is, the talents are somehow used to the strong demand for complying with norms.

Finally by seeing everyone as a talent, Scandinavian GTM programmes aim to make the most out of every employee. This seeks to produce a strategic competitive advantage based on the team's overall performance and not the performance of a few select star employees, so-called high potentials or A-players. This philosophy differs from the main body of literature, where researchers have suggested, that the exclusive approach to talent is the most efficient one when it comes to overall company performance (Boudreau & Ramstad, 2007; Iles et al., 2010; Höglund, 2012). It also differs from mainstream literature where the focus for TM is on identifying managerial talent (Boudreau & Ramstad, 2007; Höglund, 2012, Lepak & Snell, 1999). This leads to a situation where it is less likely that talent will be poached by competitors and, even if talent is poached, the continuous development of staff prevents a talent shortage. In addition it requires an explanation by management on why relatively few are selected for talent programmes, not the many, when everyone is a talent.

#### References

- Ahlvik, C., Smale, A., & Sumelius, J. (2016). Aligning corporate transfer intentions and subsidiary HRM practice implementation in multinational corporations. *Journal of World Business*, 51(3), 343–355.
- Al-Ariss, A., Cascio, W. F., & Paauwe, J. (2014). Talent management current theories and future research directions. *Journal of World Business*, 49, 173–179.
- Alvesson, M., & Kärreman, D. (2007). Unravelling HRM: Identity, ceremony, and control in a management consulting firm. *Organization Science*, 18(4), 711–723.
- Armstrong, M. A. (2009). A handbook of human resources management (11th ed.). London: Kogan Page.
- Axelrod, B., Handfield-Jones, H., & Michaels, E. (2002). A new game plan for C players. *Harvard Business Review*, 80(1), 80–88.
- Baker, D. P. (2009). The educational transformation of work: Towards a new synthesis. *Journal of Education and Work, 22*(3), 163–191.
- Barker, V. (2012). Nordic exceptionalism revisited: Explaining the paradox of a Janus-faced penal regime. *Theoretical Criminology, 17*(1), 5–25.
- Beaverstock, J. V. (2002). Transnational elites in global cities: British expatriates in Singapore's financial district. *Geoforum*, 33(4), 525–538.
- Björkman, I., Ehrnrooth, M., Smale, A., & John, S. (2011). The determinants of line management internalization of HRM practices in subsidiaries. *International Journal of Human Resource Management*, 22(8), 1654–1671.
- Bothner, M., Podolny, J. M., & Smith, E. (2011). Organizing contests for status: The Matthew effect versus the mark effect. *Management Science*, *57*(3), 439–457.
- Boudreau, J. W., & Ramstad, P. M. (2007). Beyond HR: The new science of human capital. Boston: Harvard Business School Press.
- Boxall, P., & Purcell, J. (2008). *Strategy and human resource management*. Basingstoke, UK: Palgrave Macmillan.
- Brewster, C. (1999). Strategic human resource management: The value of different paradigms. *Management International Review*, 39(3), 45–64.
- Brookes, M., Brewster, C., & Wood, G. (2017). Are MNCs norm entrepreneurs or followers? The changing relationship between host country institutions and MNC HRM practices. *International Journal of Human Resource Management*, 28(1), 1690–1711.
- Brown, P., & Hesketh, A. (2004). *The mismanagement of talent: Employability and jobs in the knowledge economy*. Oxford: Oxford University Press.

- Buckingham, M., & Vosburgh, R. M. (2001). The 21st century human resources function: It's the talent, stupid! *Human Resource Planning*, 24(4), 17–23.
- Castels, S. (2000). The rise of the network society (2nd ed.). Oxford: Blackwell.
- Cheese, P., Thomas, R. T., & Craig, E. (2008). The talent powered organization: Strategies for globalization, talent management and high performance. London: Kogan Page.
- Constantinou, C. S., Georgiou, M., & Perdikogianni, M. (2017). A comparative method for themes saturation (CoMeTS) in qualitative interviews. *Qualitative Research*, 17(5), 571–588.
- Dries, N. (2013). The psychology of talent management: A review and research agenda. *Human Resource Management Review*, 23(4), 272–285.
- Eden, D. (1984). Self-fulfilling prophecy as a management tool: Harnessing Pygmalion. *Academy of Management Review*, *9*(1), 64–73.
- Farndale, E., & Sanders, K. (2017). Conceptualizing HRM system strength through a cross-cultural lens. *The International Journal of Human Resource Management*, 28(1), 132–184.
- Farndale, E., Scullion, H., & Sparrow, P. (2010). The role of corporate HR function in global talent management. *Journal of World Business*, 45(2), 161–168.
- Faulconbridge, J. R., Beaverstock, J. V., Hall, S., & Hewitson, A. (2009). The 'war for talent': The gatekeeper role of executive search firms in elite labour markets. *Geoforum*, 40, 800–808.
- Francis, J. J., Johnson, M., Robertson, C., Glidewell, L., Entwistle, V., Eccles, M. P., & Grimshaw, J. M. (2010). What is an adequate sample size? Operationalising data saturation for theory-based interview studies. *Psychology of Health*, 25(10), 1229–1245.
- Friedman, J., & Wolff, G. (1982). World city formation: An agenda for research and action. *International Journal of Urban and Regional Research*, *3*, 309–344.
- Gelfand, M. J., et al. (2011). Differences between tight and loose cultures: A 33-nation study. *Science*, 332, 1100–1104.
- Gustavsen, B. (2012, December). Workplace cooperation key to Nordic model's success. *Nordic Labour Journal*, 1–7.
- Hall, P. A., & Soskice, D. (2003). Varieties of capitalism and institutional change: A response to three critics. *Comparative European Politics*, 1(2), 241–250.
- Harvey, L. (2005). Embedding and integrating employability. *New Directions for Institutional Research*, 2005(128), 13–28.
- Hesketh, A. (2000). Recruiting an elite? Employers' perceptions of graduate employment and training. *Journal of Education and Work, 13*(3), 245–271.

- Höglund, M. (2012). Quid pro quo? Examining talent management through the lens of psychological contracts. *Personnel Review*, 41(2), 126–142.
- Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity and corporate financial performance. *Academy of Management Journal*, 38(3), 635–672.
- Iles, P., Chuai, X., & Preece, D. (2010). Talent management and HRM in multinational companies in Beijing: Definitions, differences and drivers. *Journal of World Business*, 45(2), 179–189.
- Iles, P., Preece, D., & Chuai, X. (2010). Talent management as a management fashion in HRD: Towards a research agenda. *Human Resource Development International*, 13(2), 125–145.
- Jørgensen, C. H. (2004). Connecting work and education: Should learning be useful, correct or meaningful? *The Journal of Workplace Learning*, 16(8), 455–465.
- Krogh, G. von, Lamastra, C. R., & Haefliger, S. (2009). *Phenomenon-based research in management and organization science: Towards a research strategy* (Working paper). Zurich: ETH.
- Larsen, H. H. (2012). *Talent management perspektiver, dilemmaer og praksis*. Kobenhavn, Denmark: Samfundslitteratur.
- Larsen, H. H., London, M., Weinstein, M., & Raghuram, S. (1998). High-flyer management development programs: Organizational rhetoric or self-fulfilling prophecy? *International Studies of Management & Organization*, 28(1), 64–90.
- Lengnick-Hall, M., Lengnick-Hall, C., Andrade, L., & Drake, B. (2009). Strategic human resource management: The evolution of the field. *Human Resource Management Review, 19*(2), 64–85.
- Lepak, D. P., & Snell, S. A. (1999). The human resource architecture: Toward a theory of human capital allocation and development. *Academy of Management Review*, 24(1), 31–48.
- Lewis, R. E., & Heckman, R. J. (2006). Talent management: A critical review. Human Resource Management Review, 16(2), 139–154.
- Lindeberg, T., Månson, B., & Larsen, H. H. (2013). HRM in Scandinavia Embedded in the Scandinavian model. In E. Parry, E. Stavrou, & M. Lazarove (Eds.), Global trends in human resource management. London: Palgrave/ Macmillan.
- Mäkelä, K., Björkman, I., & Ehrnrooth, M. (2010). How do MNCs establish their talent pools? Influences on individuals' likelihood of being labelled as talent. *Journal of World Business*, 45, 134–142.

- McCall, M. W. (2010). Recasting leadership development. *Industrial and Organizational Psychology*, *3*(1), 3–19.
- McDonnell, A., & Collings, D. G. (2011). The identification and evaluation of talent in MNCs. In H. Scullion & D. Collings (Eds.), *Global talent management* (pp. 56–73). London: Routledge.
- Meyers, M. C., & van Woerkom, M. (2014). The influence of underlying philosophies on talent management: Theory, implications for practice, and research agenda. *Journal of World Business*, 49(2), 192–203.
- Meyers, M. C., van Woerkom, M., & Dries, N. (2013). Talent-innate or acquired? Theoretical considerations and their implications for talent management. *Human Resource Management Review*, 23, 305–321.
- Michaels, E., Handfield-Jones, H., & Axelrod, B. (2001). *The war for talent*. Boston: Harvard Business School Press.
- Minbaeva, D., Andersen, T., Lubanski, N., Navrbjerg, S. E., & Torfing, R. M. (2018). Macro talent management in Denmark. The origins of Danish talent paradox. In V. Vaiman (Ed.), *Macro talent management: A global perspective on managing talent in developed markets*. London: Taylor & Francis.
- Nilsson, S. (2010). Enhancing individual employability: The perspective of engineering graduates. *Education & Training*, 52(6/7), 540–551.
- Pfeffer, J. (1998). *The human equation: Building profits by putting people first.*Boston: Harvard Business School Press.
- Richardson, R., & Thompson, M. (1999). The impact of people management practices on business performance: A literature review. London: CIPD.
- 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, 506–516.
- Silzer, R., & Church, A. H. (2010). Identifying and assessing high-potential talent: Current organizational practices. In R. Silzer & B. E. Dowell (Eds.), *Strategy-driven talent management: A leadership imperative* (pp. 213–279). San Francisco: John Wiley & Sons.
- Söderquist, K. E., Papalexandris, A., Ioannou, G., & Prastacos, G. (2010). From task-based to competency-based: A typology and process supporting a critical HRM transition. *Personnel Review*, 39(3), 325–346.
- Swailes, S., & Blackburn, M. (2016). Employee reactions to talent management. *Employee Relations*, 38(1), 112–128.
- Swailes, S., Downs, Y., & Orr, K. (2014). Inclusive talent management: Potential, possibilities and practicalities. *Human Resource Development International*, 17(5), 529–544.

- Taggart, J. H. (1998). Strategy and control in the multinational enterprise: Too many recipes? *Long Range Planning*, *31*(4), 571–585.
- Tansley, C. (2011). What do we mean by the term "talent" in talent management? *Industrial and Commercial Training*, 43, 266–274.
- Tarique, I. R., & Schuler, R. S. (2010). Global talent management: Literature review, integrative framework, and suggestions for further research. *Journal of World Business*, 45, 122–133.
- Tomlinson, M. (2008). The degree is not enough: Students' perceptions of the role of higher education credentials for graduate work and employability. *British Journal of Sociology of Education*, 29(1), 49–61.
- Tulgan, B. (2001). Winning the talent wars. *Employment Relations Today*, 23(1/2), 37–51.
- Wright, P. M., & Snell, S. (1998). Toward a unifying framework for exploring fit and flexibility in strategic human resource management. *Academy of Management Review*, 23(4), 756–772.